

Franchise With Heyday

Expanding The Future of Facials

HEYDAY



Welcome To Heyday!

We started this adventure in 2015 with the goal to make facials and personalized skincare available to more people. Throughout the journey, we've been thrilled at how clients have responded to having an expert partner in their skincare routines and the potential we have to create the best possible home for expert estheticians.

In today's world, customers understand the importance of skincare like never before — this is proven by the rapid pace at which the category continues to grow. By putting expertise front and center in this often confusing category, we have the opportunity to play an essential role in our clients everyday skincare. Heyday is primed to bring skincare expertise to the masses to tell people not just what, but why — equipping consumers with the knowledge to care for their skin.

HEYDAY

Our next stage of growth is focused on you. We are excited to create a partnership with amazing operators who are interested in opening Heyday shops in the local markets they know so well. We believe that you can recruit and nurture the best estheticians to create amazing experiences for Heyday clients.

This Franchise Guidebook gives you a snapshot into where we came from and where we're headed together. Now, soak in all of the information that we will provide during this discovery process. We'll see you in the shops soon,

Adam & Michael,
Heyday Co-Founders

ACH MP



Franchise With Heyday

The Backstory

HEYDAY



WHY WE STARTED

We started when we realized facials needed to be freed from the luxury spa to help more people discover their skin's potential.

Consumers need guidance for their skincare routine

Estheticians have an unbelievable wealth of knowledge, but unfortunately, many clients don't know the value of building a relationship with one. Our estheticians are front and center at Heyday, because that's what will make a difference in our clients' lives, and a difference in your career.

The skincare industry is crowded

Consumers are confused. No matter where you turn, skincare advice is both constant and conflicting —from friends, to social media, to a new brand launching every day. Our clients crave expertise and clarity from a truly knowledgeable source that knows there's no such thing as one -size-fits -all skincare.

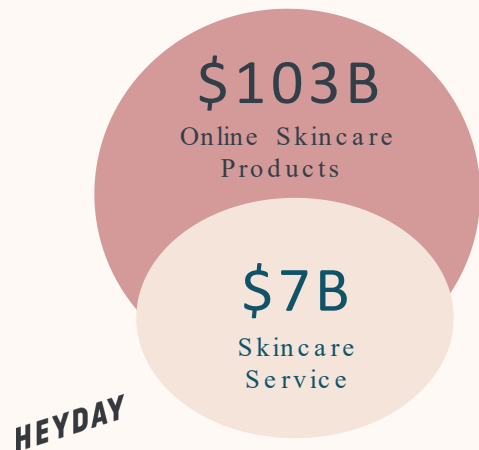
Facials needed to be more accessible

Until recently, facials were available in two places: spas and dermatologists. Facials are most effective when frequent, but routine facials weren't possible or enjoyable in a spa or doctor setting. At Heyday, we offer a new kind of experience —one that's more educational than a dermatologist, and more 'every day' than a spa.

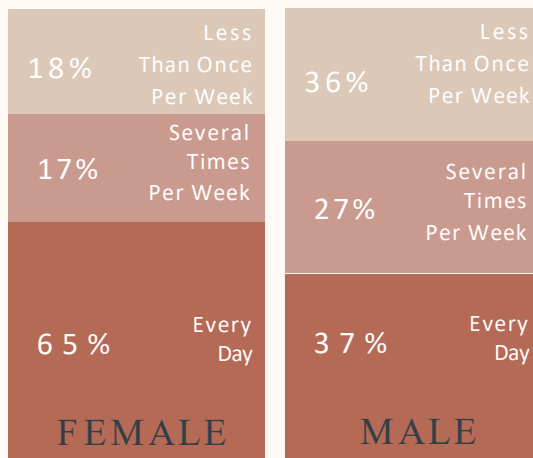
WHY WE STARTED

There is a massive opportunity to capture shares in the growing \$103B product market and \$7B skincare service category.

