

ITEM 18.
PUBLIC FIGURES

We do not use any public figures 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 the information about possible performance at a particular location or under particular circumstances.

We provide prospective franchisees with certain information regarding actual historical gross sales from the operation of franchised and corporate Facial Bars for a 12-month period from March 1, 2023, to February 29, 2024. We also provide actual profit and loss statements for our corporate Facial Bars in calendar year 2023.

**A. GROSS SALES INFORMATION FOR CORPORATE AND FRANCHISED FACIAL BARS
FOR THE PERIOD MARCH 1, 2023 – FEBRUARY 29, 2024**

Corporate Facial Bars

The Gross Sales figures in the table below reflect the Gross Sales reported to us between March 1, 2023, and February 29, 2024, by the four corporate Facial Bars operated by our affiliates that were in operation for that entire period. These reported figures were not audited. The figures below do not include information from two corporate Facial Bars, one of which opened in July 2023 and the other in August 2023, since they were not open during the entirety of the reporting period. No corporate Facial Bars closed during the reporting period. Other than as disclosed in this paragraph, there were no other corporate Facial Bars in operation during the reporting period.

| | Facial Bar Opened March 2019 | Facial Bar Opened October 2020 | Facial Bar Opened November 2019 | Facial Bar Opened February 2023 |
|---|------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Gross Sales ¹ | \$1,571,040 ² | \$1,392,543 ³ | \$1,384,782 ⁴ | \$483,746 ⁵ |
| Average Gross Sales ¹ | \$1,208,028 | | | |
| Number/Percent Above Average Gross Sales | 3/75% | | | |
| Median Gross Sales ¹ | \$1,388,663 | | | |
| Highest Gross Sales | \$1,571,040 | | | |
| Lowest Gross Sales | \$483,746 | | | |

Some Facial Bars have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Franchised Facial Bars

The Gross Sales figures in the table below reflect the Gross Sales reported to us between March 1, 2023, and February 29, 2024, by the 19 franchised Facial Bars that were in operation during that entire period. For

reporting purposes, we have grouped these Facial Bars into four quartiles based on Gross Sales. These reported figures were not audited. The figures below do not include 11 franchised Facial Bars that opened after March 1, 2023, and thus were not open during the entirety of the reporting period. No franchised Facial Bars closed during the reporting period. Other than as disclosed in this paragraph, there were no other franchised Facial Bars in operation during the reporting period.

| | Top Quartile (5 Facial Bars) | Second Quartile (5 Facial Bars) | Third Quartile (5 Facial Bars) | Bottom Quartile (4 Facial Bars) | All (19 Facial Bars) |
|--|---------------------------------|------------------------------------|-----------------------------------|------------------------------------|-------------------------|
| Average Gross Sales ¹ | \$1,207,832 ⁶ | \$818,870 ⁷ | \$634,377 ⁸ | \$365,222 ⁹ | \$777,173 ¹⁰ |
| Number/Percent Above Average Gross Sales | 2/40% | 3/60% | 2/40% | 2/50% | 9/47% |
| Median Gross Sales ¹ | \$1,119,247 | \$838,090 | \$611,198 | \$373,833 | \$761,693 |
| Highest Gross Sales | \$1,495,592 | \$840,016 | \$734,846 | \$414,515 | \$1,495,592 |
| Lowest Gross Sales | \$900,862 | \$761,693 | \$515,431 | \$298,707 | \$298,707 |

These Gross Sales were compiled from Facial Bars that opened as early as August 2021, and as recently as December 2022.

Some Facial Bars have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Franchised and Corporate Facial Bars

The following table combines the Gross Sales information from the two tables above and presents Gross Sales information about 23 franchised and corporate Facial Bars.

The Gross Sales figures in the table below reflect the Gross Sales reported to us between March 1, 2023, and February 29, 2024, by the 19 franchised and 4 corporate Facial Bars that were in operation for that entire period. For reporting purposes, we have grouped these Facial Bars into four quartiles based on Gross Sales. These reported figures were not audited. The figures below do not include 11 franchised and 2 corporate Facial Bars that opened after March 1, 2023, and thus were not open during the entirety of the reporting period. No franchised or corporate Facial Bars closed during the reporting period. Other than as disclosed in this paragraph, there were no other corporate or franchised Facial Bars in operation during the reporting period.

