

PROVISION	SECTION IN ADA	SUMMARY
V. Choice of forum	IX	The Area Development Agreement incorporates the dispute resolution provisions of the Franchise Agreement, which includes a forum selection provision that requires any lawsuit to be filed in Multnomah County Circuit Court or in the federal court located closest to Company's headquarters, currently the U.S. District Court for the District of Oregon. (Subject to state law. Certain states have laws that supersede the choice of forum in the Franchise Agreement and require that a lawsuit be brought in the state or federal courts in the franchisee's home state. See the State-Required Addenda, Exhibit G.)
W. Choice of law	IX	Oregon law applies. (Subject to state law. Certain states have laws that supersede the choice of law provision in the Franchise Agreement. See the State-Required Addenda, Exhibit G.)

ITEM 18

PUBLIC FIGURES

Several former professional basketball players are owners of Shoot 360 franchises, and some have provided testimonials regarding the Shoot 360 System and their experience with the franchise. None of the franchisees are compensated for their testimonials. We do not use any other public figure to promote our franchises, nor is there any public figure who is involved with the management or control of our company.

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.

As of October 31, 2024 there were 40 Shoot 360 Franchised Gyms in operation. Of these Franchised Gyms, 28 operated for the entire 12-month period ended October 31, 2024 (the "Measured Gyms"). We have excluded from the Measured Gyms 12 Franchised Gyms. 10 of the 12 were excluded because they were not open and operating for the entire 12-month period ended October 31, 2024. Nine of these Franchised Gyms opened during this time period and one was closed for a portion of this time period due to construction. Of the remaining two that were excluded, one was excluded because it was not operated on a full-time basis due to operating restrictions in its lease and one was excluded because it does not operate the same business model that a typical Franchised Gym is required to currently operate.

The table below provides information from the Measured Gyms for the 12-month period ended October 31, 2024 (the "Measurement Period"):

	Training Units of Measured Gyms¹	Monthly Membership Level Per Training Unit²	Membership Revenue Per Member Per Month³	Non-Membership Revenue (Expressed as a Percentage of Membership Revenue)⁴
Average	6	47	\$126	15%
Facilities that met or exceeded the Average Number %	16 / 57%	12 / 43%	14 / 50%	13 / 46%
Median	6	43	\$126	14%
High	8	72	\$163	31%
Low	4	20	\$90	3%

NOTE 1. The average “Training Units of Measured Gyms” was calculated by determining the total number of Training Units of the Measured Gyms for the Measurement Period and dividing that number by 28 (the total number of Measured Gyms).

NOTE 2. Monthly Membership Level per Training Unit was determined using membership data by Measured Gym, by month, as reported by our gym management software. To determine the average Monthly Membership Level per Training Unit we, for each of the Measured Gyms: (1) determined the total revenue from membership fees for the Measurement Period, (2) divided such amount by 12, and (3) divided the resultant by the number of training units at the Measured Gym. The overall monthly average reported in the chart above was calculated by summing the averages of the Measured Gyms Monthly Membership Level per Training Unit and dividing by 28 (the total number of Measured Gyms).

NOTE 3. Membership Revenue per Member per Month was determined using membership revenue and membership data by Measured Gym, by month, as reported by our gym management software. For each Measured Gym we: (1) determined the total revenue from membership fees for the Measurement Period, (2) divided such amount by 12, and (3) divided the resultant by the average membership of the Measured Gym. Average membership for a Measured Gym was calculated by determining the total monthly membership of the Measured Gym for the Measurement Period and dividing by 12. The overall monthly average reported in the chart above was calculated by summing the average Membership Revenue per Member per Month for the Measured Gyms and dividing by 28 (the total number of Measured Gyms).

NOTE 4. Non-Membership Revenue as a Percentage of Membership Revenue was determined using revenue from membership fees, total revenue and membership data for each Measured Gym, by month, as reported by our gym management software. Non-Membership Revenue as a Percentage of Membership Revenue was determined using total revenue from membership fees, total revenue and membership data by Measured Gym, by month, as reported by our gym management software. We calculated Non-Membership revenue by calculating the difference between total revenue of a Measured Gym for the Measurement Period and revenue from membership fees for the Measurement Period. At the Measured Gym level and for all of the Measured Gyms, Non-Membership Revenue as a Percentage of Membership Revenue was calculated by dividing total revenue from membership fees by Non-Membership revenue. Non-membership revenue is revenue from sources other than membership fees.

Notes to this Item 19

1. The revenue information above was determined consistent with the definition of Gross Revenue in the Franchise Agreement.

2. The information in the chart above for the Measured Gyms was based upon information we were able to obtain from our gym management software. This information is provided to us on a cash accounting basis. We have not verified any of this information.

3. The revenue information in the chart above only represents gross sales. These gross sales figures do not reflect the cost of sales, operating expenses or other costs that must be deducted from the gross sales figures to calculate net income or profit.

4. **Some Shoot 360 Gyms have sold these amounts. Your individual results may differ. There is no assurance that you will earn as much.**

5. Written substantiation of this information will be made available to you upon reasonable request.

6. Dollar amounts in the chart above were rounded to the nearest dollar and percentages to the nearest whole percent.

7. All of the Measured Gyms offered substantially the same products and services as you are expected to offer, other than Shoot 360 leagues and adult memberships that launched in late 2024.

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 your future income, you should report it to the franchisor's management by contacting Mark Moreland, 12403 NE 60th Way, #D-1, Vancouver, WA 98682, tel. 360-433-9841, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEM WIDE OUTLET SUMMARY
FOR FISCAL YEARS ENDED 2022, 2023, AND 2024*

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	15	23	+8
	2023	23	30	+7
	2024	30	40	+10
Company-Owned**	2022	3	2	-1
	2023	2	2	0
	2024	2	2	0