

Provision	Section in Franchise or Other Agreements	Summary
t. Integration/merger clause	Section 20(K) – Franchise Agreement, Section 9 – Area Development Agreement	Only the terms of the Franchise Agreement, Area Development Agreement and other written agreements are binding (subject to applicable state law). Any representations or promises outside of this Disclosure Document and the Franchise Agreement/Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 18 – Franchise Agreement, Section 9 – Area Development Agreement	Except for certain disputes, all disputes must be mediated, and if not settled by mediation, are then subject to arbitration (subject to applicable state law).
v. Choice of forum	Section 18 – Franchise Agreement, Section 9 – Area Development Agreement	Subject to state law, mediation in a metropolitan area with at least 250,000 people that is not located within 100 miles of either of our principal offices, and arbitration in Minneapolis, Minnesota. Subject to state law, any litigation must be brought in the United States District Court for the District of Minnesota or the Ramsey County District Court, Minnesota.
w. Choice of law	Section 20.D – Franchise Agreement, Section 9 – Area Development Agreement	Subject to state law, Minnesota law generally applies.

ITEM 18 PUBLIC FIGURES

We do not currently 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 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.

As of December 31, 2024 there were 151 franchised Waxing Studios in the Waxing the City System. The historical financial information in the charts below is taken from the 134 franchised Waxing Studios that were open and operating for the entire 12 month period ended December 31, 2024 (the “**Relevant Time Period**”). We excluded 16 Waxing Studios that permanently closed during the Relevant Time Period. Of those Waxing Studios none closed before operating for at least 12 months. The earliest Waxing Studio from whom the information below is derived began operating in 2004 and the latest in 2023.

Except as discussed below, Gross Revenues as used in this Item 19 includes all revenues generated by the Waxing Studio and reported to us in 2024, excluding bona fide refunds, credits given or allowed to customers for the return of merchandise and amounts collected from customers and remitted to a governmental taxing authority in satisfaction of sales taxes, however, chargebacks are not deducted from the calculation of Gross Revenues. This is consistent with the definition of Gross Revenues in our Franchise

Agreement. However, we have denoted in the charts below those instances where Gross Revenues are calculated specific to a certain item, such as Club Orange memberships, Tickets or Retail product sale.

The initial two charts below provide Gross Revenues and Club Orange Gross Revenues information from the Relevant Time Period for all 134 Waxing Studios identified above and for each group of Studios in a quartile. Studios were placed in quartiles based on their individual Gross Revenues for the Relevant Time Period. The top 33 Studios based on Gross Revenues were placed in the Top quartile, the next 34 Studios in the Second quartile, the next 34 Studios in the Third quartile, and the last 33 Studios in the Bottom quartile.

Total Gross Revenues

	All 134 Studios	Top 1/4 (33 Studios)	Second 1/4 (34 Studios)	Third 1/4 (34 Studios)	Bottom 1/4 (33 Studios)
Average Total Gross Revenues¹	\$514,339	\$840,631	\$564,857	\$411,605	\$241,847
Number/Percentage Met or Exceeded Average Gross Revenues	62/46%	14/42%	14/41%	18/53%	16/48%
Median Gross Revenues	\$488,739	\$799,315	\$544,891	\$420,153	\$240,115
Highest Gross Revenues	\$1,298,091	\$1,298,091	\$656,427	\$487,648	\$338,169
Lowest Gross Revenues	\$73,049	\$665,380	\$489,830	\$344,963	\$73,049

1. Average Gross Revenues of the 134 Waxing Studios was calculated by determining the total amount of Gross Revenues of these Waxing Studios for the Relevant Time Period and dividing that amount by 134. This same calculation was used to determine the Average Gross Revenues for each group of Studios in each quartile in the chart above.

Club Orange¹ Gross Revenues

	Average (134 Studios ²)	Top 1/4 (33 Studios)	Second 1/4 (34 Studios)	Third 1/4 (34 Studios)	Bottom 1/4 (33 Studios)
Average Gross Revenues³	\$188,954	\$335,095	\$207,214	\$142,717	\$71,637
Number/Percentage Met or Exceeded Average Gross Revenues	60/45%	17/52%	19/58%	17/50%	16/48%
Median Gross Revenues	\$165,426	\$348,731	\$212,776	\$145,219	\$69,834
Highest Gross Revenues	\$540,634	\$540,634	\$297,465	\$286,260	\$125,132
Lowest Gross Revenues²	\$121	\$106,716	\$59,886	\$121	\$10,090

1. Club Orange refers to the Waxing the City Club Orange membership program, which is a monthly subscription service that provides the member with discounts on designated services and retail products, and other benefits in exchange for the payment of a monthly subscription fee. The Gross Revenues information in this chart is the Gross Revenues from payment of these monthly fees.
2. Of the 134 Waxing Studios, we had 1 Waxing Studio that did not participate in the Club Orange program, but we included that Studio in the data.
3. Club Orange Average Gross Revenues of the 134 Waxing Studios was calculated in the same manner as Gross Revenues were calculated in the first chart above for all Studios and for each group of Studios in each quartile in the chart above.

