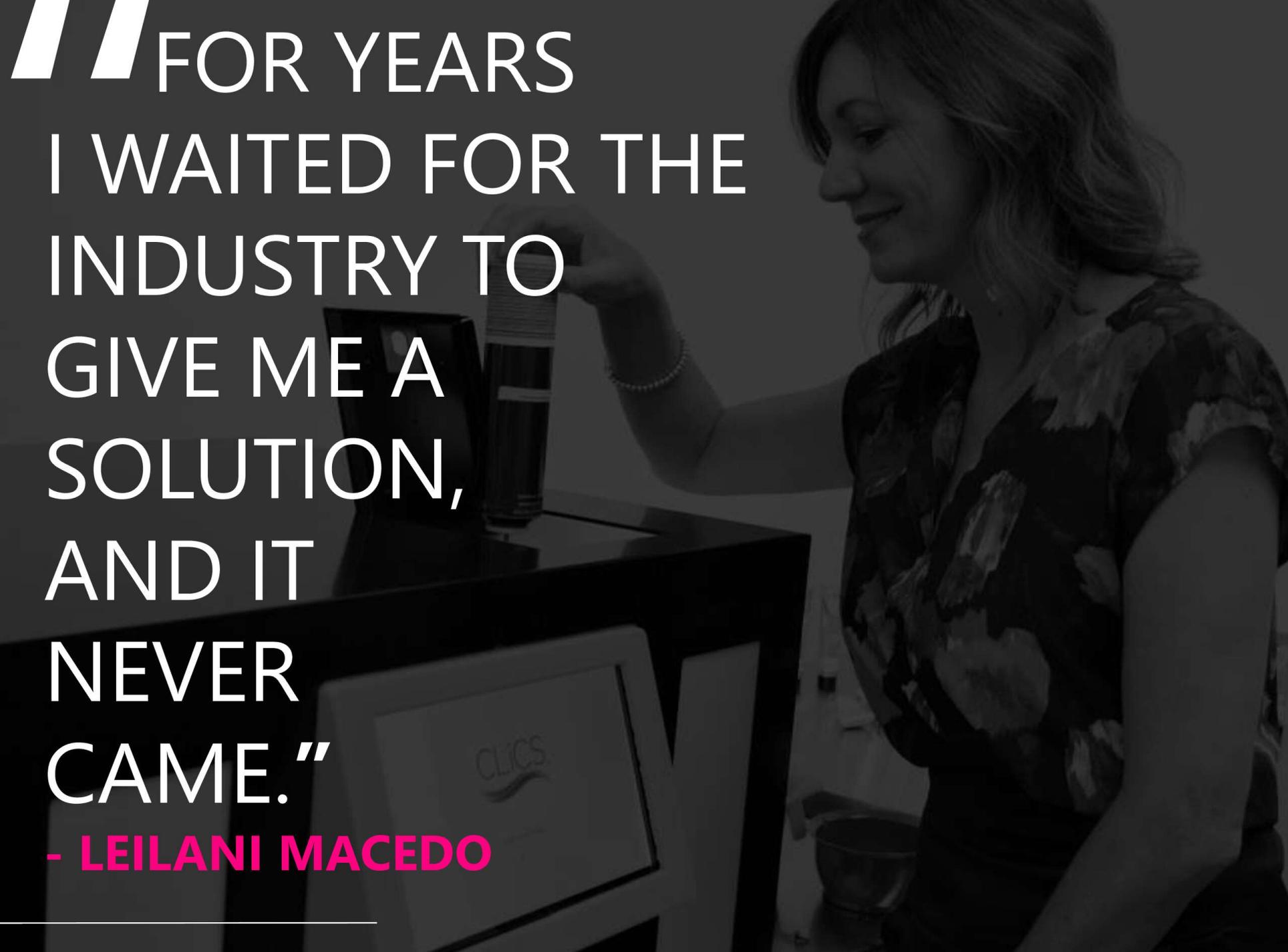


CLICS<sup>®</sup>

COLOR. CREATIVITY. TECHNOLOGY.

A woman with long, wavy hair, wearing a floral-patterned dress, is seen from the side, smiling as she works behind a dark bar counter. She is holding a glass. On the counter, there is a sign that says "CLICS". The background is dark and out of focus.

FOR YEARS  
I WAITED FOR THE  
INDUSTRY TO  
GIVE ME A  
SOLUTION,  
AND IT  
NEVER  
CAME.”

- LEILANI MACEDO

---

# SALON HAIR COLOR - A \$10 BILLION MARKET CHALLENGE, ONE SOLUTION

.....

30% + Waste

\$5,000-15,000 of Inventory

Formulation Mistakes

Space Issues

Antiquated Tools

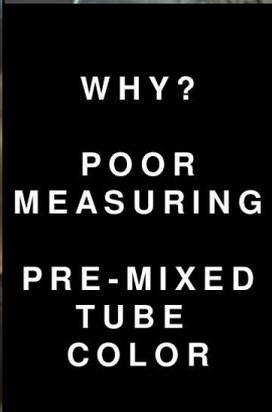
Limited Color Choice



**INVENTORY  
&  
WASTE**



**MISTAKES**



# GROUNDBREAKING SOLUTION

.....

## Innovation across seven disciplines

- Reactive Hair Color Chemistry
- Hair Color Packaging
- Robotic IoT Dispensing
- Mobile App
- Optical Sensors
- Neural Net AI
- SaaS Platform



## CLICS Unique Compelling Offer

*The first digital hair color studio for stylists and pay-per-dispense color-as-a-service for salons*