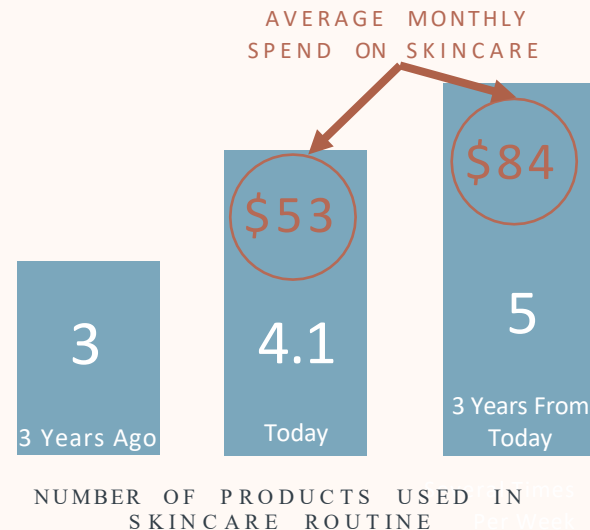
MASSIVE SERVICE & PRODUCT MARKET¹



IT'S A DAILY HABIT FOR EVERYONE²



WITH INCREASING SPEND³



WHY WE STARTED

Consumers have been looking for a brand that can assist them in their daily pursuit of supporting their daily skincare routine with personalized products, facial services, and advice.

HEYDAY

1. Heyday Post-Covid Skincare Survey 2. Google Trends

Skincare Remains Daily And Important ¹

92%

take care of their
skin every day, 63 %
doing it twice daily,
28 % once daily

93%

call their skincare
routine important, 19 %
saying 'more
important' since
COVID-19

The Routine Is The Biggest Opportunity²

86%

want product recommendations
and feel they don't have the
right products in their routine

66%

want to revise their skincare
routine with 44 % wanting to
add, 22 % wanting to simplify

6 OUT OF 10

confidence level of customers that their
skincare routine is the right one

WHY WE STARTED

Despite the category size, significant structural challenges exist, failing to solve customer needs.

SKINCARE
SERVICE

WHAT EXISTS TODAY

- Expensive/cheap treatments
- Few expert brands
- Non-existent online services

WHAT CUSTOMERS WANT

- Accessible and affordable skincare
- Estheticians who are true skincare experts
- Help creating the best skincare routine

SKINCARE
PRODUCTS

- Overwhelming choice
- Non-expert salespeople
- Online sameness

- Personalized product recommendations
- Expertise on the best products for individual needs
- Curation of the best skincare brands and products



Heyday is a skincare company that makes sense of skincare — with personalized **facials**, coveted **products**, and expert **guidance**.



WHO WE ARE

Our name says it all – your 'heyday' is that period in life when you're feeling at your best. **We believe every day can be your *heyday*.**

Skincare is about more than the health of your body's largest organ. It's about having the skin that instills the confidence to give a big presentation, put yourself out there, or feel like the truest version of yourself.

We believe that you can live your best life everyday. That's why we chose to name our business Heyday.

HEYDAY

The original muse for our name, clearly living in her *heyday*.



OUR MISSION

We make skincare trusted, personal, and accessible to help people look and feel their best.



For Our Clients

We're here to create a positive impact on our clients' skin — whether they're in our hands in the shop or in their own hands at home. Deeper than skin, we impact our clients' sense of self.

BRITTANY C.

CLIENT

"I love your brand and everything you all stand for. You've made a difference in my life in a very meaningful way. Taking the small step of adding a facial to my regular routine has been a way to increase my awareness of the other things in my life I need to tend to—nutrition, physical activity, and most importantly, self love. Thank you."



