

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		<p>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 any business that: (i) supplies the Rowformer Machine or any type of</p>

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		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.

FRANCHISEE REVENUE FOR A SINGLE FRANCHISED STRONG BUSINESS DURING THE SEVEN-MONTH PERIOD FROM SEPTEMBER 2024 THROUGH MARCH 2025

This analysis contains actual, historical Revenue data for the 1 franchised Strong Business that was open and operating during a portion of our 2024 fiscal year and our 2025 fiscal year to date.

The 1 Strong Business included in this analysis was opened in San Antonio, Texas by a third-party franchisee in September 2024 and therefore has operated for 7 full calendar months through March 2025. No other Strong Businesses were open and operating during our 2024 fiscal year or as of the date of this Disclosure Document.

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

Month	Revenue
September 2024	\$40,114.19
October 2024	\$41,211.94
November 2024	\$52,140.88
December 2024	\$58,024.07
January 2025	\$58,066.21
February 2025	\$60,153.11
March 2025	\$69,043
TOTAL REVENUE (7 Calendar Months)	\$378,753.40

*Of the total Revenue, \$366,025.21 was earned through our CORE membership program and \$12,728.19 was earned through our ClassPass program. See Notes 2 and 3 below.

Notes

1. “Revenue” has the same meaning as in the Franchise Agreement, namely “the aggregate of prices charged or chargeable by the Franchisee and all other income and remuneration received or receivable by the Franchisee in the conduct of the Business and includes the proceeds of the Franchisee’s business interruption insurance policy and any promotional fees, commissions or other income received from any suppliers of products or services; but excludes (i) the amount of any tax imposed by any federal, state, municipal or governmental authority directly on sales and collected from Customers if such tax is added to the selling price and actually paid by Franchisee to such governmental authority, and (ii) any sales credits such as the sale price of any products returned by Customers where cash or allowances have been refunded or made to the Customer.”

2. “CORE” is our current Customer management software that tracks memberships, membership agreements and membership fees.

3. “ClassPass” is a third-party aggregator platform where users can book into a session via the ClassPass app. ClassPass remits fees to the Strong Business based on bookings and attendance.

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

Except as set forth above, 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 Francis Armstrong at Creative Cubes, Level 5/111 Cecil St., South Melbourne, Victoria, Australia, 3205 and 011-3-61-422-096-604, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR FISCAL YEARS 2022 TO 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	1	1

*Our fiscal year end is December 31. Therefore, the 2022 fiscal year ended December 31, 2022, the 2023 fiscal year ended December 31, 2023, and the 2024 fiscal year ended December 31, 2024.

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