# HOW CLICS WORKS



AUTOMATED  
CONTROLS

+

COLOR  
CHOICE

+

RECORDED  
FORMULAS

=

SAVINGS,  
CASH FLOW,  
HAPPY CLIENTS



LESS WASTE  
& INVENTORY

+

LIMITLESS  
CREATIVITY

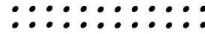
+

REPEATABILITY

=

IMPROVED  
ECONOMIES

# EVERYTHING & NOTHING



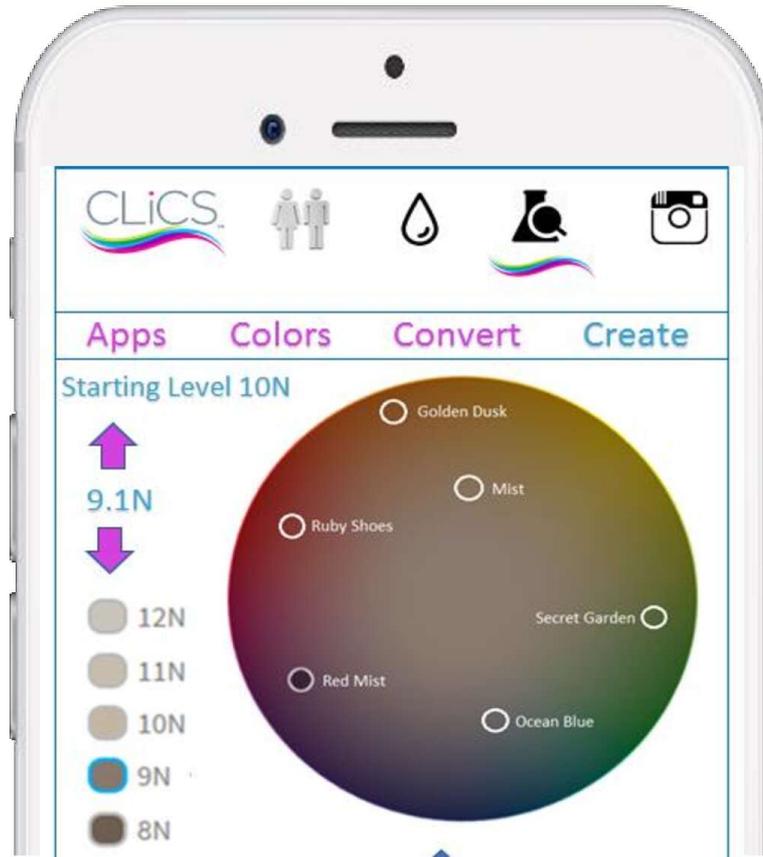
Revolutionizing the \$10 Billion hair color market

**1,000,000+**

Custom color formulations at your fingertips

**ZERO**

With CLICS waste is a thing of the past



**\$0**

Salon's inventory investment with CLICS

**0**

The number of IoT color dispensers today



# SALON & STYLIST VALUE

## The CLICS Difference:

### For Salon Owners

- Waste Elimination
- No Inventory or Tied Up Cash
- No Inventory Management
- Purchase After Dispense
- Pin-Based Accounting

### For Stylists (Colorists)

- More Color Choice
- Precision Color Design
- Repeatability
- Always Available

Ecological Benefits: Dramatic Improvement for all

# CLICS' PRICING



CLICS' salon program pricing is groundbreaking in it's efficiency, simplicity and flexibility. It rewards high producers and incentivizes growth.

## DISPENSER PRICING

---

SETUP FEE (per dispenser)	\$500
DAILY LEASE FEE PER DISPENSER	\$8.25
LEASE FEE WAIVED (/dispenser)	W/ \$500.00 Mo. Purchases
MINIMUM CONTRACT TERM	6 MONTHS
DISCOUNTS FOR VOLUME PURCHASES	10% to 20%

---

# CLICS PLATFORM



## DISPENSERS

- 2 Patents issued, 4 Pending
- Mobile app controlled
- 10X more accurate than scales;
- 98% accuracy at 50mg
- 14 sensors
- Proprietary controller
- Triple redundant communications
- Only two moving parts
- Remote monitoring and control
- Unique data collection
- Canisters
  - Cost 38% of tubes
  - Holds four times the color
  - Dispenses virtually 100%
  - Recyclable\*

*\*1 billion + tubes are being tossed in landfills each year*



# AI

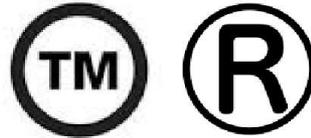
# IP/COMPETITION

.....



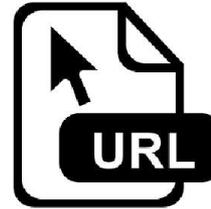
## DISPENSER TECHNOLOGY

- Dye Dispensing System
- Patent Filed in July 2016
- ***Allowed January 2019***
- ***Notice of second allowance***
- ***Patent pending:***
  - ***Mobile App, Color Algorithms, Sensor, Big Data AI Formulation***



## TRADEMARKS

- CLICS ®
- CLICSColors, ®
- Color. Creativity. Technology™
- Elevating Stylists and Salons™



## URLs

- CLICS.com
- CLICSColors.com
- CLICSAcademy.com



## TRADITIONAL HAIR COLOR COMPANIES

- L'Oréal, Henkel, Kao, Goldwell, etc.



# CLICS MOBILE APP



## Mobile APP

- Manage Clients
  - Hair Profile
  - Before and After Pics
  - Client Service Process
  - History
  - Customer Satisfaction
- Color Lab
  - Formula to Color/Color to Formula
  - Leading Competitive Colors
  - Optical Hand Scanner
- Dispenser Queue and History
- Socially Shareable Colors and Apps
- Online Education
- Unique Service Quality Information
- Automated Payment Reporting



# HIGH RESOLUTION SUPPLY CHAIN

.....

Unique Barcodes Enables Continuous Tracking

Cans:

In pick/pack/ship facility

In transit

Staged

Installed - grams remaining

Missing

Grams and Tones Used:

per salon, per stylist, per client, per time period

Supply Chain Benefits

Consumption patterns

Color trends

Production metrics

Scheduling visibility

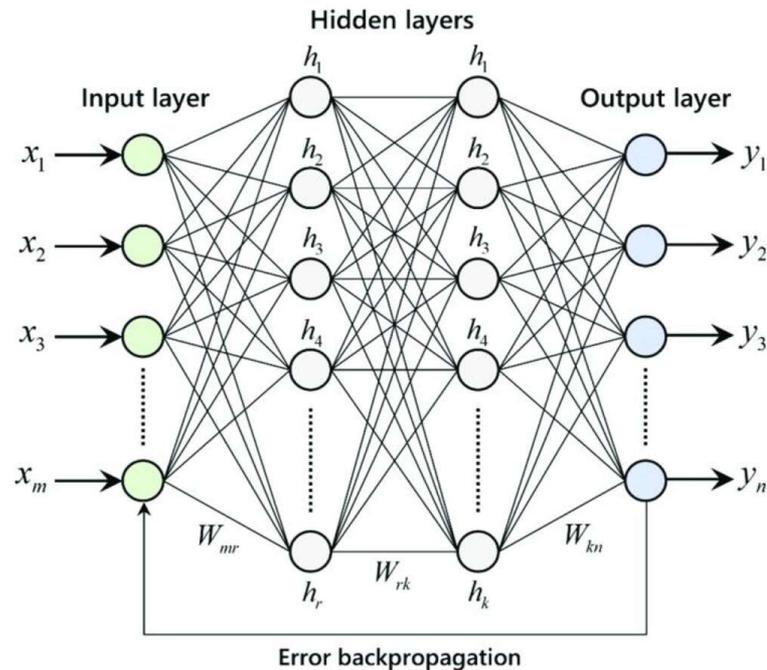
6-to-1 SKU reduction through mixing and additives



# NEURAL NET AI SOLUTION

.....