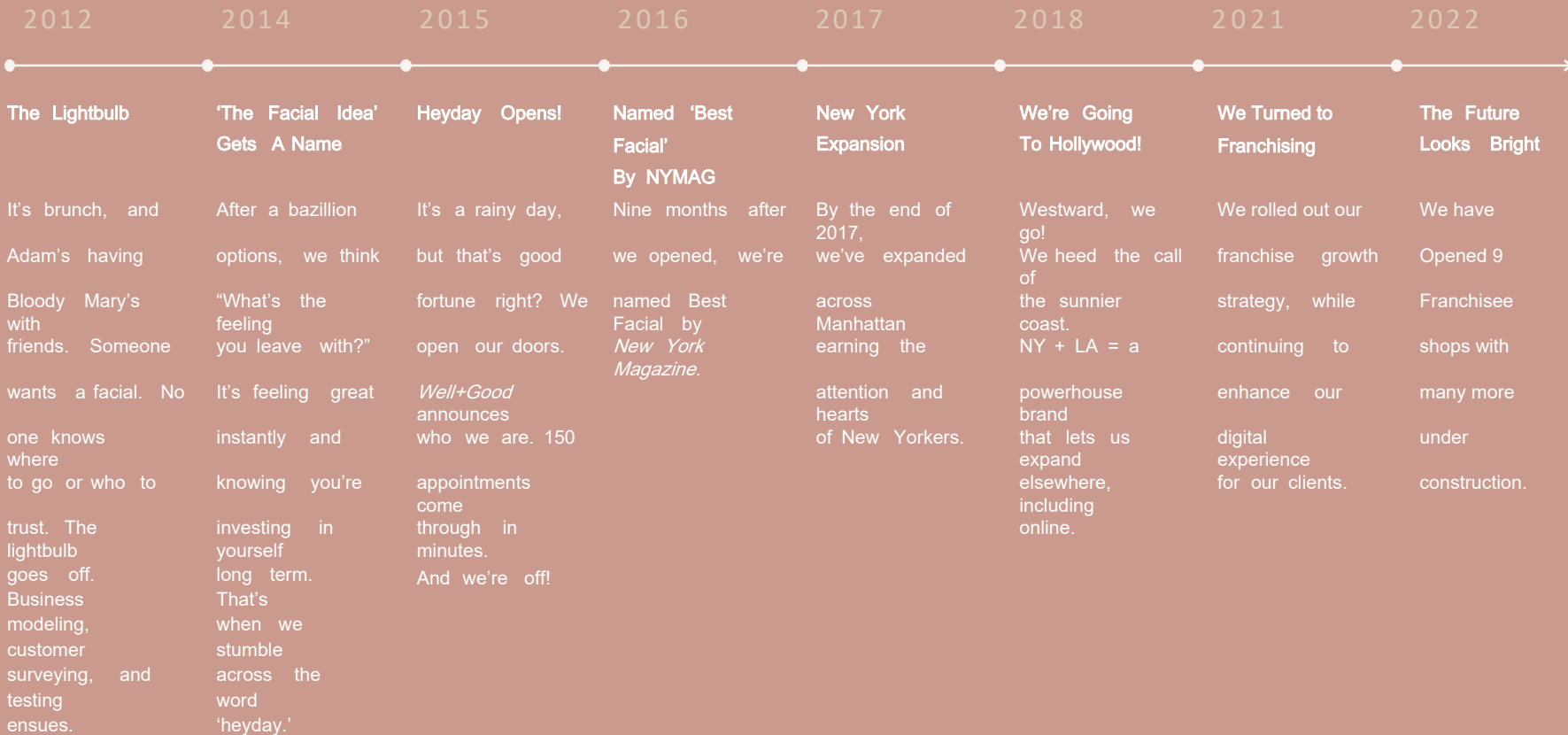
For Our Team

We're here to create a positive impact on our team, through meaningful work that unlocks personal and professional potential.

ALEX S.
ESTHETICIAN
+ REGIONAL
TRAINER

"Heyday is revolutionizing the skincare industry to make skin care knowledge more accessible, convenient, and easy to understand. I wanted to be part of this movement, and in the four years I've been on this journey, I've seen that come to life in ways unimaginable! Being a part of this team has not only given me the opportunity for personal growth as a Skin Therapist, but also see this growth happen for my peers—it's been a beautiful thing."