36.74% of the total Gross Revenues of the 134 Waxing Studios was attributable to monthly subscription payments for the Club Orange memberships of these Waxing Studios. 60 or 45% of the 134 Waxing Studios met or exceeded this percentage. This percentage was determined by dividing the total Gross Revenues attributable to monthly subscription payments for the Club Orange memberships of all 134 Studios by the total Gross Revenues of these Studios.

Monthly Unique Customers

We also track unique customers for our Waxing Studios. Monthly unique customers per Studio is the number of customers in a month who paid for a good, service or membership at that visit, but disregards repeat visits in the same month to the same Studio. The Average Monthly Unique Customers Per Studio is the average of all 134 Waxing Studios' monthly averages of unique customers. In 2024, the Average Monthly Unique Customers per Studio in the data set was 617, the median was 594, the lowest was 81, the highest was 1,472, and the number/percentage of the 134 Waxing Studios that met or exceeded the average was 62 or 46%.

Ticket¹

	Average (134 Studios)
Average Ticket Gross Revenues²	\$62.49
Number/Percentage Met or Exceeded Average Ticket Gross Revenues	59/44%
Median Ticket Gross Revenues	\$61.47
Highest Average Ticket Gross Revenues	\$79.76
Lowest Average Ticket Gross Revenues	\$51.93

1. A “Ticket” is the invoice provided by the Waxing Studio to a customer showing the services performed for, and products purchased by, the customer during that visit, excluding taxes, along with an itemized and total amount due.
2. Average Ticket Gross Revenues of the 134 Waxing Studios is calculated by determining the average ticket for each of these Waxing Studios for the Relevant Time Period, which is calculated by dividing the total Gross Revenue for each Studio by the total number of tickets for each Studio and then averaging the average ticket across all 134 Waxing Studios.

Retail Gross Revenues and Retail Attach Rate Information

	Average (134 Studios)
Average Gross Revenues^{1,2}	\$28,558
Number/Percentage Met or Exceeded Average Gross Revenues	51/38%
Median Gross Revenues	\$24,082
Highest Gross Revenues	\$99,305
Lowest Gross Revenues	\$2,773
Retail Attach Rate³	15%

1. This chart provides information related to the sale of retail products by the Waxing Studios to customers of these Studios. We consider a “retail product” to be any item purchased by a customer that is not a service.
2. Average Gross Revenues of the 134 Waxing Studios in the chart above were calculated by determining the total amount of Gross Revenues from the sale of retail products of these Waxing Studios for the Relevant Time Period and dividing that amount by 134 (the total number of Waxing Studios in the data set).
3. Retail Attach Rate is the percentage of tickets issued by the 134 Waxing Studios that included the sale of at least one retail product. This percentage was determined by dividing the total amount of tickets that included the sale of at least one retail product of these 134 Waxing Studios by the total number of tickets of these Studios. 51 or 38% of the 134 Waxing Studios met or exceeded this Retail Attach Rate.

GENERAL INFORMATION APPLICABLE TO ALL OF ITEM 19

Some Waxing Studios have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

Percentages were rounded to the nearest whole percent and dollar amounts to the nearest dollar.

The information disclosed in this Item 19 does not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from the Gross Revenues information to calculate net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Waxing Studio. Franchisees or former franchisees listed in this Disclosure Document may be one source of this information.

All of these Waxing Studios offered substantially the same products and services as you are expected to offer.

Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon reasonable request.

Other than as set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of 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 General Counsel James Goniea at 111 Weir Drive, Woodbury, Minnesota 55125, telephone (651) 438-5000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

All of the information in the tables below is as of December 31 of the applicable year, except for 2025 which is as of December 10, 2025.

Table No. 1
Systemwide Outlet Summary
For Years 2022-2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	118	133	+15
	2023	133	150	+17
	2024	150	151	+1
	2025	151	166	+15
Company-Owned	2022	7	6	-1
	2023	6	0	-6
	2024	0	0	0
	2025	0	0	0
Total Outlets	2022	125	139	+14
	2023	139	150	+11
	2024	150	151	+1
	2025	151	166	+15

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022-2025

State	Year	Number of Transfers
Arizona	2022	0
	2023	0
	2024	0
	2025	1
Colorado	2022	1
	2023	0
	2024	0
	2025	3
Georgia	2022	1
	2023	1
	2024	1
	2025	0