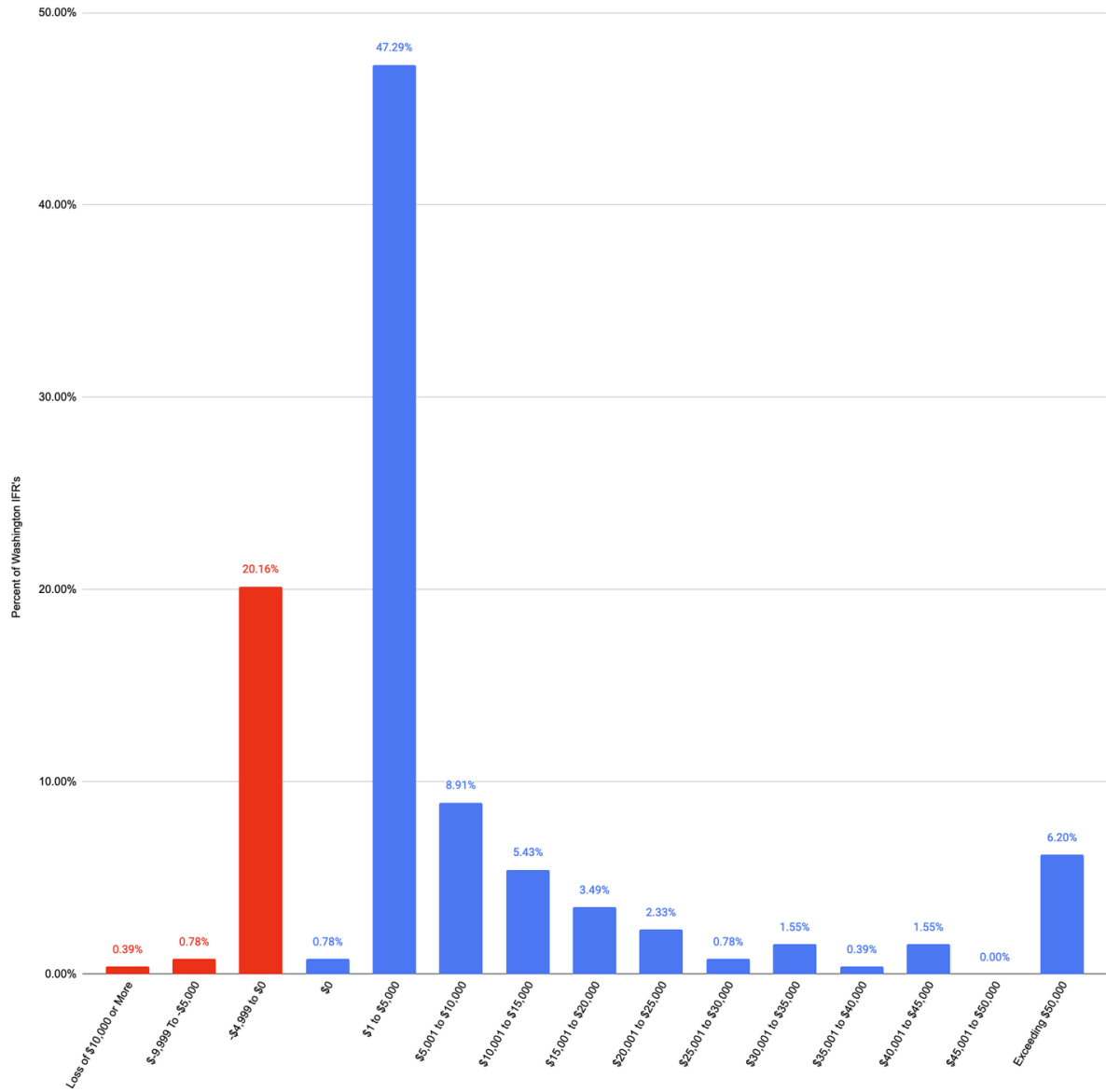
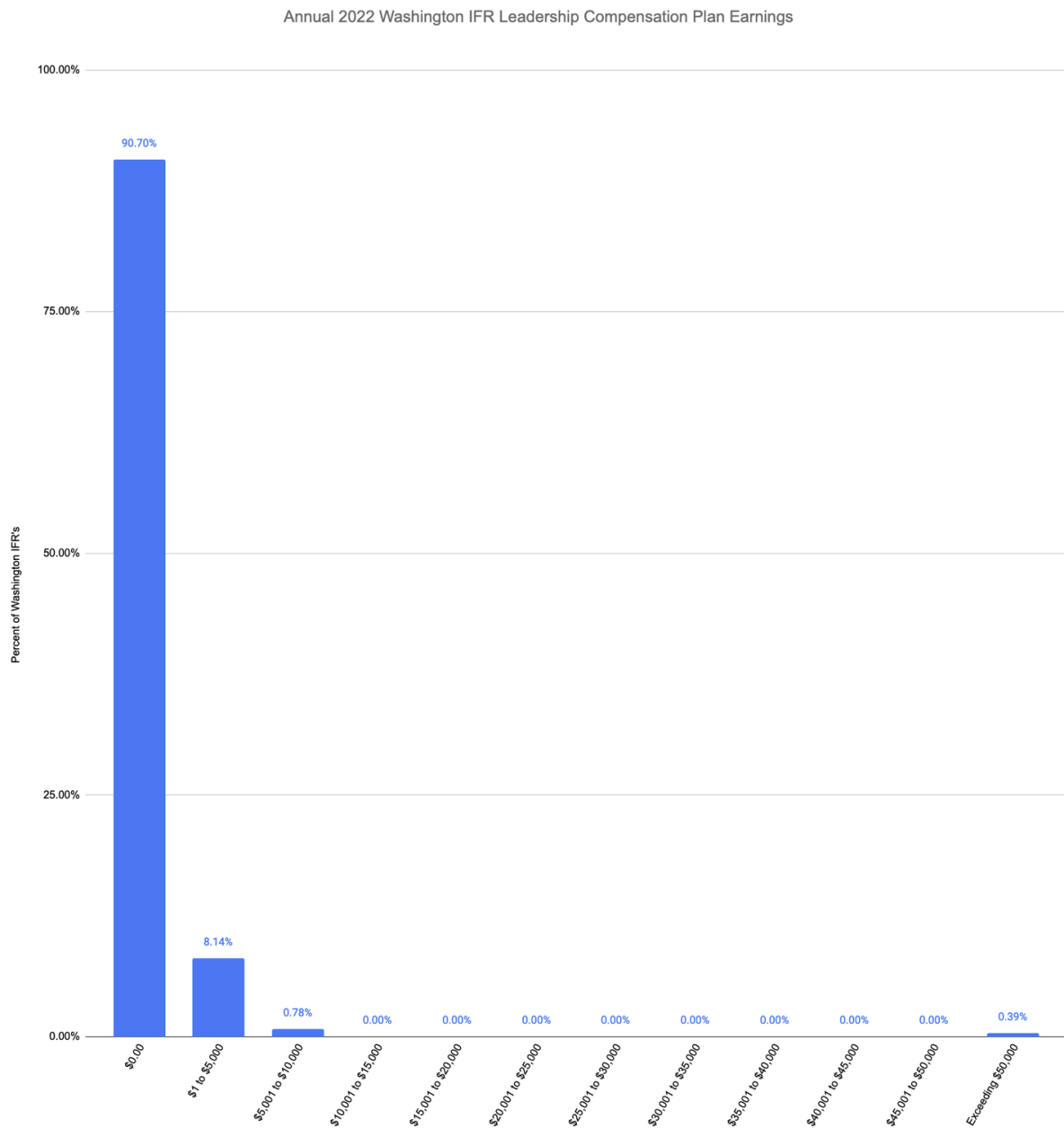