OUR TIMELINE



PRESS

Along the journey, the national press has taken note of how we're transforming an industry.

"Seriously cool with incredibly personalized facial options, as well as a curated shop. The estheticians are warm and really committed to educating clients about their skin."

goop

"Gentle, non-pushy Skin Therapists... hip décor and impressive blackhead elimination."

NEW YORK

"Consistent quality and a reasonable price; no hard sell, clean and bright..."

The New York Times

The People



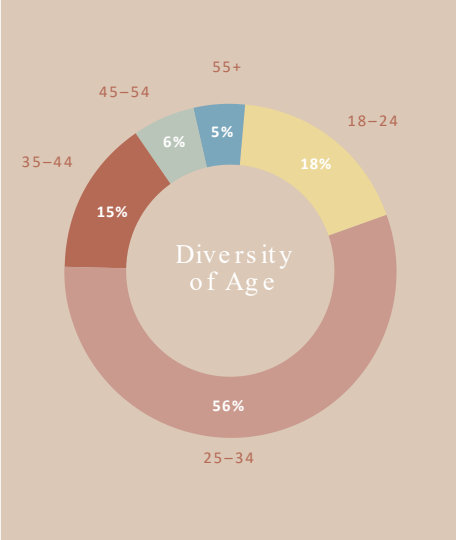
OUR CLIENTS

Our clients are not yesterday’s spa-goer — they’re today and tomorrow’s self-care purveyors. We’ve turned infrequent facial-goers into dedicated clients with healthy at-home routines.

Our clients are not regular facial-goers...

- 25% have never had a facial
- 27% have had facials, but not regularly
- 11% got regular facials prior to Heyday

...but we turn them into loyal clients.



Our Loyal Clients

79% of our clients return to us for more services

27% of our clients visit us on a monthly basis

86 Net Promoter Score (out of 100)

The Heyday Generation

18% of our clients identify as male

4.9 STARS Internal customer service score (out of 5)

THE CONSUMER

Redefining existing behavior and creating engagement with the category.

| The Existing Spa Customer | The Heyday Client ¹ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Describes facials as "beauty, pampering, indulgence, secretive, exclusive"• Primary: older female consumer• Secondary: younger consumer (through discounts and deals)• Has time and money• Believes pain equals efficacy with treatments• Believes in brand names and "price equals quality" approach for products• Private about personal rituals | <ul style="list-style-type: none">• Describes Heyday as "wellness, self-care, healthy lifestyle, unintimidating, accessible, convenient"• Primary: younger female and male consumers• Secondary: older affluent customer• Drawn to and appreciates great design• Time constrained• Seeks brands with soul and meaningful engagement• Reads ingredient statements• Digitally adept and constantly sharing• Forming lifestyle/lifetime habits |
| | <small>1. Based on discussions with Heyday clients since June 1 opening</small> |

TEAM MEMBERS

We've built the largest, most diverse team of expert Licensed Estheticians. In our shops, we cultivate a culture of education and excellence.

| | The Heyday Way | Common Industry Practice |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Income | Hourly rate commissions as an employee | Most estheticians are paid on a services-based commission. |
| Focus | We only provide facials—making them the star of the show | Most estheticians work in a larger salon with many service offerings. |
| Education | Ten day foundations training followed up with monthly continuing education | Since the estheticians work in a larger salon atmosphere they are not supported with education or a peer to peer support system to help them be better estheticians. |
| Data | Owning over 7 million data points, we know more about a client's skin, which provides our the best asset to create a personalized experience. | Very little cumulative data is compiled on customers to assist with seasonal or monthly issues that appear with every client. |



