

## 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.

The charts below show the annual gross revenue and adjusted EBITDA (sometimes referred to as “Adj. EBITDA”), occupancy rates and operating results for fiscal year ending December 31, 2025 (the “Measurement Period”) for certain franchised locations. The data is based on historical results from existing franchisee Businesses as reported to us by our franchisees.

There were 418 U.S. based franchised and company-owned outlets open and operating as of December 31, 2025. Of those outlets, we have excluded: (1) 9 locations were not under consistent ownership for the 12 months ending December 31, 2025; (2) 31 franchised outlets that were not open for at least 18 months as of December 31, 2025; and (3) all 49 company-owned locations. Therefore, there are 329 eligible franchised locations for inclusion in Item 19 (“Eligible Franchised Locations”).

Additionally, we rely on our franchisees to provide us the data we need to include in this Item 19. Of the Eligible Franchised Locations, this Item 19 discloses the results of 190 franchised locations that responded to our request for information with respect to gross revenues and adjusted EBITDA (the “Disclosed Financial Locations”). Of the Eligible Franchised Locations, this Item 19 discloses the results of 294 franchised locations that responded to our request for information with respect to occupancy rates (the “Disclosed Occupancy Locations” and with the Disclosed Financial Locations, collectively referred to as the “Disclosed Locations”).

Chart 1 discloses Annual Gross Revenue, Adjusted EBITDA, Adjusted EBITDA Margin, and Occupancy for a subset of Disclosed Locations with greater than 6,500 square feet, opened between 2021 and 2024, and with occupancy of at least 90% as of December 31, 2025 (“High-Performing Locations”), together with a comparison group of locations with the same square footage and year-opened, but for all occupancy rates. Chart 2 below reflects the Gross Revenues for the 2025 Measurement Period for the Disclosed Financial Locations, categorized by ranges of salon size square footage. Chart 3 shows a breakdown of the Gross Revenues for the 2025 Measurement Period for the Disclosed Financial Locations, categorized by ranges of Gross Revenue size. Chart 4 shows Adjusted EBITDA for the 2025 Measurement Period for the Disclosed Financial Locations. Chart 5 discloses occupancy rates for the 2025 Measurement Period for the Disclosed Occupancy Locations.

*Chart 1 begins on the following page.*

### Chart 1

The Chart below reflects both Occupancy and Financial information for High-Performing Locations (>6,500 Sq Ft + Opened 2021–2024 + Occupancy ≥ 90%) versus the average for similar-sized locations opened over the same period, but for all occupancy rates (>6,500 Sq Ft + Opened 2021–2024 + All Occupancy Rates)

	<b>Occupancy ≥ 90%</b>	<b>All Occupancy Rates</b>
	<b>11 Locations <sup>4</sup></b>	<b>24 Locations <sup>4</sup></b>
<b>Annual Gross Revenue <sup>1</sup></b>		
Average	\$693,173	\$568,628
Median	\$620,385	\$542,684
High	\$1,146,025	\$1,146,025
Low	\$518,571	\$258,924
Number and % > Average	4 / 36.4%	10 / 41.7%
<b>Adjusted EBITDA <sup>2</sup></b>		
Average	\$308,992	\$220,378
Median	\$272,181	\$226,915
High	\$554,518	\$554,518
Low	\$153,920	\$(80,169)
Number and % > Average	4 / 36.4%	12 / 50.0%
<b>Adjusted EBITDA Margin <sup>3</sup></b>		
Average	44.6%	38.8%
Median	43.9%	41.8%
High	57.8%	57.8%
Low	21.7%	-29.6%
Number and % > Average	4 / 36.4%	13 / 54.2%
<b>Average Occupancy (as of 12/31/2025)</b>		
Average	96%	83%
Median	97%	90%
High	100%	100%
Low	90%	41%
Number and % > Average <sup>5</sup>	6 / 54.5%	12 / 60.0%

**Notes to Chart 1:**

1. “Gross Revenue” is defined as total amount of sales recognized for a reporting period, prior to any deductions.
2. “Adjusted EBITDA” referred to in the above Charts, represents EBITDA adjusted for a few non-operational and nonrecurring expenses as reported by franchisees including management fees paid to owners, charges for auto expenses above the cost of operating a salon suite, items that would be capitalized if not for bonus depreciation, offsite storage, and other non-site level charges.
3. “Adjusted EBITDA Margin” referred to in the above, represents Adjusted EBITDA as a percentage of Gross Revenue.
4. The “High-Performing Locations” above consist of franchised locations with greater than 6,500 square feet of salon space that opened between 2021 and 2024 and reported occupancy of at least 90% as of December 31, 2025. The comparison column reflects franchised locations meeting the same square footage and year-opened thresholds for all occupancy percentages. Figures are rounded. See Note 2 to Chart 3 for the definition of Adjusted EBITDA.
5. 4 Locations reported Financials but no Occupancy.

*Chart 2 begins on the following page*

**Chart 2**

<b>Annual Gross Revenue (of Disclosed Financial Locations)</b>			
# of Locations	190		126
Type	COMBINED		≤ 6,500 sq ft
Average	\$448,801 <sup>1</sup>		\$397,774
Highest	\$1,146,025		\$862,378
Lowest	\$177,204		\$177,204
Median	\$399,907		\$389,237
Average of top 50%	\$543,621 <sup>2</sup>		\$481,394
Average of bottom 50%	\$323,915 <sup>3</sup>		\$314,153

**Notes to Chart 2:**

1. Of the Disclosed Financial Locations, 82, or 43.2%, exceeded the Average Annual Gross Revenue.
2. Of the Disclosed Financial Locations in the Top 50%, 34, or 31.5%, exceeded the Average Annual Gross Revenue for the Top 50%.
3. Of the Disclosed Financial Locations in the Bottom 50%, 47, or 57.3%, exceeded the Average Annual Gross Revenue for the Bottom 50%.