LuLaRoe Washington State 2022 Income Disclosure Statement

The charts below provide detail regarding annual retail profit¹ and the annual IFR bonus earnings for Washington Independent Fashion Retailers (also known as IFRs) for the period of time from January 1, 2022 through December 31, 2022. **41.67%** of Washingtonians who joined in 2021 as IFRs canceled their participation or became inactive within a year of joining.

Annual 2022 Washington IFR Retail Profit
(Not Including Non-Product Expenses)





Examples of additional non-product expenses that may be necessary to make retail sales include:

- Startup costs
 - o Racks
 - o Hangers
 - o Storage bins

- o Mannequins
 - o Online sales equipment (camera, internet, computer/mobile phone)
 - o Printer for shipping labels
 - o Home office/warehouse
 - o Vehicle/trailer to transport merchandise
 - o Business cards
- Ongoing costs
 - o Shipping
 - o Packaging
 - o Advertising (both traditional and online)
 - o Promotional giveaways
 - o Travel expenses (vehicle, mileage, gas)
 - To attend corporate events
 - To attend training
 - To host pop-ups
 - To deliver orders
 - o Employees or assistants
 - o Insurance
- Professional services
 - o Accountant
 - o Attorney
 - o Bookkeeper

(1) Retail Profit is calculated as total annual retail sales minus the annual cost of purchasing wholesale inventory from LuLaRoe.