- CLICS' Patent Pending Color Matching Engine
  - *Confidence in color formulation*
    - Millions of designable and repeatable colors
    - All competitor colors, as characterized
    - First step to predict tonal variations for all hair types



# DISPENSER ECONOMICS

.....

## Build – Train - Install

**\$7,303**

	<u>Initial Cash</u>	
	<u>Outlay</u>	<u>Financed</u>
CLICS Kiosk Build Cost for Two Units per Salon		\$6,000
Shipping and Installation	\$400	
Training and Enrollment Costs	\$500	
Canister inventory to fully load +extra	\$403	
<b>Total Installed Kiosk Cost</b>	<b>\$1,303</b>	<b>\$6,000</b>

## Annual Revenue and Margin

Average Salon Purchases	\$43,962
CLICS Gross Margin at Scale (80%)	\$35,163
Annual Service Expenses	\$980

## Unit Profitability

Salon Contribution/Year	\$34,183
Breakeven with 3-month ramp up	3.3 Mo.
Contribution over 5-Year Life	\$165,668
Return Over Lifetime	2268%



# CLICS' MARKET FOCUS

.....

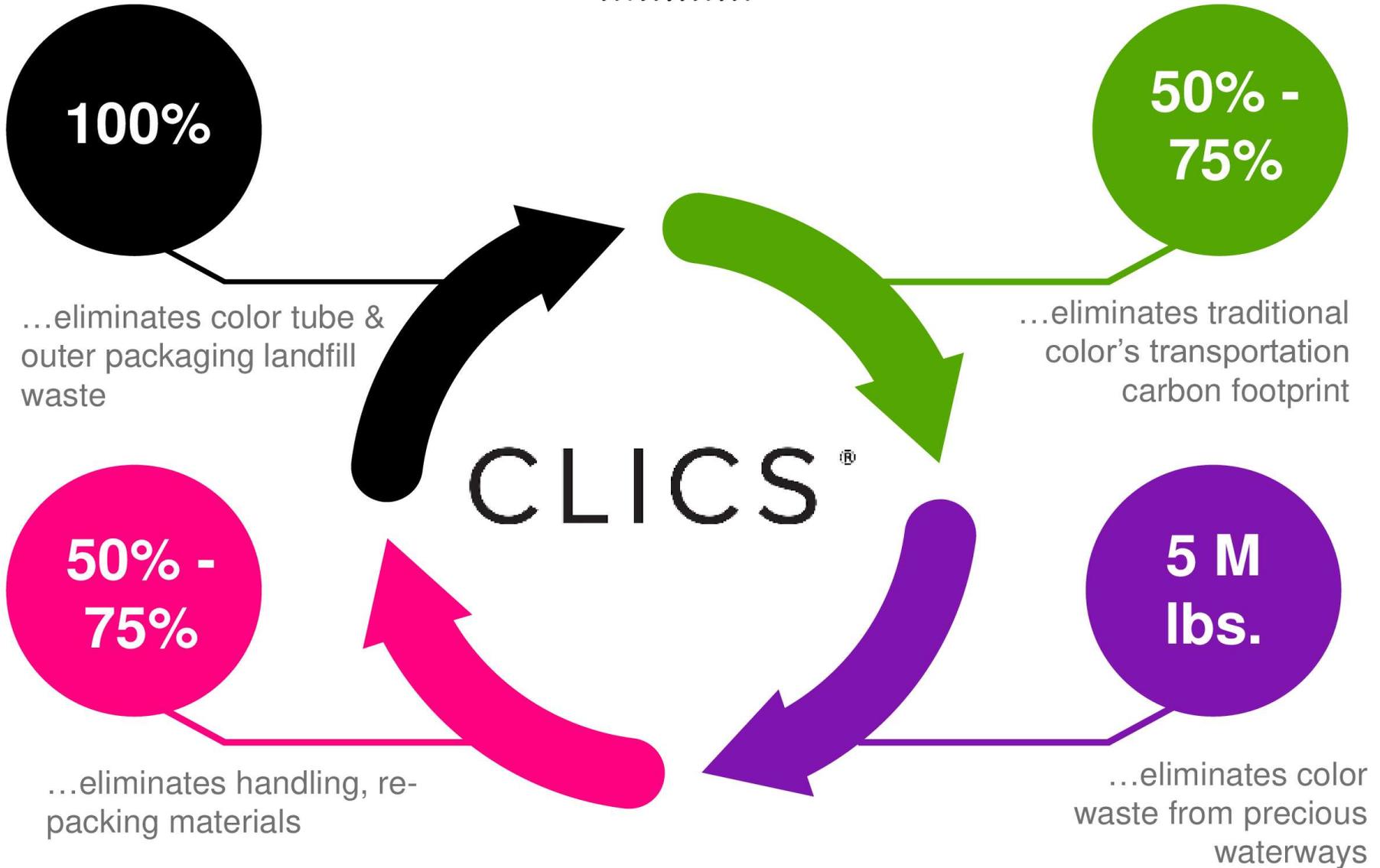
Professional Salon Hair Care 2021:

- Hair Color: \$1.5 Billion U.S., \$10 Billion Global
- All Categories: \$4.6 Billion U.S., \$18.4 Global



# ECOLOGY & RESPONSIBILITY

.....





**“CLICS will save us  
\$1000’s by  
eliminating waste &  
take the guesswork  
out of mixing color”**

Gayle Fulbright, Owner of Headlines The Salon  
(Salon Today Top 200 salon 13 years running)

**“CLICS is a disruptive  
solution for the  
hair color industry,  
partnered with  
a dynamic  
business model”**

Ryan Goldman, Empire Beauty & Spectrum Salon Services



# CUSTOMER DEMAND

.....



