

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.

The information provided in the tables below is a historical financial performance representation about 3 existing outlets and is not a forecast of the prospective franchisee's future financial performance.

As of December 31, 2023, there were 3 VARA Juice™ Restaurant franchise outlets and 3 VARA Juice™ Restaurant outlets operated by our affiliates in operation. Out of those 6 outlets, 2 of the Restaurants operated by our affiliates and 1 of the franchise Restaurants were open the entire calendar year 2023. The information in the table below is a presentation of the performance of the 3 Restaurants in operation for the full calendar year 2023. Restaurants 2 and 3 represented in the below table were operated by our affiliates the entire calendar year 2023. Restaurant 1 represented in the below table was operated by our affiliate from January 1, 2023 through October 23, 2023. On October 23, 2023, Restaurant 1 was sold to a franchisee and thereafter operated by the franchisee through December 31, 2023. Certain categories of expenses are shown in the table. You will have additional expenses that are not listed in the table, including rent.

January 1, 2023 to December 31, 2023

	Restaurant 1	Restaurant 2	Restaurant 3
Gross Sales	\$317,918.95	\$427,144.69	\$1,193,419.14
Food Costs	\$117,294.27	\$155,694.55	\$442,346.50
% of Gross Sales	37%	37%	37%
Labor Costs	\$101,076.87	\$95,072.84	\$274,278.44
% of Gross Sales	32%	22%	30%
Royalty	\$15,895.94	\$21,357.23	\$59,670.96
% of Gross Sales	5%	5%	5%
Brand Development Fund	\$6,358.37	\$8,542.89	\$23,868.38
% of Gross Sales	2%	2%	2%
Gross Profit	\$77,293.50	\$146,477.18	\$393,254.86
% of Gross Sales	24%	34%	33%

Notes to Tables

1. The figures for Restaurant 2 and Restaurant 3 in the table were prepared by management of the affiliated entities and were not audited. The Restaurant 1 figures in the table were prepared by management of the affiliated entity through October 23, 2023, and then by the franchisee from October 23, 2023 through December 31, 2023.
2. The 3 Restaurants represented in the above table were open at least one full calendar year as of December 31, 2023.
3. We have added to the above table Royalty (5% of Gross Sales) and Brand Development Fund fees (2% of Gross Sales) to demonstrate the difference in expenses from the Restaurants operated by our affiliates that you will incur. Except as otherwise disclosed in these notes and the above table, we do not believe there are any material financial and operational characteristics of the affiliate-owned outlets that are reasonably anticipated to differ materially from future operational franchise outlets.
4. Gross Sales includes all retail revenue of the Restaurants, including sales taxes collected and paid to the tax authorities. The Gross Sales amounts for the Restaurant included in Table 1 do not include any non-retail revenue (e.g. wholesale or commissary revenue). Food costs includes all food costs related to preparing all of the Approved Products in the VARA Juice™ System. Labor costs includes all expenses related to hourly and management employees, including payroll expenses and payroll taxes. Although our affiliates do not pay Royalty or at this time Brand Development Fund Fees, we have adjusted this Item 19 to include those fees since a franchisee will be required to pay them to us.
5. The sales and expense information in the above table does not reflect the actual potential net income of a VARA Juice™ Restaurant. There are a number of fixed and variable costs associated with the development and operation of a VARA Juice™ Restaurant that are not reflected in the above table and that vary among individual VARA Juice™ Restaurants. These expenses include but are not limited to the following: rent; costs described in Items 6 and 7 of this Franchise Disclosure Document; other occupancy costs; other taxes; other insurance; advertising expenses; interest or finance charges if you finance some or all of the cost of the franchise; depreciation on property and equipment; legal and accounting fees; other general administrative expenses; any pre-opening or amortization of organization costs; costs associated with regulatory compliance; and management costs. We strongly encourage you to consult with your financial advisors in reviewing the information in this Item 19, in particular, in estimating the categories and amount of expenses you will incur in establishing and operating a VARA Juice™ Restaurant.
6. You should be aware that the financial performance of any particular VARA Juice™ Restaurant will be affected by a number of factors that may vary due to the individual characteristics of the VARA Juice™ Restaurant. These factors include, but are not limited to: the size and maximum capacity of your location; competition from other businesses; appreciation and acceptance of the products and services offered by your franchise in the community in which your franchise is located; your experience; the quality and effectiveness of your managerial skills; and your decisions with respect to location, advertising programs, personnel and cost controls; geographic and socioeconomic

conditions in your locality; business cycles; and the performance of the local, national and world economy.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

Written substantiation for the financial performance representation will be made available to the prospective franchisee on reasonable request.

Financial Information for Specific Operating Units

We may give a prospective franchisee who is seeking to buy a specific operating unit, whether owned by us, an affiliate or another franchisee, actual operating results of that unit.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a VARA Juice™ Restaurant.

Other than the preceding financial performance representation, we do 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 Ali Albadani at 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124 or 313-908-0002, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20—OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	3	+3
Company-Owned	2021	2	4	+2
	2022	4	4	0
	2023	4	3	-1
Total Outlets	2021	2	4	2
	2022	4	4	0
	2023	4	6	+2