

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.

There are 5 separate tables in this Item 19:

Table 1A discloses the Monthly Gross Billings for 2024 and Total Annual Gross Billings for 15 full-time franchisees.

Table 1B discloses the Monthly Gross Billings for 2024 and Total Annual Gross Billings for 5 part-time franchisees.*

Table 2 discloses the Monthly Gross Profit 2024 for 13 Image One Franchisees.

Table 3A discloses the first 12 months in business for 12 franchisees who began as full-time operators.

Table 3B discloses the first 12 months in business for 8 franchisees that began as part-time operators.*

*There are a different number of full-time franchisees in Tables 1A and 3A, as well as a different number of part-time franchisees in Tables 1B and 3B. This is because certain franchisees who began as part-time switched to full-time, and others who began as full-time switched to part-time.

Tables 1A and 1B (Billing by Month) include 20 of the 23 Image One Franchisees who were in operation as of December 31, 2024. (The remaining 3 franchisees completed their training at the Image One Headquarters in 2024 but did not service any clients in 2024. Tables 1A and 1B show the actual total monthly billing for each month in 2024 for each of the 20 Franchisees. It also shows the total billing in 2024 for each Franchisee, the average billing over the 12 months in 2024, and the number of clients each Franchisee had at the end of 2024. The information included in Tables 1A and 1B below is based on data we obtained from the Image One billing system.

Table 2 includes the 13 Franchisees who voluntarily furnished the following data to us for the month of December 2024, their billing, the fees they paid to us, and their cost of goods sold (COGS) based on the actual compensation arrangement with the franchisees' employees. The information included in Table 2 is based on data furnished by the Franchisees. The information requested was for the period of December 2024, but some franchisees may have furnished more current information.

Tables 3A and 3B disclose the Gross Billings for 20 of the 23 current franchisees during their first 12 months after signing their franchise agreement, completing their initial training and satisfying their pre-opening requirements. (The remaining 3 franchisees completed their training at the Image One Headquarters in 2024 but did not service any clients in 2024.

Prior to 2019, we did not grant any territories to franchisees. Franchisees prior to that time represented in this Item 19 were able to obtain clients at any location, and were not restricted as to where their clients were located.

The Franchisees in all the Tables are identified as “Franchisee #1” through “Franchisee #20.” We used the same numbering for each franchisee all the tables. For example, Franchisee #1 in Table 1 is Franchisee #1 in Table 2 and Table 3.

The financial performance information being made is an historical representation based on the past performance of existing outlets. The Tables do not include any company-owned (there are none) or any franchisees who closed their businesses in 2024. During the 2024 Fiscal Year, 2 Image One franchisees closed their businesses. The information was collected by us as described above, but has not been independently audited or verified.

Insert Table 1A (3 pages)

Insert Table 1B (1 page)

Insert Information about Tables 1A and 1B (the # and % sheet) (1 page)

Insert Table 2 (1 page)

Information about Table 2

The information furnished for each of the 13 Franchisees is as follows: Their total billing in the month of December 2024, the fees they paid to us, and their cost of goods (actual compensation arrangement with the franchisees' employees). The information included in Table 2 is based on data furnished by the Franchisees.

Notes to Table 2

1. The Gross Billing to the Clients is established by the Franchise Owner and or Image One on behalf of the franchisee. It is set forth in the customer contract.
2. Image One Fees. The fees the Franchisees pay to us include royalties, administrative fees, advertising fees, and a \$2 charge per client per month for a surety bond. It also includes the PAPO (Payment Assurance Program Option) fees for those Franchisees who elect to participate in that program.
3. The Cost of Goods ("COGS") is based on the Franchise Owner's actual compensation arrangement with its employees.
4. The Gross Profit is calculated by subtracting the Image One Fees and the COGS from the 2024 Gross Billing.
5. The Gross Profit % is calculated by dividing the Gross Profit dollar amount by the total 2024 Gross Billing.

Insert Tables 3A and 3B, and the # and % sheet for Tables 3 (3 pages)