## \$8 Million Sale Pipeline

- Signed Service Contracts
- Beta Customers and Verbal Intent to Sign
- Strategic Partnerships
- Online Reservations
- Direct Sales Pipeline

# THE TEAM



**CHARLES BROWN**  
CEO



**LEILANI MACEDO**  
FOUNDER & PRESIDENT



**JEFF PLOETNER**  
DIR. OF ENGINEERING



**JEFF MACEDO**  
MECH. ENGINEER



**STU D'ALLESANDRO**  
SOFTWARE DEVELOPMENT



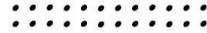
**CHRIS MUNZ**  
CONTROL LOGIC



**RALF ZISSEL**  
MASTER CHEMIST



# STRATEGIC SUPPLIERS



## FORMULAS



### NORMAN RESEARCH

Award-winning chemist, Ralf Zissel, has innovated in hair color for the world's leading brands

## COLOR FACTORY



### C-CARE

Pharmaceutical-grade manufacturing facility with integrated pick-pack-ship service

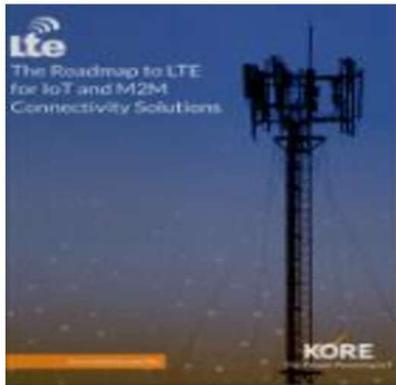
## MANUFACTURING



### AQS

Dispenser manufacturing, customer direct shipping & depot maintenance

## CONNECTIVITY



### KORE TELEMATICS

Global IoT & M2M Telecommunications supplier

## AUTO-DEBIT

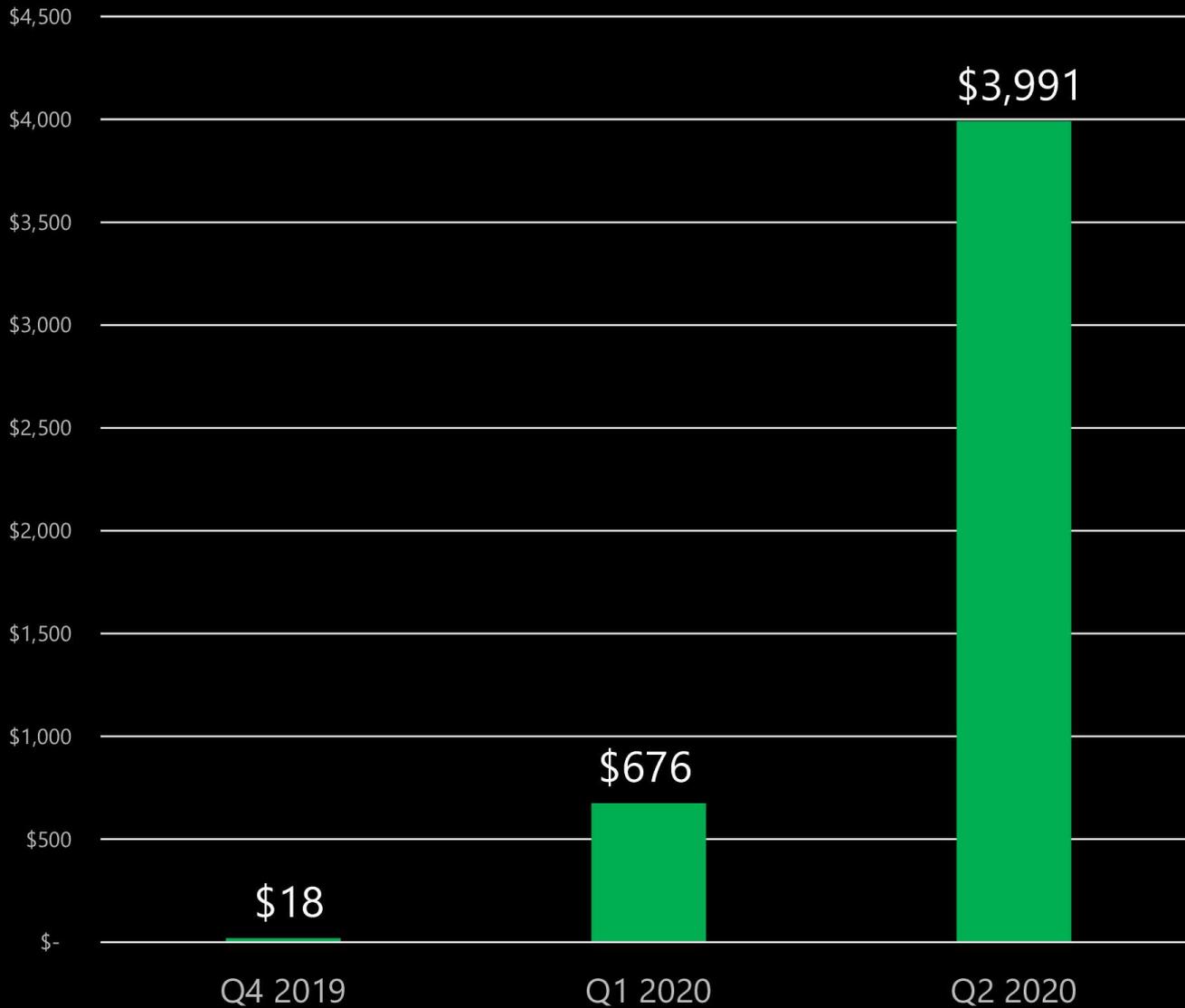


### PAYSIMPLE

ACH debit authorization and banking services

# CLICS Revenue

# RELAUNCH



Q2  
Growth:  
491%

# CLICS HISTORIC & PROJECTED REVENUE



Q2 Growth: 491%

Q2 to Q3: 2,574%

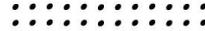
Projected:

