

v.	Choice of forum	18.7	Any action will be brought in the appropriate state or federal court in Franklin County, Ohio (subject to state law). Arbitration will be conducted in Columbus, Ohio.
w.	Choice of law	18.7	Ohio law applies (subject to state law).

ITEM 18: PUBLIC FIGURES

We do not currently use any public figure to promote the sale of franchises.

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 information provided in this Item 19 is based on historical results of locations owned or partially owned by our affiliate.

As of December 31, 2023, there were 10 company-affiliated stores and 2 franchisee-owned stores that operated for the entire 2023 calendar year under the same ownership (the “Reporting Period”). Of the 10 company-affiliated stores, 8 are 100% owned by our affiliate, The Waxxpot Group, LLC (the “Corporate” locations), and 2 are partially-owned by our affiliate and other third-parties (the “Affiliate” locations). Both franchisee-owned locations do not share any ownership with the franchisor entity (the “Franchise” locations). There were 4 locations that were excluded from the below calculations due to 2 of them changing ownership during the reporting period and 2 of them being outside the recommended size of a typical Waxxpot store offered under this Disclosure Document. The financial performance information for all locations was taken from unaudited profit and loss statements for the Reporting Period and was reported to us by our affiliate and franchisees.

Each affiliate-owned store included in this data set offered similar products and services as would generally be offered by a typical Waxxpot® store, except for limited tests of procedures, products and/or services that may or may not be eventually incorporated into the system, depending on the success of the tests. Because our affiliate stores may not pay Branding Fees or Royalty Fees as described in Item 6 of this Disclosure Document, we have imputed those fees at 6% of Gross Revenue (Royalty Fee) and 2% of Gross Sales (Branding Fee) as indicated in the table below. This data has not been independently audited.

The outlets shown in this Item 19 are split into four quartiles:

Salon Identifier	Salon 1 (2020)	Salon 2 (2017)	Salon 3 (2018)
	QUARTILE 1		
Gross Revenue	\$1,162,058.14	\$1,099,555.41	\$1,052,241.07
Payroll	\$452,493.58	\$439,070.93	\$403,825.99
Product Cost	\$94,403.81	\$82,131.52	\$76,548.77
Rent	\$57,309.84	\$60,877.15	\$75,452.75
Royalty	\$69,723.49	\$65,973.32	\$63,134.46
Local Advertising	\$5,281.81	\$17,075.91	\$13,581.91
Marketing Fee	\$22,920.84	\$21,991.11	\$20,688.86
TOTAL EXPENSES	\$702,133.37	\$687,119.94	\$653,232.74
Adj. EBITDA	\$459,924.77	\$412,435.47	\$399,008.33
Adj. EBITDA/Rev	39.58%	37.51%	37.92%

Salon 4 (2016)	Salon 5 (2018)	Salon 6 (2019)
QUARTILE 2		
\$661,331.72	\$565,723.25	\$524,401.50
\$318,758.04	\$214,065.15	\$270,231.00
\$52,174.57	\$50,065.10	\$42,777.48
\$52,086.18	\$63,405.82	\$87,267.55
\$39,679.90	\$33,943.40	\$31,464.09
\$17,133.32	\$17,368.37	\$18,778.93
\$13,226.63	\$11,314.47	\$10,488.03
\$493,058.65	\$390,162.30	\$461,007.08
\$168,273.07	\$175,560.95	\$63,394.42
25.44%	31.03%	12.09%

Salon Identifier	Salon 7 (2020)	Salon 8 (2018)	Salon 9 (2021)
	QUARTILE 3		
Gross Revenue	\$457,596.87	\$453,649.89	\$424,393.60
Payroll	\$212,150.99	\$201,504.43	\$175,810.93
Product Cost	\$33,355.95	\$35,833.99	\$25,231.28
Rent	\$42,465.17	\$51,458.10	\$42,663.61
Royalty	\$27,455.81	\$27,218.99	\$25,463.62
Local Advertising	\$18,861.26	\$17,196.93	\$14,203.32
Marketing Fee	\$9,151.94	\$9,073.00	\$8,487.87
TOTAL EXPENSES	\$343,441.12	\$342,285.44	\$291,860.63
Adj. EBITDA	\$114,155.75	\$111,364.45	\$132,532.97
Adj. EBITDA/Rev	24.95%	24.55%	31.23%

Salon 10 (2016)	Salon 11 (2022)	Salon 12 (2022)
QUARTILE 4		
\$382,859.52	\$352,800.52	\$193,204.67
\$172,260.50	\$178,394.08	\$179,058.16
\$30,345.46	\$24,402.94	\$17,353.79
\$22,789.31	\$49,744.80	\$49,132.69
\$22,971.57	\$21,168.03	\$11,592.28
\$16,863.12	\$22,677.69	\$13,536.14
\$7,657.19	\$7,056.01	\$3,864.09
\$272,887.15	\$303,443.55	\$274,537.15
\$109,972.37	\$49,356.97	-\$81,332.48
28.72%	13.99%	-42.10%

Year next to the Salon Identifier indicates the year the salon first opened for business.

Quartiles	# of Outlets in Quartile	Average Gross Revenue	Median Gross Revenue	Highest Gross Revenue	Lowest Gross Revenue	Outlets that Met or Exceeded
1	3	\$1,104,618.21	\$1,099,555.41	\$1,162,058.14	\$1,052,241.07	2 (66%)
2	3	\$583,818.82	\$565,723.25	\$661,331.72	\$524,401.50	2 (66%)
3	3	\$445,213.45	\$453,649.89	\$457,596.87	\$424,393.60	2 (66%)
4	3	\$309,621.57	\$352,800.52	\$382,859.52	\$193,204.67	2 (66%)

Notes:

“Gross Revenue” means revenue generated through sale of individual/a la carte services including waxing, lash & brow tinting, and lash lifting. “Gross Revenue” in this Item 19 has the same meaning as “Gross Sales” under this Disclosure Document and the Franchise Agreement.

“Payroll” means expenses directly related to paying staff members, including wax specialists, front desk team members and general managers. It does not include things like unemployment tax or insurance.

“Product Cost” means expenses directly related to paying for wax necessary to perform services, prep and aftercare items related to services and retail products for sale to clients.

“Rent” means the expense directly related to the base cost paid to the landlord and does not include tax, utilities or insurance.

“Local Advertising” means expenses paid directly towards marketing a salon to develop local business and does not include anything paid to franchisor or its affiliates.

“Adj. EBITDA” means Gross Revenue shown less Total Expenses listed above.

The breakdown of Salon ownership listed above are distributed as follows: Corporate owned – Salons 2, 4, 5, 6, 7, 8, and 10; Affiliate owned – Salons 1 and 3; and Franchisee owned – Salons 9, 11, and 12.

The financial performance representations in the table above do not reflect certain operating and non-operating costs and expenses that must be deducted from these figures to obtain your net income or profit. This Item 19 does not include all expenses that these locations incurred on an ongoing basis or all of the expenses that you will incur on an ongoing basis with the operation of your Waxxpot® franchise. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees, listed in the Disclosure Document, may be one source of this information.

Some outlets have earned this amount. Your individual results may differ. There is no assurance you’ll earn as much.

Written substantiation for the financial performance representation will be made available to you upon 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 store, however, we may provide you with the actual records of that store. 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 Michael Abramson, President and COO, The Waxxpot Group Franchise, 4211 S. Lamar Blvd., Austin, TX 78704, telephone 201-230-2158, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2021-2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	2	+2
	2022	2	5	+3
	2023	5	8	+3
Company-Owned	2021	11	11	0