

Provision		Section in franchise or other agreement	Summary
v.	Choice of forum	Franchise Agreement – 17.H.	State or federal court in the place where our principal place of business is located (currently Denver, Colorado) (subject to state law).
		Area Development Agreement – 9.C	
w.	Choice of law	Franchise Agreement – 17.G.	The laws of the state in which our principal place of business is located (currently, Colorado) govern (subject to state law), except that disputes regarding the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and any arbitration matter will be governed by the United States Federal Arbitration Act (9 U.S.C. Sections 1 et seq.).
		Area Development Agreement – 9.B.	

Applicable state law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit A.

ITEM 18. PUBLIC FIGURES

We do not use any public figures to promote our Franchise System. However, we may use public figures in the future.

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.

Franchised Shops Open as of January 1, 2024 and for One Year, Three Years, and Five Years as of January 1, 2024

Table 1 describes 2024 Average Revenue, Average New Client Trial, Average Conversion Percentage, and Average Number of Members for four categories of franchised Shops in the United States that were open as of January 1, 2024, and operated throughout 2024: (1) all franchised Shops that were open as of January 1, 2024, and operated throughout 2024; (2) franchised Shops that were open for at least one year as of January 1, 2024, and operated throughout 2024; (3) franchised Shops that were open for at least three years as of January 1, 2024, and operated throughout 2024; and (4) franchised Shops that were open for at least five years as of January 1, 2024, and operated throughout 2024.

As of December 31, 2024, there were 176 franchised Shops in operation in the United States. Of those 176 franchised Shops: (A) 146 were open as of January 1, 2024, and operated throughout 2024; (B) 125 were open for at least one year as of January 1, 2024, and operated throughout 2024; (C) 107 were open for at least three years as of January 1, 2024, and operated throughout 2024; and (D) 81 were open for at least five years as of January 1, 2024, and operated throughout 2024. Table 1 excludes the data from the 13 Shops that closed in 2024 (2 of which had been open less than 12 months).

Table 1

Category	FDD item 19 Schedule							
	All Studios Open as of January 1, 2024*							
	Top 10	Top 3 rd	Bottom 3 rd	Bottom 10	All Studios	Greater than One Year	Greater than Three Years	Greater than Five Years prior to 2024
No. of Studios	10	48	50	10	146	125	107	81
2024 Average Revenue	\$1,841,474	\$1,316,120	\$474,723	\$255,230	\$855,793	\$904,197	\$946,147	\$1,017,847
Number that Met or Exceeded the Average	4	15	28	6	58	54	49	37
Percentage that Met or Exceeded the Average	40.0%	31.3%	56.0%	60.0%	39.7%	43.2%	45.8%	45.7%
Same Studio Average Revenue Increase (2024 over 2023)	8.9%	6.9%	19.8%	-0.7%	11.9%	6.1%	6.0%	6.4%
2024 Median Revenue	\$1,725,271	\$1,224,387	\$506,919	\$286,420	\$779,778	\$798,418	\$872,830	\$952,760
2024 Highest Revenue	\$2,333,899	\$2,333,899	\$674,004	\$342,268	\$2,333,899	\$2,333,899	\$2,333,899	\$2,333,899
2024 Lowest Revenue	\$1,556,604	\$965,600	\$34,855	\$34,855	\$34,855	\$34,855	\$34,855	\$34,855
2024 Average Non-Member Visits	17,136	11,420	4,094	2,272	7,541	8,056	8,498	9,215
Number that Met or Exceeded the Average	4	14	25	4	67	57	50	34
Percentage that Met or Exceeded the Average	40.0%	29.2%	50.0%	40.0%	45.9%	45.6%	46.7%	42.0%
2024 Median Non-Member Visits	14,695	10,203	4,118	2,141	7,189	7,895	8,289	8,756
2024 Highest Non-Member Visits	26,343	26,343	5,815	2,987	26,343	26,343	26,343	26,343
2024 Lowest Non-Member Visits	12,923	8,741	1,559	1,559	1,559	1,855	1,855	1,855
2024 Average Conversion %	13.1%	7.2%	1.9%	1.0%	4.2%	3.5%	3.4%	3.2%
Number that Met or Exceeded the Average	4	16	28	7	51	55	48	35
Percentage that Met or Exceeded the Average	40.0%	33.3%	56.0%	70.0%	34.9%	44.0%	44.9%	43.2%
2024 Median Conversion %	9.3%	5.6%	2.1%	1.2%	3.5%	3.2%	3.1%	3.0%
2024 Highest Conversion %	26.0%	26.0%	2.7%	1.4%	26.0%	9.0%	9.0%	9.0%
2024 Lowest Conversion %	8.4%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Number of Members as of December 31, 2024	690	495	157	311	311	320	328	346
Number that Met or Exceeded the Average	5	16	30	64	64	55	47	38
Percentage that Met or Exceeded the Average	50.0%	33.3%	60.0%	640.0%	43.8%	44.0%	43.9%	46.9%
2024 Median Ending Members	690	460	168	284	284	298	312	335
2024 Highest Ending Members	854	854	211	854	854	854	730	730
2024 Lowest Ending Members	578	382	22	22	22	22	22	22