Q3 to Q4: 79%

Q4 to Q1: 55%

Note: There is no guarantee that the Company will meet its revenue projections

# STEP CHANGE



Home Depot Paint Center



More Color Choice



Less Inventory



Digital Hair Color Studio



More Color Choice



Less Inventory



# **Competitor X**

*powered by* **CLICS**

# CLICS V2 DISPENSER

- 17" by 17" by 17"
- Holds 39 canisters
- *Ideal for salon suites*



# VALUE CREATION EVENTS & REVENUE PLAN

## Key Events:

Strategic Revenue Started

Neural Net Mathematical Certainty

CLICS COLORS™ V2

500 Salon Chain Customer Network in Process

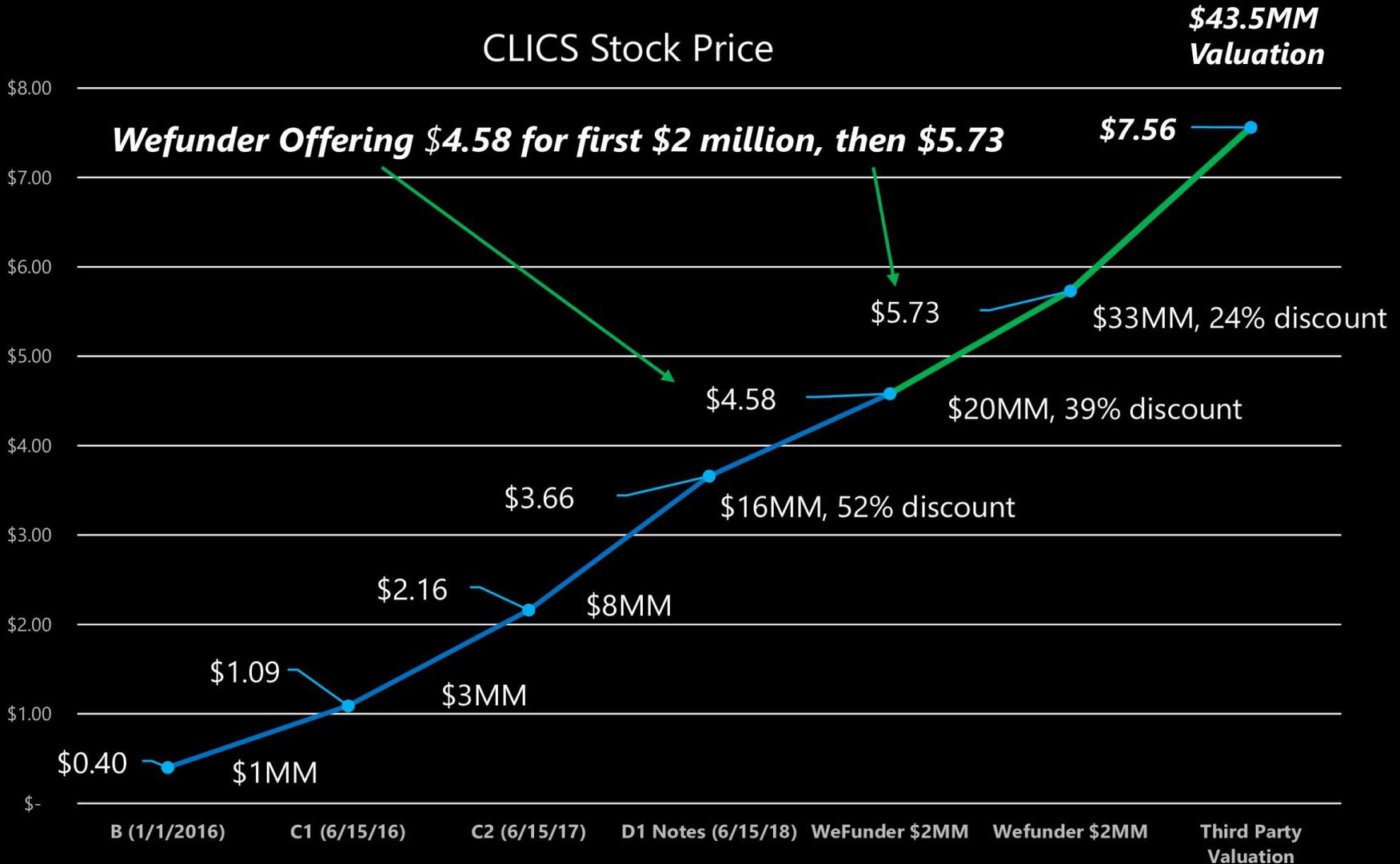
Wefunder Program Approved

TheNextUnicornTV Selection

<b>Net Sales</b>	\$	3,443	\$	21,419	\$	48,217	\$	104,870	\$	199,018
<b>Total Cost of Goods Sold</b>	\$	1,592	\$	5,174	\$	10,426	\$	16,448	\$	30,431
<b>Gross Profit</b>	\$	1,851	\$	16,245	\$	37,791	\$	88,423	\$	168,587
<b>Operating Expenses</b>	\$	5,238	\$	15,634	\$	34,802	\$	66,397	\$	107,141
<b>Income from Operations</b>	\$	(3,386)	\$	611	\$	2,989	\$	22,026	\$	61,446
<b>Net Income (Loss)</b>	\$	(3,386)	\$	468	\$	2,370	\$	14,629	\$	42,089

Note: There is no guarantee that the Company will meet its revenue projections

# SHAREHOLDER VALUE CREATION

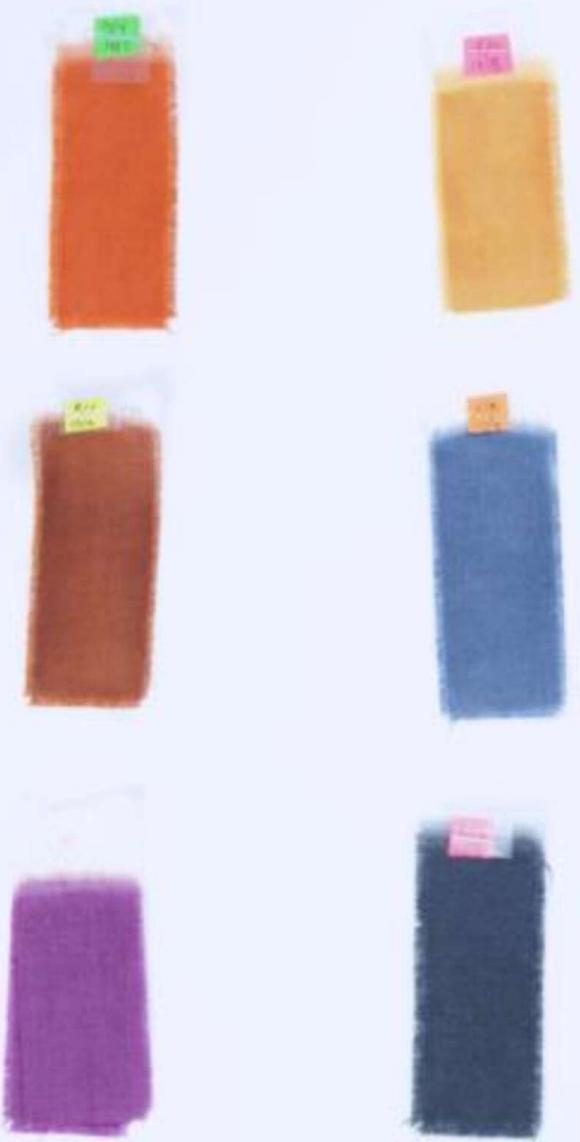


# THE CLICS DIFFERENCE

.....