| | Top Quartile (6 Facial Bars) | Second Quartile (6 Facial Bars) | Third Quartile (6 Facial Bars) | Bottom Quartile (5 Facial Bars) | All (23 Facial Bars) |
|--|---------------------------------|------------------------------------|-----------------------------------|------------------------------------|-------------------------|
| Average Gross Sales ¹ | \$1,411,389 ¹¹ | \$875,308 ¹² | \$655,596 ¹³ | \$388,927 ¹⁴ | \$852,104 ¹⁵ |
| Number/Percent Above Average Gross Sales | 3/50% | 2/33.3% | 3/50% | 3/60% | 8/34.8% |
| Median Gross Sales ¹ | \$1,408,837 | \$839,677 | \$657,987 | \$404,159 | \$815,213 |
| Highest Gross Sales | \$1,571,040 | \$1,018,328 | \$761,693 | \$483,746 | \$1,571,040 |
| Lowest Gross Sales | \$1,199,247 | \$815,213 | \$515,431 | \$298,707 | \$298,707 |

These Gross Sales were compiled from Facial Bars that opened as early as March 2019, and as recently as February 2023.

Some Facial Bars have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

The figures in the three tables above and the notes below are derived from data provided to us by our franchisees and affiliates for the period indicated. For purposes of this disclosure, we report our affiliate-owned Facial Bars as “corporate” Facial Bars. All figures were prepared without an audit. Prospective franchisees and franchise sellers should be advised that no certified public accountant has audited these figures or expressed his/her opinion on their content or form. The figures above do not reflect costs of sales, operating expenses, or other costs or expenses that must be deducted from net sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Facial Bar. Franchisees or former franchisees, if any, listed in this Disclosure Document, may be one source of this information. The reported Facial Bars offer substantially the same products and services to the public as you will as a franchisee operating a franchised unit.

NOTES

- 1 For purposes of this disclosure, “Gross Sales” includes all revenue derived from the operations of a Facial Bar, excluding sales or use tax and other customer refunds, allowances, and discounts given in good faith. Gift card revenue is recognized upon redemption. This is the same calculation we use to calculate the Royalty Fee and other amounts under the Franchise Agreement.

Average Gross Sales of Facial Bars is calculated by determining the total amount of Gross Sales of the Facial Bars in the data set for the time period in the data set and dividing that amount by the total number of Facial Bars in the data set. Median Gross Sales is the middle Gross Sales number in the applicable data set, or the average of the two middle Gross Sales numbers when there is an even number of observations in the applicable data set.

- 2 At this Facial Bar, membership sales made up 29.09% of Gross Sales, service sales made up 56.30% of Gross Sales, and product sales made up 13.80% of Gross Sales.
- 3 At this Facial Bar, membership sales made up 30.44% of Gross Sales, service sales made up 53.34% of Gross Sales, and product sales made up 16.22% of Gross Sales.
- 4 At this Facial Bar, membership sales made up 29.94% of Gross Sales, service sales made up 56.79% of Gross Sales, and product sales made up 13.27% of Gross Sales.
- 5 At this Facial Bar, membership sales made up 25.49% of Gross Sales, service sales made up 58.56% of Gross Sales, and product sales made up 15.95% of Gross Sales.
- 6 Within the top quartile of franchised Facial Bars reported in this table, membership sales made up on average 38.82% (with a median of 34.92%) of Gross Sales, service sales made up on average 49.32% (with a median of 47.44%) of Gross Sales, and product sales made up on average 11.85% (with a median of 11.56%) of Gross Sales.
- 7 Within the second quartile third of franchised Facial Bars reported in this table, membership sales made up on average 32.58% (with a median of 30.28%) of Gross Sales, service sales made up on average 54.61% (with a median of 57.15%) of Gross Sales, and product sales made up on average 12.82% (with a median of 14.06%) of Gross Sales.