230+

Number of State-Licensed Estheticians

17%

Acceptance Rate of Applicants

15% vs 35% — 50%

Employee Turnover vs. Industry Standard

The Experience

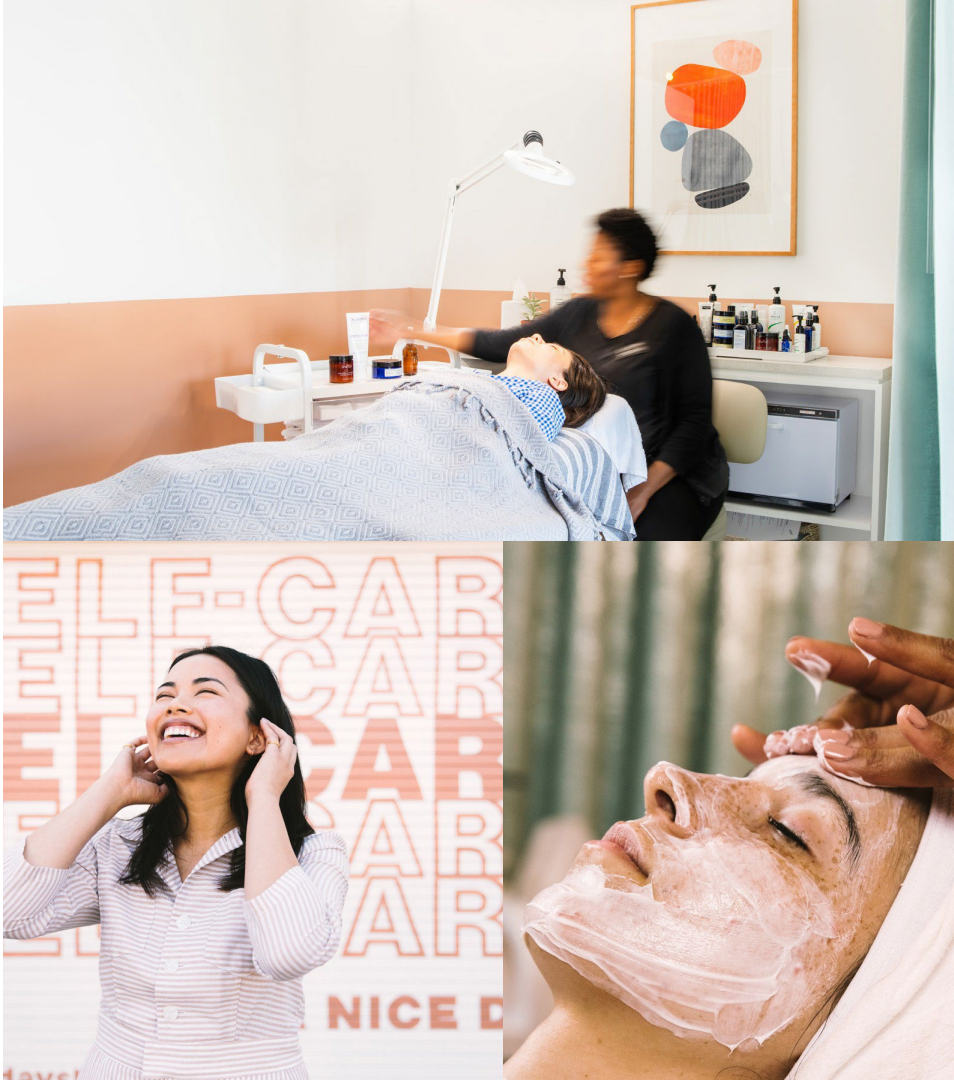


SERVICES

Our facials are customized by our expert estheticians. This customization directly relates to proprietary data that grows with every client visit.

The Heyday Facial

- It starts with a skin analysis to understand what your skin needs
- The treatment blends custom protocols to target your current skin conditions
- We set you up with a skincare routine so you can work on your goals from home



PRODUCTS

Our shelves and treatment rooms are stocked with expertly-curated products that blend the power of nature with the smarts of science — and get results.

In fact, 70% of our product line will not be found in an Ulta or Sephora.



Most traditional spas carry one or two product lines. To be seen as experts in skincare, our estheticians need more options to tailor to customers — and our customers want to discover more, too.