- Large and fragmented market
- A disruptive solution
- A new category
- Clear customer pain
- First mover advantage
- Scalable
- Low capital needs
- Potential for rapid growth
- Clear exit strategy:
  - 1-2 Years 4-6X
  - 4-5 Years 12-16X
  - Includes 20% dilution for \$15 to \$20 million in growth capital

Note: There is no guarantee that the Company will meet its projections



“We are committed to making L’Oréal the leader in beauty tech”  
said Nicolas Hieronimus, the company’s deputy CEO, in a statement at CES 2020.





# EXITS & COMPS

.....

2018: L'Oréal buys Pulp Riot \$85 million

2017: Kao buys Oribe for \$400 million

2017: Henkel acquires Joico/Pravana for \$485 million

2017: Ares acquires DevaCurl for \$350 million

2015: L'Oréal buys Niely for \$1 billion

***2014: L'Oréal buys Sayuki for \$150 million***

2014: Henkel buys Sexy Hair for \$370 million

2009: Unilever buys TIGI for \$411 million

2003: Henkel buys AR Labs for \$250 million

2003 Kao acquires Goldwell, amount undisclosed

2000: L'Oréal acquires Matrix, amount undisclosed

1997: Estee Lauder acquires Aveda for \$300 million

1995: Henkel buys Schwarzkopf, amount undisclosed

1993: L'Oréal acquires Redken for undisclosed amount

# FUNDING

.....

**Offer: \$2 million in Series D1 Preferred Equity  
\$4.58 per share, \$20 million pre  
Preference AND Participation**

## **Prior Funding:**

\$3.1 million in Series B Convertible Notes  
\$2.3 Million Series A

## **Investors**

- Charles Brown, CLICS CEO
- Ralf Zissel, CLICS' Chemist
- Arlene Harris: Founder Greatcall
- Andrew Garman: New Venture Partners
- Tech Coast Angels
- Keiretsu Forum Angels



# GLOBAL HAIR COLOR STRATEGIC SEGMENTATION

.....

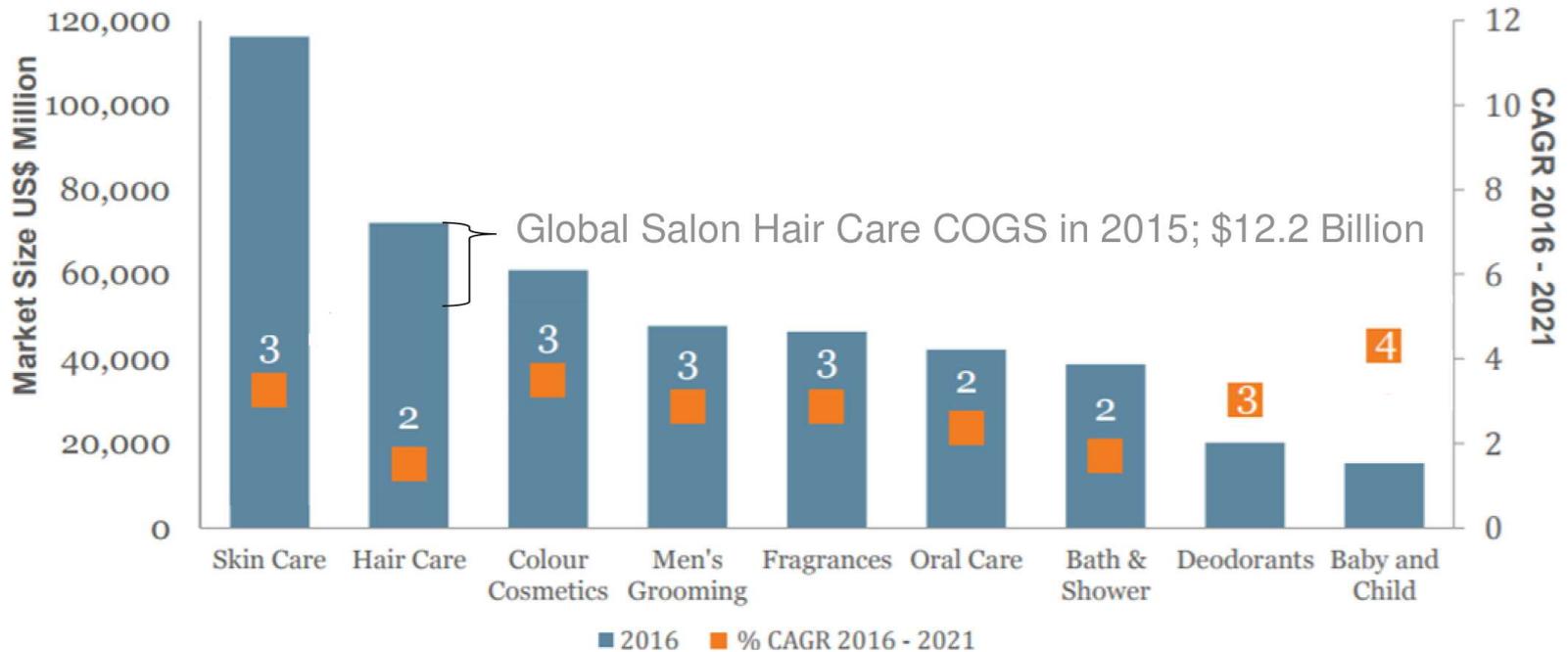
BRAND	CLICS	Paul Mitchell	Kao	Estée Lauder	Henkel	L'Oréal
<b>CAPABILITY</b>		~\$2.5B Rev.	\$13.8B Rev.	\$13.6B Rev.	\$22.3B Rev.	\$30.1B Rev.
		The Color	Goldwell	Aveda	Schwarzkopf	Multi Brand
Mixable Color Line	X			X		
Color Canisters	X		X			
IOT Computerized Dispensing	X					
Hair Color Eco-system	X				In Roadmap	
Shampoo & Conditioner Eco-system	X				X	

# GLOBAL BEAUTY & PERSONAL CARE MARKET

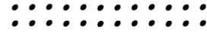
.....