- 8 Within the third quartile of franchised Facial Bars reported in this table, membership sales made up on average 34.13% (with a median of 38.10%) of Gross Sales, service sales made up on average 51.63% (with a median of 53.91%) of Gross Sales, and product sales made up on average 14.23% (with a median of 14.94%) of Gross Sales
- 9 Within the bottom quartile of franchised Facial Bars reported in this table, membership sales made up on average 28.03% (with a median of 27.87%) of Gross Sales, service sales made up on average 59.23% (with a median of 57.29%) of Gross Sales, and product sales made up on average 12.74% (with a median of 13.89%) of Gross Sales.
- 10 Among all franchised Facial Bars reported in this table, membership sales made up on average 35.02% (with a median of 31.97%) of Gross Sales, service sales made up on average 52.27% (with a median of 50.56%) of Gross Sales, and product sales made up on average 12.72% (with a median of 13.20%) of Gross Sales.
- 11 Within the top quartile of corporate and franchised Facial Bars reported in this table, membership sales made up on average 34.60% (with a median of 31.72%) of Gross Sales, service sales made up on average 52.74% (with a median of 54.27%) of Gross Sales, and product sales made up on average 12.66% (with a median of 13.38%) of Gross Sales.
- 12 Within the second quartile of corporate and franchised Facial Bars reported in this table, membership sales made up on average 34.85% (with a median of 33.77%) of Gross Sales, service sales made up on average 52.48% (with a median of 56.49%) of Gross Sales, and product sales made up on average 12.67% (with a median of 14.57%) of Gross Sales.
- 13 Within the third quartile of corporate and franchised Facial Bars reported in this table, membership sales made up on average 33.28% (with a median of 34.91%) of Gross Sales, service sales made up on average 51.95% (with a median of 51.29%) of Gross Sales, and product sales made up on average 14.76% (with a median of 14.58%) of Gross Sales.
- 14 Within the bottom quartile of corporate and franchised Facial Bars reported in this table, membership sales made up on average 27.40% (with a median of 30.51%) of Gross Sales, service sales made up on average 59.07% (with a median of 54.34%) of Gross Sales, and product sales made up on average 13.54% (with a median of 13.99%) of Gross Sales.
- 15 Among all corporate and franchised Facial Bars reported in this table, membership sales made up on average 33.69% (with a median of 31.13%) of Gross Sales, service sales made up on average 53.14% (with a median of 49.79%) of Gross Sales, and product sales made up on average 13.17% (with a median of 13.03%) of Gross Sales.

All of these Facial Bars, both franchised and corporate, offered substantially the same products and services as you are expected to offer. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

B. ACTUAL PERFORMANCE OF CORPORATE-OWNED¹ FACIAL BARS IN CALENDAR YEAR 2023

The following table reflects actual profit and loss statements for calendar year 2023 for our three affiliate-owned Facial Bars that operated during all of calendar year 2023. These Facial Bars are located in Edina, Minnesota; Minneapolis, Minnesota; and Maple Grove, Minnesota. The information is based on the sales and expense

reports of these affiliate-owned locations, which were not audited. The figures below do not include information from three corporate Facial Bars that operated for only a part of 2023, which opened in February 2023, July 2023, and August 2023, respectively, since they were not open during the entirety of the reporting period.

The affiliate-owned Facial Bar in Edina, Minnesota opened in March 2019, and thus the sales and expenses in the second and third columns below depict performance in its fourth full calendar year of operations. The affiliate-owned Facial Bar in Minneapolis, Minnesota opened in November 2019, and thus the sales and expenses in the fourth and fifth columns below depict performance in its fourth full calendar year of operations. The affiliate-owned Facial Bar in Maple Grove, Minnesota opened in October 2020, and thus, the sales and expenses in the sixth and seventh columns below depict performance in its third full calendar year of operations.

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| | Edina Location January 1, 2023 – December 31, 2023 Actuals ¹ | Percent of Gross Sales | Minneapolis Location January 1, 2023 – December 31, 2023 Actuals ¹ | Percent of Gross Sales | Maple Grove Location January 1, 2023 – December 31, 2023 Actuals ¹ | Percent of Gross Sales |
|---|--|------------------------|--|------------------------|--|------------------------|
| Opening Date | March 2019 | | November 2019 | | October 2020 | |
| Gross Sales from Membership | \$447,631 | 27.97% | \$390,880 | 28.65% | \$407,726 | 29.05% |
| Gross Sales from Services | \$913,393 | 57.08% | \$780,562 | 57.21% | \$760,912 | 54.22% |
| Gross Sales from Product Sales | \$239,284 | 14.95% | \$192,863 | 14.14% | \$234,779 | 16.73% |
| Gross Sales | \$1,600,308 | | \$1,364,305 | | \$1,403,417 | |
| | NON-DISCRETIONARY EXPENSES² | | | | | |
| Labor Costs³ | \$481,984 | 30.12% | \$457,970 | 33.57% | \$434,637 | 30.97% |
| Operating Costs⁴ | \$58,195 | 3.64% | \$54,596 | 4.00% | \$52,029 | 3.71% |
| Cost of Goods Sold | \$280,824 | 17.55% | \$196,063 | 14.37% | \$230,611 | 16.43% |
| Rent and Utilities⁵ | \$144,681 | 9.04% | \$105,813 | 7.76% | \$100,050 | 7.13% |
| Total Costs | \$965,684 | | \$814,442 | | \$817,327 | |
| | EXPENSES APPLICABLE TO FRANCHISED LOCATIONS | | | | | |
| Royalty⁶ | \$112,021 | 7% | \$95,501 | 7% | \$98,239 | 7% |
| Marketing Contribution⁷ | \$48,009 | 3% | \$40,929 | 3% | \$42,103 | 3% |
| Technology Fee⁶ | \$4,200 | < 1% | \$4,200 | < 1% | \$4,200 | < 1% |
| | NET PROFIT | | | | | |
| | \$470,395 | 29.39% | \$409,234 | 30.00% | \$441,549 | 31.46% |

