HIP & FLO

COUNTRY OWNERSHIP FRAMEWORK

PRIVATE & CONFIDENTIAL

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Building the World's Leading Racquet Sports Lifestyle Brand

The world's most admired brands are defined by far more than the products they create. They represent a standard, a philosophy and a way of life. Through consistent quality, thoughtful design and uncompromising attention to detail, they earn trust, inspire loyalty and become part of the identity of the people who choose them.

Hip & Flo was founded with that ambition. Our vision is simple: to become the world's leading racquet sports lifestyle brand.

Padel and pickleball are transforming the global racquet sports market, creating one of the most significant opportunities in modern sport. Many companies will compete within this market. Only a small number will define it. History shows that enduring businesses are created not by those who simply sell products, but by the brands customers trust, admire and choose time and again. That is the opportunity Hip & Flo intends to capture.

Hip & Flo was never conceived as simply a product company. Products will evolve, technologies will advance and consumer preferences will change, but great brands adapt. Our ambition extends beyond equipment to create a lifestyle synonymous with quality, performance and contemporary racquet sports culture. Every decision will be measured against a single question: *Will it strengthen the Hip & Flo brand?* If the answer is no, it does not belong in our future.

Being premium is not about price; it is about standards. Every product and every interaction should reflect exceptional quality, thoughtful design and meticulous attention to detail. Quality is not an aspiration but the standard by which Hip & Flo will be judged.

This Framework sets out the principles that will guide that journey.

Why the Country Ownership Model Exists

Every ambitious international brand faces the same challenge: how should it expand into new markets? The conventional answer is distribution, with products supplied to independent businesses whose primary objective is to maximise sales within their country. Whilst effective for many companies, this approach rarely creates genuine alignment. Distributors sell a brand; they do not build one.

Hip & Flo has chosen a different approach. We believe exceptional brands are built by people who think like owners. A distributor measures success by sales; an owner measures success by the long-term value of what they create. That difference shapes every decision. Owners invest in reputation, relationships and market development because they are creating an enduring asset, not simply selling products.

The Country Ownership model aligns the interests of Hip & Flo and its Country Owners. Hip & Flo invests in the brand; Country Owners invest in their markets. Both succeed by creating lasting value rather than pursuing short-term commercial gain.

Country Ownership is awarded selectively. Our objective is not to allocate every country as quickly as possible, but to establish a network of exceptional business owners who share our standards, values and ambition. We would rather leave a country unallocated than compromise the quality of our network.

The Opportunity

Country Ownership provides the opportunity to establish and grow the Hip & Flo business within an entire market. More than the right to sell products, it provides the foundation for an independent business with exclusive responsibility for developing its country.

Each country is intended to be allocated to a single Country Owner. This exclusivity provides the confidence to invest in marketing, customer acquisition, retail partnerships, digital commerce and market development, knowing those investments contribute directly to the long-term value of the business.

Successful Country Businesses create value that extends well beyond annual sales. Over time, that value may include an established customer base, recognised market presence, trusted commercial relationships, experienced teams and proven routes to market. Together, these assets form an enduring business capable of growing alongside Hip & Flo.

The Programme has been created for entrepreneurs who want to create something of lasting significance, people who understand that exceptional businesses are shaped through vision, disciplined execution and an unwavering commitment to quality. For those individuals, Country Ownership represents more than a commercial opportunity; it is the opportunity to establish Hip & Flo as the defining racquet sports lifestyle brand within their country.

The Country Ownership Programme

The Country Ownership Programme provides the framework through which Hip & Flo expands internationally. Each country is intended to be entrusted to a single Country Owner, creating clear responsibility for developing the business within that market.

The Programme is founded on a simple principle: Hip & Flo and its Country Owners each contribute different strengths. Hip & Flo is responsible for the brand, products, manufacturing, intellectual property and strategic direction of the business. Country Owners are responsible for developing their markets and growing their businesses within their territories.

This clear division of responsibilities enables both parties to focus on what they do best, combining the consistency of a globally managed brand with the expertise, ambition and entrepreneurial drive of experienced local business leaders.

Country Ownership Rights

Country Ownership grants the right to establish, develop and operate the Hip & Flo business within an allocated country for the duration of the Agreement.

Within the terms of the Agreement, Country Owners have the flexibility to operate through the commercial channels best suited to their markets. These may include direct-to-consumer sales, wholesale distribution, retail partnerships, digital commerce, sporting organisations and other approved routes to market. This flexibility enables every Country Business to respond to local market conditions whilst remaining consistent with the Hip & Flo brand.