Total global value for overall beauty in 2016: **\$444bn**

Total Value Sales by Category in 2016

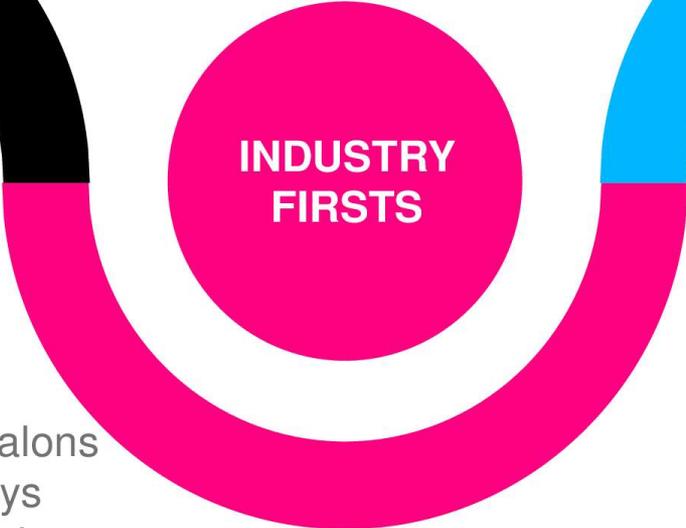


# GO TO MARKET



## DIRECT TO SALON

- Chains and independent salons
- Salon sales cycle: 7-45 days
- Chain sales cycle: 90-180 days
- Channel partners: Educators & Manufacturers Reps.



## INDUSTRY FIRSTS

- Inventory auto-ordering
- Factory-direct shipping
- Purchased by the gram
- Autopay after dispensing



## CONSUMER MARKETING

- Direct web sales with salon fulfillment
- Drives CLICS brand and helps salons sales

# PROFESSIONAL SALON MARKET

.....

The overall professional salon market, including retail and services in the United States is \$62 billion, with salon hair color services representing \$7 billion annually.

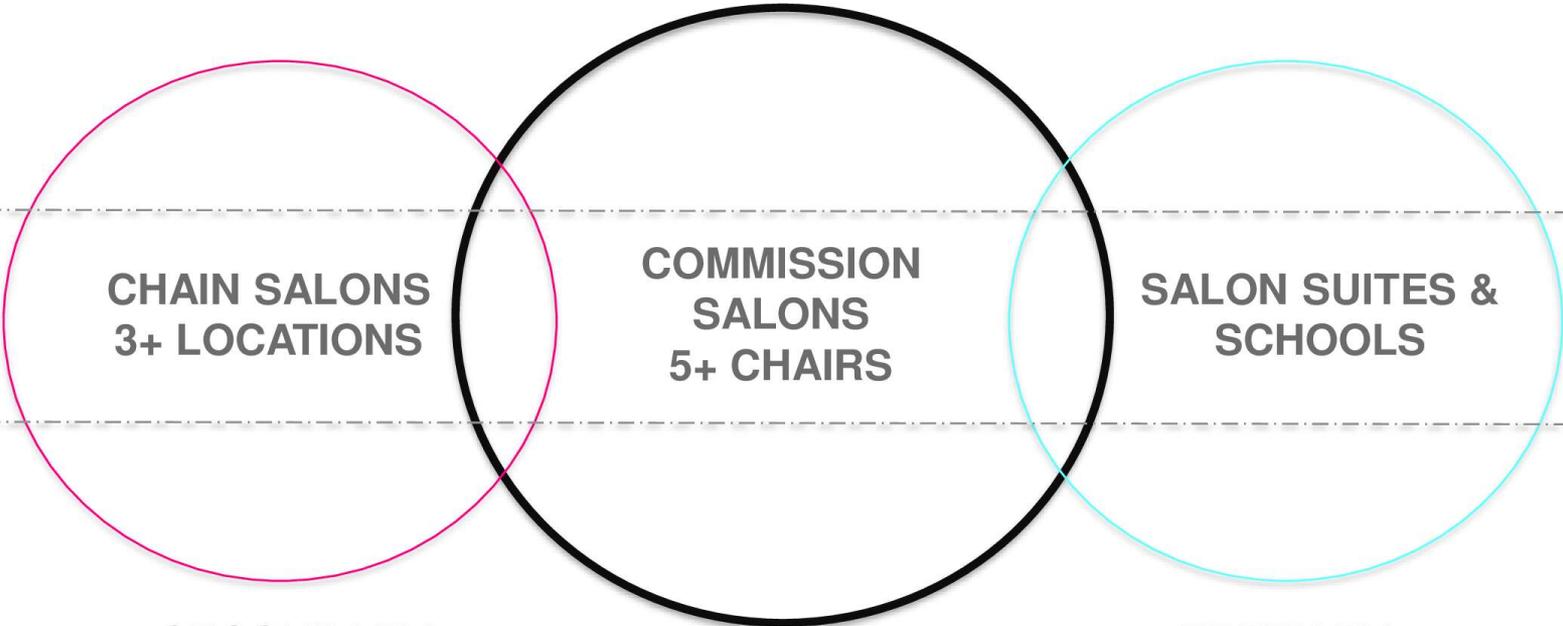
SALON TYPE	SALONS	MARKET SHARE
INDEPENDENT	82,500	82.5%
NATIONAL CHAIN	10,000	10%
NATIONAL FRANCHISE	7,500	7.5%
<b>TOTAL</b>	<b>100,000</b>	<b>100%</b>

LEADING CHAINS	CORP.	FRANCHISE	TOTAL
REGIS (MULTI-BRAND)	6,792	2,496	9,288
JCPENNEY	850	0	850
FANTASTIC SAM'S	0	1,120	1,120
<b>TOTAL</b>	<b>7,642</b>	<b>3,616</b>	<b>11,258</b>

# TARGET CUSTOMERS

.....