NOTES

1. The financial performance figures and expenses above are actual historical information regarding our affiliate-owned locations in Edina, Minnesota; Minneapolis, Minnesota; and Maple Grove, Minnesota, which we refer to as corporate-owned for the purposes of this disclosure. The Edina location opened in March 2019; the Minneapolis location opened in November 2019; and the Maple Grove location opened in October 2020. You should conduct an independent investigation of revenue, costs, and expenses you will incur in operating your franchised business. Franchisees

or former franchisees listed in Exhibit F to this Disclosure Document may be one source of this information. “Gross Sales” as used herein as the same definition of “Gross Sales” used elsewhere in this Disclosure Document, which includes all revenue derived from the operations of a Facial Bar, excluding sales or use tax and other customer refunds, allowances, and discounts given in good faith. Gift card revenue is recognized upon redemption.

2. These expenses are based on actual expenses reported by our affiliate-owned Facial Bars. Your total expenses will depend on a number of factors including, but not limited to, your location and the business decision that you make. The actual expenses for your location may vary considerably from these expenses based on a number of factors, including but not limited to, your rent, level of staffing, the amount of local marketing expenditures, credit loss, the precise breakdown of the services you provide, insurance coverage, discounts you offer, the amount and terms of any financing you secure for your location, the amount and level of additional expenses you incur, and other factors.
3. The labor costs include payroll and professional fees. These figures do not include salary for the owner, but do include the salary for a Salon Manager. In 2023, the Edina location averaged 18-20 employees on payroll, the Minneapolis location averaged 18-20 employees on payroll, and the Maple Grove location averaged 16-18 employees on payroll.
4. Operating costs include the costs of technology and related supplies, local marketing and donations, credit card fees and bank charges, insurance, and miscellaneous expenses such as dues and subscriptions, accounting and legal fees, repairs and maintenance, travel, use taxes and licenses, and meals incurred in the operation of the Facial Bar.
5. The rent at the Edina Facial Bar was based on approximately 1,250 square feet, and the rent paid was \$140.70 per square foot. The rent at the Minneapolis Facial Bar was based on approximately 2,000 square feet, and the rent paid was \$40.07 per square foot. The rent at the Maple Grove Facial Bar was based on approximately 1,565 square feet, and the rent paid was \$61.34 per square foot. These rent amounts include percentage rent where applicable. Based on our affiliates’ experience operating these Facial Bars, we recommend that franchised facial bars have 1,400 to 2,200 square feet of space, which is larger than the Edina, Minnesota Facial Bar. If you have a larger Facial Bar, or pay more for rent, this expense could increase significantly. This amount also includes utilities and insurance.
6. The Royalty Fee and Technology Fee are expenses you will incur under a Franchise Agreement with us, and which did not apply to our affiliate-owned Facial Bars in 2023. Thus, we have calculated what the Facial Bar would have paid, and included these amounts. In making these calculations, we applied a Technology Fee of \$350 per month, which is the fee in effect as of the date of this Disclosure Document.
7. The Marketing Contribution was calculated as 3% of Gross Sales, which is the rate in effect as of the date of this Disclosure Document.

Some affiliate outlets sold these amounts. Your individual results may differ. There is no assurance that you will sell as much.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Michele Henry, 6446 Flying Cloud Drive, Eden Prairie, Minnesota 55344, (855) 959-3223, franchising@facefoundrie.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

**Systemwide Outlet Summary
For Fiscal 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 | 7 | +7 |
| | 2022 | 7 | 19 | +12 |
| | 2023 | 19 | 30 | +11 |
| Company-Owned or Affiliate-Owned Outlets | 2021 | 3 | 3 | 0 |
| | 2022 | 3 | 4 | +1 |
| | 2023 | 4 | 6 | +2 |
| Total Outlets | 2021 | 3 | 10 | +7 |
| | 2022 | 10 | 23 | +13 |
| | 2023 | 23 | 36 | +13 |

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (Other Than Franchisor)
For Fiscal Years 2021 – 2023**

| State | Year | Number of Transfers |
|-------|------|---------------------|
| Total | 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 0 |