Country Owners also benefit from the products, resources and commercial capabilities developed by Hip & Flo. As the Platform evolves, they gain access to new products, approved initiatives and future developments, ensuring the value of Country Ownership extends well beyond the rights granted on day one.

These rights are accompanied by responsibility. Country Owners are expected to actively develop their territories, represent Hip & Flo professionally and operate in accordance with the standards established by the brand.

Commercial Partnership Structure

The commercial partnership has been designed so that Hip & Flo and its Country Owners succeed together. Hip & Flo invests in the continued development of the brand and the Platform, whilst Country Owners invest in developing their businesses within their respective markets. This alignment ensures both parties benefit from the long-term success of the brand.

The commercial structure supports sustainable growth by enabling Hip & Flo to continue investing in product development, innovation and brand leadership, whilst providing Country Owners with the confidence to invest in their own businesses. As Hip & Flo evolves, the opportunities available to every Country Business evolve with it.

The relationship is founded on a simple principle: when Hip & Flo grows stronger, Country Owners benefit; when Country Owners succeed, Hip & Flo grows stronger.

The Hip & Flo Platform

The Platform provides the infrastructure that enables every Country Business to grow. Rather than developing products, managing manufacturing or building international supply chains independently, Country Owners benefit from a centrally managed platform that allows them to focus on developing their markets.

By centralising product development, manufacturing, brand assets and operational capabilities, Hip & Flo creates efficiencies and capabilities that would be difficult for individual Country Businesses to achieve independently. As the Platform continues to evolve, Country Owners benefit from those investments without having to recreate them within their own territories.

This allows entrepreneurial effort to remain focused where it creates the greatest value: developing the market.

Building the Global Brand

Hip & Flo is one global brand, expressed through local businesses. Whilst Country Owners have the flexibility to market their businesses in ways that reflect their territories, every customer should experience the same identity, values and standards wherever they encounter Hip & Flo. Consistency strengthens recognition, builds trust and reinforces the value of the brand.

Hip & Flo provides the strategic direction, creative assets and brand resources that define the brand. Country Owners bring that identity to life through local marketing, commercial partnerships, events and community engagement, allowing the brand to remain globally consistent whilst reflecting the character of each market.

Building a brand requires more than successful marketing. Every customer interaction, campaign and partnership influences how Hip & Flo is perceived. The objective is not simply to generate sales, but to strengthen the reputation of the brand and create enduring customer loyalty.

Protecting the Brand

A strong brand is built over many years but can be damaged surprisingly quickly. The Hip & Flo name, reputation and identity are among the Company's most valuable assets, and every Country Owner shares responsibility for protecting them. Every decision, customer interaction and commercial relationship shapes how the brand is perceived.

Country Owners are encouraged to adapt their businesses to local market conditions, but the identity of the brand should remain consistent across every country. Customers should experience the same standards and professionalism wherever they encounter Hip & Flo, reinforcing the trust upon which enduring brands are built.

This responsibility extends beyond trademarks, visual identity and brand assets. It includes the way Hip & Flo is represented through customer service, retail environments, digital platforms, commercial partnerships and public communications. Protecting the brand ultimately means protecting the reputation that defines it.

Developing Your Country

No two countries are the same. Consumer behaviour, market maturity, competitive landscapes and routes to market vary from country to country. Successful Country Owners recognise these differences and develop strategies that reflect the unique characteristics of their markets. Local knowledge remains one of the greatest strengths of the Programme.

Success is achieved through disciplined execution. The most successful Country Owners establish effective routes to market, cultivate meaningful relationships within the racquet sports community and create businesses that customers recognise, trust and recommend.

Growth should be measured by more than sales alone. The most successful Country Businesses create lasting value through trusted customer relationships, commercial partnerships and a reputation that strengthens over time. By focusing on these fundamentals, Country Owners will be well positioned to establish Hip & Flo as the leading racquet sports lifestyle brand within their territories.

Working in Partnership

Country Ownership is founded on partnership. Hip & Flo and every Country Owner bring different strengths but share the same objective: creating an exceptional business within each country. Open communication, mutual trust and a collaborative approach are fundamental to achieving that objective.