**Chart 3**

<b>Annual Gross Revenue <sup>1</sup> (of Disclosed Financial Locations)</b>		
# of Locations	190	
	Number	Percentage
< \$200,000	1	0.5%
\$200,001 – \$300,000	24	12.6%
\$300,001 - \$400,000	58	30.5%
\$400,001 - \$500,000	55	28.9%
> \$500,000	52	27.4%

*Chart 4 begins on the following page*

Chart 4 below reflects the Adjusted EBITDA for the Measurement Period for the Disclosed Financial Locations. The columns below reflect the 2025 results for those locations that opened during the corresponding period reflected categorized by ranges of salon size square footage.

**Chart 4**

<b>Adjusted EBITDA as of 12/31/25 (of Certain Franchise Locations)</b>				
<b># of Locations</b>	<b>190</b>		<b>64</b>	<b>126</b>
<b>Type</b>	<b>COMBINED</b>		<b>&gt; 6,500 sq ft</b>	<b>≤ 6,500 sq ft</b>
Average	\$135,174 <sup>1</sup>		\$177,085	\$113,886
Highest	\$554,518		\$554,518	\$279,770
Lowest	\$(106,790)		\$(106,790)	\$(85,630)
Median	\$112,920		\$168,472	\$112,731
Average of top 50%	\$194,348 <sup>2</sup>		\$268,620	\$168,021
Average of bottom 50%	\$57,239 <sup>3</sup>		\$85,551	\$59,752

**Notes to Chart 4:**

1. Of the Disclosed Financial Locations, 87, or 45.8%, exceeded the Average Adjusted EBITDA.
2. Of the Disclosed Financial Locations in the Top 50%, 39, or 36.1%, exceeded the Average Adjusted EBITDA for the Top 50%.
3. Of the Disclosed Financial Locations in the Bottom 50%, 51, or 62.2%, exceeded the Average Adjusted EBITDA for the Bottom 50%.

*Chart 5 begins on the following page.*

Chart 5 below reflects occupancy rates at the end of 2025

**Chart 5**

<b>Occupancy Rates as of December 31, 2025 (of Certain Franchise Locations)</b>		
	<b>2025</b>	
<b># of Locations</b>	294	
	<b>Occupancy</b>	<b># of Suites</b>
Average <sup>1</sup>	88%	35
Median	91%	32
High	100%	99
Low	41%	14
Average top 50% <sup>2</sup>	97%	42
Average bottom 50% <sup>3</sup>	77%	27

**Notes to Chart 5:**

1. Of the Disclosed Occupancy Locations, 175, or 59.5%, exceeded the Average Occupancy Percentage.
2. Of the Disclosed Occupancy Locations in the Top 50%, 84, or 52.8%, exceeded the Average Occupancy Percentage for the Top 50%.
3. Of the Disclosed Occupancy Locations in the Bottom 50%, 90, or 66.7%, exceeded the Average Occupancy Percentage for the Bottom 50%.
4. While the figures for occupancy and number of suites correlate to the average and median figures represented above, the figures for high and low occupancy and suites do not. The high and low figures represent the high and low of each respective category. For example, the “low” figure of 16 represents the smallest location reporting the number of suites, while the low figure of 50% occupancy is the lowest occupancy rate reported to us.

**Notes to Item 19:**

1. The data is based on the historical results from existing franchisee Businesses as reported to us by our franchisees.
2. There are no material financial or operational differences between the outlets disclosed in this Item 19 and the outlets that will be operated by prospective franchisees.
3. An independent accountant has not audited the information provided in this Item 19.
4. You should conduct an independent investigation. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

**Some Businesses have sold this much. Your individual results may differ. There is no assurance you will sell as much.**

Written substantiation of the data used in preparing these financial performance representations will be made available to you upon reasonable request.

Other than the foregoing, we do not make any representations about a franchisee's future financial performance. 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 Business, however, we may provide you with the actual records of that Business. 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 Brian Kelley, Phenix Salon Suites Franchising, LLC, 8488 Rozita Lee Avenue, Bldg. 3, Suite 100, Las Vegas, NV 89113, (719) 785-4858, the Federal Trade Commission and any appropriate state regulatory agencies.

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**ITEM 20**

**OUTLET AND FRANCHISEE INFORMATION**

**TABLE NO. 1**

**SYSTEMWIDE OUTLET SUMMARY  
FOR YEARS 2023 TO 2025**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised	2023	322	356	+34
	2024	356	367	+11
	2025	367	369	+2
Company-Owned	2023	16	19	+3
	2024	19	32	+13
	2025	32	49	+17
Total Outlets	2023	338	375	+39
	2024	375	399	+24
	2025	399	418	+19

**TABLE NO. 2**

**TRANSFERS OF OUTLETS FROM FRANCHISEES TO  
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)  
FOR YEARS 2023 TO 2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
California	2023	1
	2024	0
	2025	1
Colorado	2023	1
	2024	0
	2025	0
Florida	2023	2
	2024	0
	2025	2
Maryland	2023	0
	2024	0
	2025	3
North Carolina	2023	0
	2024	0
	2025	1
New Jersey	2023	0
	2024	1
	2025	0
New York	2023	0
	2024	0
	2025	1
Oklahoma	2023	0