SHOPS

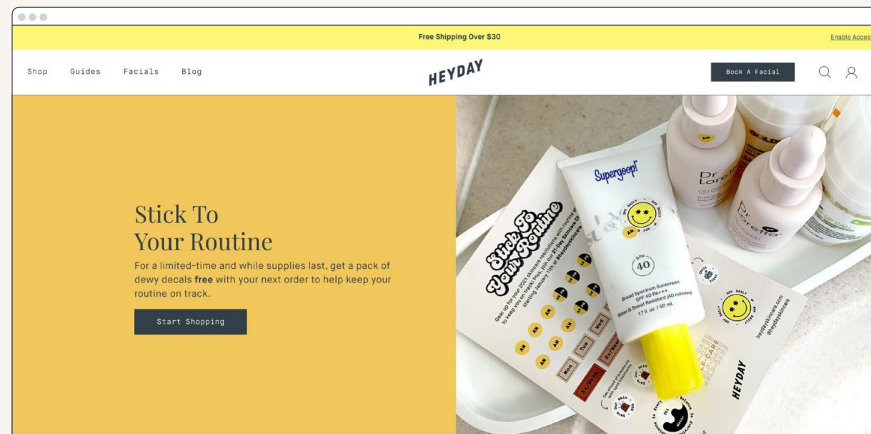
Our shops are a new kind of space for skincare — welcoming, inclusive, and educational.



↖ Goodbye hush-
hush and whale
sounds, hello
conversation and
playlists people
ask for.

DIGITAL

Our digital platform — *our world - class client database, industry leading website, and proprietary technology + algorithms* — deliver personalized skincare and product recommendations to our clients 365 days a year.



The Skincare Guidance You've Been Searching For

With 250,000 facials and 300 licensed estheticians behind us, we'll help you find the right skincare routine for you.

Shop By Skin Condition

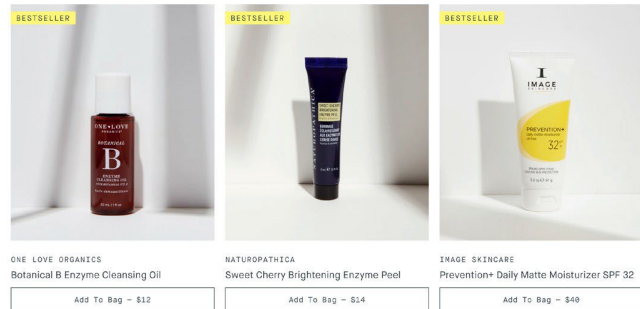
Shop All

Blackheads

Breakouts

Dehydration

Dilated Cap



Franchise With Heyday

The Opportunity



OUR VISION FOR FRANCHISING

We are seeking entrepreneurs with passion and drive to empower incredible estheticians to deliver world-class skincare.

Can you execute our mission?

We're on a mission to create a personalized experience for our clients, and education will be the foundation for our success. You will equip your estheticians with the right tools and training to be their best. Your team will teach your clients the best personalized approach.

Where are we going and growing?

The short answer is ... anywhere that people have skincare needs. We have identified 60 cities that should have at least one Heyday shop. We are taking a very conservative approach to growth so that we can support your initial operations.



Franchise With Heyday

The Opportunity

OUR VISION FOR FRANCHISING

Average First Year
Revenue

\$2,188,749

Average First Year
Product Sales

\$557,401

Average First Year
EBITDA

\$287,764

BASED ON CALENDAR YEAR 2022.

This information appears in Item 7 in our Franchise Disclosure Document. The amounts provided in the investment range are based on estimated costs for the development of an eight and twelve bed shops. Your results may differ based upon quality of space, size of space, local costs of labor, and landlord tenant allowance contributions.

