

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(w) Choice of law	Section 17.F	Except for the Federal Arbitration Act and other federal law, the law of the State of North Carolina governs (subject to state law).

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 franchise 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.

Overview: 2025 Reporting Period

Franchised Studios Open as of January 1, 2025 and for at least One Year as of December 31, 2025

Provided in this Item 19 is Gross Sales (defined below) data from franchisee-owned outlets operating in the U.S. from January 1, 2025 to December 31, 2025 (the "Reporting Period"). The data used for the calculations presented in this Item 19 was collected from required point-of-sale software system required for all Facial Bars. The figures reported to our point-of-sale system by franchisees have not been audited.

There were 32 franchisee-owned outlets and one corporate-owned outlet open in the U.S. during some or all of the Reporting Period. The charts include data on the 26 franchisee-owned outlets that were open all 12 months of the Reporting Period (each, a "Reporting Unit"), and excludes 6 franchisee-owned outlets and one corporate-owned outlet that did not operate for the entirety of the Reporting Period (each, an "Excluded Unit"). One Reporting Unit is a franchisee-owned outlet that was transferred during the Reporting Period, but experienced no downtime in operations.

Other than the difference in number of salon chairs at each Facial Bar, which is identified in the data below, there are no material differences between the Reporting Units and the franchise offered under this Disclosure Document.

Definitions

- “Gross Sales” means all revenue that a CYDF Facial Bar receives, directly or indirectly, from its operations, including all amounts or other consideration received at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. Gross Sales will also include amounts earned from the sale of any online group-bought deals and the sale of any gift cards or gift certificates, in each case calculated using our then current guidelines for calculating Gross Sales, which may include calculating such amounts, at our option, as either (i) the purchasing value of such the certificate, card or deal when it is redeemed at the CYDF Facial Bar; or (ii) the amount of the payment received for such certificate, card or deal at the time of its sale. Gross Sales does not, however, include any federal, state, or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority.

- A “Booked Appointment” means a facial service appointment that is booked and completed within the Reporting Period at any CYDF Facial Bar, evidenced by each appointment being finalized, checked out, closed, or transacted in the point-of-sale software system. An appointment that is booked but not completed, transacted, or closed in the point-of-sale software system does not qualify as a Booked Appointment. An appointment that result in a client no-show and/or a charged cancellation or no-show fee to a client qualifies as a Booked Appointment.

- A “New Client” means any individual who books and completes a facial service at a specific CYDF Facial Bar, and who has no prior completed facial service history at the same CYDF Facial Bar location within the point-of-sale software system. If the same individual books and completes a facial service at two different CYDF Facial Bars, they will qualify as a New Client at each location for purposes of the Chart(s) below.

- A “Member” means any individual who has purchased a monthly recurring facial membership package at any CYDF Facial Bar. Memberships are billed month-to-month and can be cancelled at any time with no minimum commitment or duration. A Member will be deemed a member as of December 31, 2025 if such member paid a monthly membership fee during the month of December 2025, even if such member canceled the membership later that month.

- A “Two-Chair Facial Bar” means a CYDF Facial Bar that physically maintains space for, and is equipped with, two salon chairs and its associated facial equipment. This designation reflects physical capacity only , as during the Reporting Period, there was no formal requirement that both chairs be staffed, scheduled, and/or actively offering facial services during operating hours. There were 3 Reporting Units that were Two-Chair Facial Bars (“Participating Two-Chair Facial Bars”).

- A “Three-Chair Facial Bar” means a CYDF Facial Bar that physically maintains space for, and is equipped with, three salon chairs and its associated facial equipment. This designation reflects physical capacity only , as during the Reporting Period, there was no formal requirement that all three chairs be staffed, scheduled, and/or actively offering facial services

during operating hours. There were 23 Report Units that were Three-Chair Facial Bars (“Participating Three-Chair Facial Bars”).

Chart 1:

Participating Two-Chair Facial Bars ¹			
Category	Top Third	Total Average	Bottom Third
Number of Facial Bars	1	3	1
Gross Sales for Reporting Period ^{2, 3}	\$429,644.71	\$325,197.90	\$232,649.07
Total # of Booked Appointments during Reporting Period	5,859	4,379	2,548
Total # of New Clients during Reporting Period	2,367	1,567	817
Total # of Members as of December 31, 2025	150	134	110

1. Excluded Units include 1 Two-Chair Facial Bars.
2. One Participating Two-Chair Facial Bar (or 33.3% of Participating Two-Chair Facial Bars) had Gross Sales above the average for the Reporting Period. The median Gross Sales of Participating Two-Chair Facial Bars in the Reporting Period was \$313,299.90.
3. The top third and bottom third Gross Sales disclosures also represent the high and low range, respectively, of Participating Two-Chair Facial Bars in the Reporting Period.

Chart 2:

Participating Three-Chair Facial Bars ¹			
Category	Top 10% Average	Total Average	Bottom 10% Average
Number of Facial Bars	2	23	2
Gross Sales for Reporting Period ^{2, 3}	\$534,730.76	\$301,291.33	\$126,757.69
Total # of Booked Appointments during Reporting Period	6,740	3,684	1,529
Total # of New Clients during Reporting Period	2,332	1,163	452

Participating Three-Chair Facial Bars ¹			
Category	Top 10% Average	Total Average	Bottom 10% Average
Number of Facial Bars	2	23	2
Total # of Members as of December 31, 2025	263	132	58

1. Excluded Units include 5 Three-Chair Facial Bars.
2. 10 Participating Three-Chair Facial Bars (or 43.5% of Participating Three-Chair Facial Bars) had Gross Sales above the average for the Reporting Period. The median Gross Sales for Participating Three-Chair Facial Bars in the Reporting Period is \$293,933.25.
3. The range of Gross Sales for Participating Three-Chair Facial Bars in the Reporting Period is \$100,449.08 to \$595,387.23.

Chart 3:

Four-Chair CYDF Facial Bars ¹			
Category	Top 10% Average	Total Average	Bottom 10% Average
Number of Facial Bars	0	0	0
Gross Sales for Reporting Period	N/A	N/A	N/A

1. There were no four-chair Facial Bars open for the entirety of the Reporting Period.

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation of the information provided below will be made available to you on reasonable request.

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 CYDF Facial Bar, however, we may provide you with the actual records of that CYDF Facial Bar. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Mud Franchising, LLC, 2485 Penny Road, Suite 140, High Point, North Carolina 27265, (312) 288-9614; the Federal Trade Commission; and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISE INFORMATION

TABLE NO. 1
SYSTEMWIDE SUMMARY
FOR YEARS 2023, 2024, AND 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	14	22	+8
	2024	22	26	+4
	2025	26	32	+6
Company-Owned or Managed*	2023	1	1	0
	2024	1	1	0
	2025	1	0	-1
Total	2023	15	23	+8
	2024	23	27	+4
	2025	27	32	+5

*Note: Company-Owned or Managed Outlets refer to outlets owned by Krishna Chicago.

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2023, 2024, AND 2025

State	Year	Number of Transfers
Arizona	2023	0
	2024	1
	2025	0
Florida	2023	0
	2024	0
	2025	1
Total	2023	0
	2024	1
	2025	1