*Above does not include international studios

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Notes to Table 1:

1. Revenue figures in Table 1 are based upon actual data we require our franchisees to submit to us on a monthly basis and are defined in the same manner as Gross Receipts are defined under the Franchise Agreement. Specifically, as described in Item 6, "Gross Receipts" include all of your revenue and receipts, including those taken by cash, credit card, debit card, check, electronic funds transfer, ACH, trade, barter or exchange. Gross Receipts also include: (a) any other means of revenue derived from the operations of your Shop, including the sale of memberships, merchandise, or any products or services that are sold by you, whether sold at the Premises or from an off-Premises location; (b) all revenue from the sale or redemption of gift cards, in accordance with our then-current System Standards; and (c) the gross amount of any business interruption or similar insurance payments. Gross Receipts exclude: (i) sales, use or privilege taxes paid to the appropriate taxing authority; (ii) refunds that are provided to clients (not including chargebacks); and (iii) tips received from clients for payment to your employees.
2. The Same Shop Average Revenue Increase measures the increase in revenue on a same-shop basis, comparing annual revenue for the 2024 calendar year to the 2023 calendar year, for all Shops open at least one year prior to January 1, 2024. Because this category compares year-over-year revenue, we have not included 30 of the 176 franchised Shops that were open as of January 1, 2024, because they did not operate during the entirety of 2024.
3. "New clients" are individuals who have not previously visited a particular Shop.
4. Average Conversion Percentage means the percentage of new clients who sign up for our membership program.
5. Average Number of Members as of December 31, 2024 represents the number of participants in our membership program who paid a monthly membership fee in December 2024.

* * * *

We compiled this data using information submitted to us by our franchisees and received from our predecessor. We did not audit or otherwise verify the accuracy of the information submitted. These revenues and gross profit results are based upon historical data.

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

We are unaware of any particular characteristics (such as geographic location) in the Shops listed in the tables above that differ materially from the Shop being offered by this Disclosure Document. However, factors that might adversely impact average revenues for a given Shop include the general public's perception of hairstyling services, increased competition in the beauty industry, actions by franchisees that are out of our control that could adversely impact the Franchise System, and the status of our general economic environment. Factors that might adversely impact average gross profit include, in addition to those sales related items noted above, the actual cost of wages paid to stylists, which could vary periodically and by market due to the status of our general economic environment. The negative impact of such factors would also adversely impact a franchisee's net income, profits and earnings.

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

Other than the preceding financial performance representations, DB Franchise, LLC does 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 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 Sarah Osborn Hill, V.P., Head of Legal, 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202, (303) 663-0880, the Federal Trade Commission, and appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Drybar Shops Business Summary
For Years 2022 to 2024⁽¹⁾

Outlet Type	Year	Outlets at Start of the Year	Outlets at End of the Year	Net Change
Franchised	2022	149	149	0
	2023	149	159	10
	2024	159	176	+17
Company Owned ⁽²⁾	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets ⁽³⁾	2022	149	149	0
	2023	149	159	+10
	2024	159	176	+17

Notes:

1. The numbers are as of December 31st of each year.

Table No. 2
Transfers of Drybar Shops from Franchisees to New Owners
(Other than the Franchisor or its Affiliates)
For Years 2022 to 2024⁽¹⁾

State	Year	Number of Transfers
California	2022	28
	2023	6
	2024	2
District of Columbia	2022	3
	2023	2
	2024	0
Florida	2022	0
	2023	0
	2024	2
Idaho	2022	0
	2023	3
	2024	0