As Country Businesses evolve, opportunities and challenges will inevitably arise. Hip & Flo works closely with Country Owners to share experience, provide strategic guidance and support their continued development. The strongest partnerships are those in which ideas are exchanged openly, challenges are addressed early and success is achieved together.

Country Owners are expected to actively develop their territories. Where additional support is required, Hip & Flo will always work constructively with the Country Owner to identify practical solutions and unlock the market's potential. Where a country is no longer being actively developed and every reasonable opportunity to resolve the situation has been exhausted, Hip & Flo may exercise its rights under the Agreement to protect the long-term development of that market. Such action will always be regarded as a last resort.

The Network

Every Country Owner develops an independent business within their own country, but together they form a network whose value extends far beyond the individual markets it represents. As the Network grows, so too does the collective experience, knowledge and commercial insight available to every Country Owner.

Successful ideas should not remain isolated within a single country. Marketing initiatives, operational improvements, commercial partnerships and customer insights developed in one market may create opportunities in another. Hip & Flo actively encourages the exchange of knowledge across the Network, enabling successful ideas to be shared, refined and adopted more widely.

As Hip & Flo expands internationally, every Country Owner benefits. A stronger international presence enhances brand recognition, strengthens commercial credibility and creates opportunities that would be difficult to achieve independently. Over time, the Network itself will become one of Hip & Flo's greatest competitive advantages.

Building for the Future

The markets in which Hip & Flo operates will continue to evolve. Customer expectations will change, technology will advance and new commercial opportunities will emerge. Hip & Flo is committed to evolving with them, ensuring the business remains relevant, competitive and positioned for long-term success.

Through continued investment in product development, technology, operational capability and brand leadership, Hip & Flo will continue to strengthen the Platform and create new opportunities for Country Owners.

Country Ownership is therefore an investment in more than today's business. It is participation in a brand committed to continuous improvement and disciplined innovation. As Hip & Flo evolves, so too will the opportunities available to its Country Owners. The future will be defined not by a single product or initiative, but by the Company's ability to adapt, innovate and create lasting value.

Governing the Programme

Effective governance begins with clearly defined responsibilities. Hip & Flo is responsible for the strategic direction of the brand, the development of the Platform and the protection of its intellectual property. Country Owners are responsible for developing their businesses in accordance with the Programme and the Agreement. This clarity enables both parties to focus on their respective responsibilities with confidence.

Strong governance also depends upon open communication. Ongoing dialogue enables Hip & Flo and its Country Owners to exchange market insight, identify opportunities and address challenges as they arise, supporting informed decision-making and the continued evolution of the Programme.

As Hip & Flo expands internationally, strategic decisions affecting the brand and the future direction of the Programme are managed centrally to ensure consistency across every market. Within this framework, Country Owners retain the flexibility to respond to local market conditions whilst operating as part of one internationally coordinated organisation. Effective governance provides confidence without limiting entrepreneurial freedom.

Protecting What We Build

The Hip & Flo brand is the collective achievement of every Country Owner. Its reputation, intellectual property and identity are among the Company's most valuable assets and must be protected accordingly. Country Owners are expected to represent the brand responsibly and use its intellectual property in accordance with the Agreement and the Brand Guidelines.

Strong partnerships are founded on trust. Throughout the relationship, both Hip & Flo and its Country Owners may have access to confidential commercial information, strategic plans and proprietary know-how. Protecting that information safeguards the interests of every Country Business and preserves the integrity of the Programme.

Where ownership changes through sale, succession or corporate restructuring, Hip & Flo will support continuity wherever possible, provided the principles and standards of the Programme continue to be upheld. Any transfer of Country Ownership remains subject to the approval provisions set out in the Agreement.

This Framework establishes the philosophy and guiding principles of the Programme. The Agreement defines the legal rights and obligations of each partnership. Together, they provide the strategic and contractual foundation upon which every Country Business is established.

The Journey Ahead

Every great brand begins with a clear vision. Its future is shaped by the people who choose to bring that vision to life.

Hip & Flo was created with the ambition to become the world's leading racquet sports lifestyle brand. Achieving that ambition will require exceptional products, disciplined execution and outstanding Country Owners who share our belief in what the brand can become.

Country Ownership is an opportunity to create something of lasting value: an exceptional business within your market, supported by a brand with global ambition and a long-term commitment to innovation, quality and growth.

We are not seeking the largest network. We are seeking the right one; partners who share our values, our standards and our ambition to create something exceptional.

If you share that vision, we look forward to shaping the future together.


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