This financial performance representation discloses (a) historical information regarding the average revenue (before discounts) and EBITDA of 10 shops that were opened prior to August of 2023. Your individual results may differ. There is no assurance that you will earn as much. Please see Item 19 of the Heyday FDD issued August 4, 2023 for explanatory notes and details.

| | | Estimated | Total Investment |
|-------|----------------------------------------------|--------------|------------------|
| Start | Up Costs | Low Estimate | High Estimate |
| | Franchise Fee | \$ 60,000 | \$ 60,000 |
| | Shop Opening Services Fee | \$53,000 | \$53,000 |
| | Legal/Professional Fees | \$ 5,000 | \$ 12,000 |
| | Banking Account Fees | \$ 1,500 | \$ 1,800 |
| | Business Licenses & Permits | \$ 500 | \$ 1,500 |
| | Architect/Engineer/Permits & Licenses | \$ 46,500 | \$ 56,500 |
| | Leasehold Improvements & FF&E | \$ 545,000 | \$ 665,000 |
| | Signage | \$ 12,000 | \$ 22,500 |
| | Construction Project Manager Travel | \$ 10,000 | \$ 10,000 |
| | Technology Hardware | \$ 12,500 | \$ 15,000 |
| | Opening Service Supplies & Equipment | \$ 37,760 | \$ 85,040 |
| | Opening Inventory Product | \$ 46,250 | \$ 52,750 |
| | Market Introduction Program | \$ 60,000 | \$ 75,000 |
| | Local Marketing | \$ 8,500 | \$ 14,500 |
| | Pre-Opening Esthetician & FOH Training | \$ 10,000 | \$ 10,000 |
| | Prepaid Rent and Security and Other Deposits | \$6,500 | \$14,500 |
| | Insurance Premium (3 months) | \$1,000 | \$3,000 |
| | Working Capital | \$50,000 | \$78,500 |
| | Total | \$966,010 | \$1,230,590 |

HOW WE SUPPORT YOU

01

Opening Your Shop

We've created a road map to support your site selection and construction process. We will use our historical success with site identification, our national broker system, and uniform design specifications to be utilized to open your Heyday shop. Your shop will look and feel like every shop that we've opened.

02

Highly Curated Skincare Brands

We've attracted world class brands across key skincare categories. Our estheticians create outsized value in the consultation and recommendation of products. We are quickly becoming the premier retailer for up-and-coming brands.

03

Our Skincare Database

Having collected more than seven million data points, we know more about a client's skin, skincare issues, and goals than anyone else. The more information that we gather on a monthly basis will increase our goals to personalization for each client that visits you.

04

Heyday University

Nothing is more vital than educating and empowering the Heyday team. We've established a ten day foundations training for all of your estheticians. Our on-going education will be focused on innovative products and services that are best-in-class so that you can recruit and retain the best estheticians.

05

Our Digital Service Supports Your Clients Daily Routine

Heyday has launched a unique service that delivers a personalized skincare routine and helps our clients stay on track. Clients that commit to a routine are more likely to become members and frequent visitors to our shops.

THE MODEL

There are multiple opportunities for growth when you franchise with Heyday.

Service Revenue

Attractive, reoccurring revenue dollars per client through service that builds trust and loyalty.

Product Sales

Trust built with service provides platform to drive significant product sales.

Women & Men

An inclusive category with a huge opportunity to grow and expand female market and unlock male market.

Wellness Positioning

Instant gratification paired with long - term skin health benefits. Spending on self -care, not indulgence.



Franchise With Heyday

The Opportunity

OUR PROCESS

01

Fill Out The
Form To Get In
Touch

02

Set Up A
15-Minute Call

03

Learn About
The Opportunity

04

Talk To the
Executive
Team

05

Spend The
Day In Our
Shops

06

Start Opening
Your First
Heyday!

HEYDAY

The Skincare
Expertise
Your Routine
Is Missing

FACIALS SKINCARE GUIDANCE.

HEYDAY
Meet Your
Newest
Skincare
Habit

1735

F.D.C.
LOCATED ON
RANSTEAD

www.heydayfranchise.com
610.529.4444
PEARL

1735 Residences

Jason Matthew
Schuman

PEARL
PROPERTIES