PRIMARY  
AUDIENCE



**CHAIN SALONS  
3+ LOCATIONS**

**COMMISSION  
SALONS  
5+ CHAIRS**

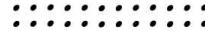
**SALON SUITES &  
SCHOOLS**

SECONDARY  
AUDIENCE

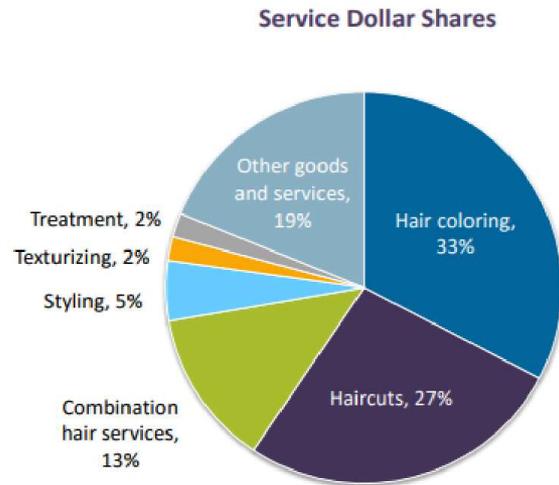
TERTIARY  
AUDIENCE

The average stylist buys \$5,000 to \$8,000 of hair color per year

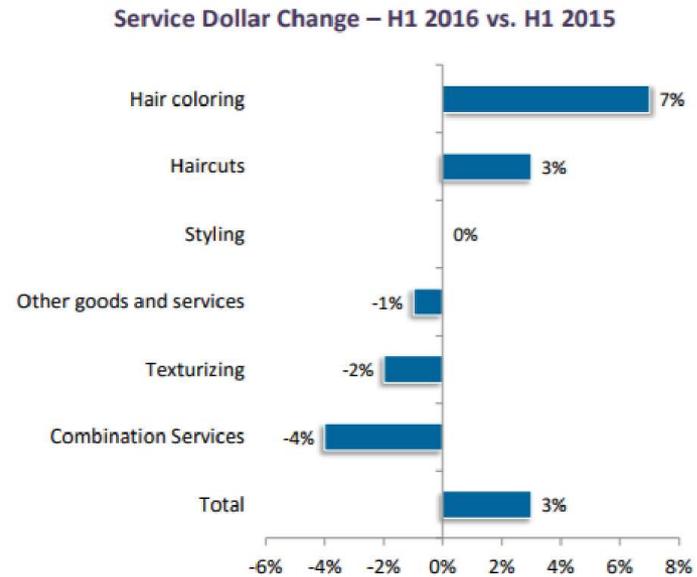
# PROFESSIONAL SALON REVENUE



First Half 2016 Results – Total Service Revenue +3%



303,000 salons and barbershops generating \$67 billion in service revenue in 2014

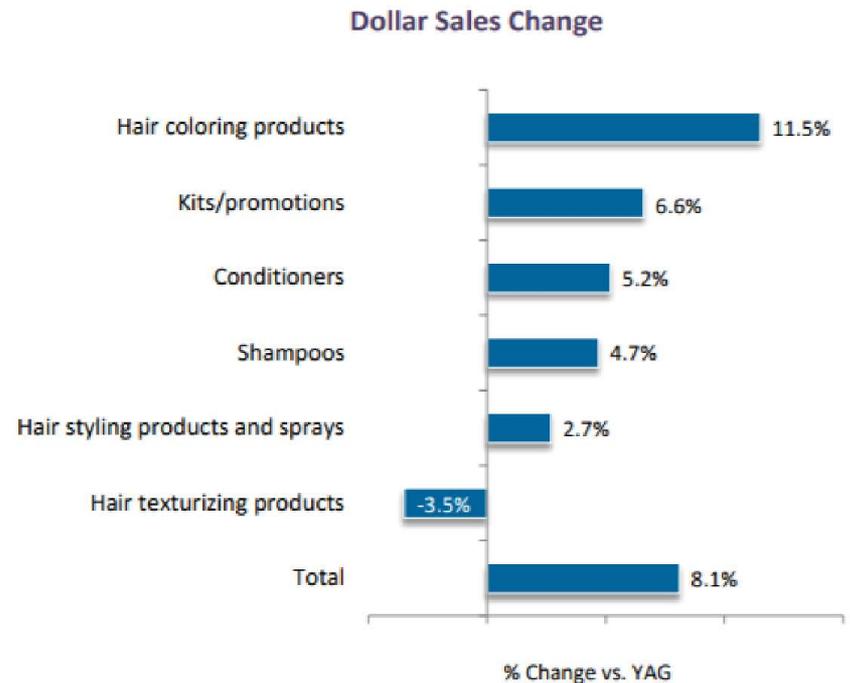
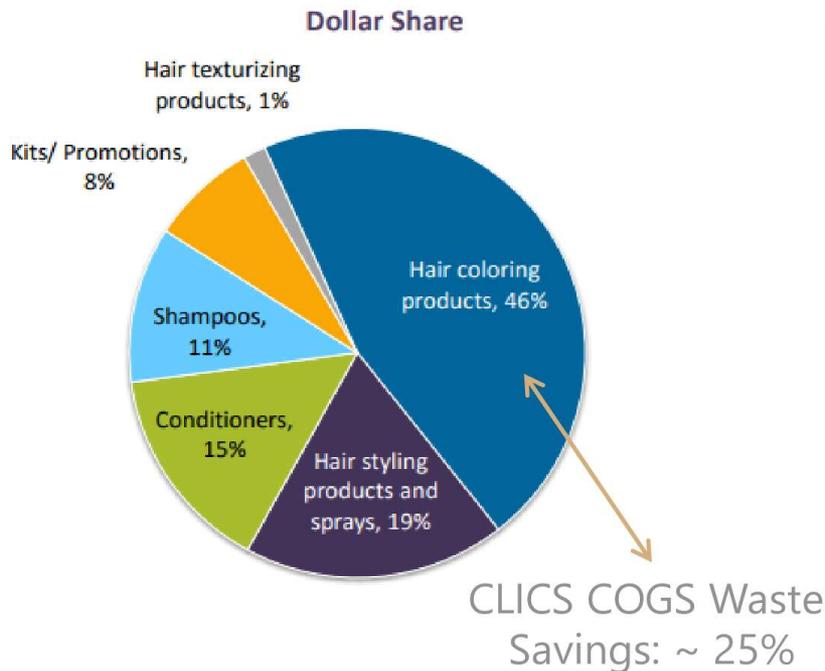


# PROFESSIONAL SALON COGS

.....

## What's happening with products? (Sell In)

Sell In Data, H1 2016



CLICS<sup>®</sup>

COLOR. CREATIVITY. TECHNOLOGY.

# Wefunder Campaign

