

## **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.

### **Financial Performance Representation**

The following financial performance representation is based on historical data and relates to the 17 RestoPros™ franchised businesses that operated continuously for at least 18 months as of December 31, 2024 and reported sufficient information to us. Because our franchisees generally experience an initial ramp-up period as well as seasonal fluctuations in sales, we do not have a reasonable basis to provide a financial performance representation that discloses only the first 12 months for brand new franchisees that opened before or after a seasonal fluctuation. To capture only the initial ramp-up period, which is likely skewed by either hiding or highlighting seasonal fluctuations, would not be indicative of actual performance and potentially misleading.

There were 101 outlets during the reporting period. We excluded 2 franchises because we did not receive sufficient reports or information. We excluded 5 franchises because they were terminated and 3 franchises because they were transferred during the reporting period. We also excluded 2 outlets owned and operated by our affiliate. We also excluded 72 outlets because they had not operated for at least 18 months as of December 31, 2024. The charts below reflect the actual historical financial performance from these 17 RestoPros franchised businesses as such financial data was reported to us. This data has not been audited. We have not adjusted the data reported to us by the franchised businesses. Each of the outlets in the charts below is listed anonymously.

The following financial performance representation shows average, median, and related data for: Table 1: all 17 RestoPros™ franchised businesses that operated continuously for at least 18 months as of December 31, 2024 and reported sufficient information to us; Table 2: the top 25%, which is the 4 highest franchises in terms of 2024 Gross Sales; and Table 3 the bottom 25%, which is the 4 lowest franchises in terms of 2024 Gross Sales. See the notes following the tables for additional information and details.

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TABLE 1: All 17 Franchisees  
January 1 to December 31, 2024

Category	All					
	Average	# Attained or Surpassed	Median	# Attained or Surpassed	High	Low
Gross Sales	\$1,336,629	6 (35%)	\$687,076	9 (53%)	\$6,470,373	\$268,714
Cost of Goods Sold	\$325,449	4 (24%)	\$123,966	9 (53%)	\$2,237,188	\$20,329
Labor	\$304,543	5 (29%)	\$205,846	9 (53%)	\$1,112,890	\$44,427
Occupancy Cost	\$14,618	5 (29%)	\$4,444	9 (53%)	\$71,036	\$-
Other Operating Costs	\$294,524	6 (35%)	\$189,348	9 (53%)	\$1,071,188	\$42,361
EBITDA	\$397,496	5 (29%)	\$187,292	9 (53%)	\$1,978,071	\$(6,304)
EBITDA %	26%	11 (65%)	30%	9 (53%)	40%	-2%

TABLE 2: Top 25%  
January 1 to December 31, 2024

Category	Top 25%					
	Average	# Attained or Surpassed	Median	# Attained or Surpassed	High	Low
Gross Sales	\$3,548,101	1 (25%)	\$2,715,795	2 (50%)	\$6,470,373	\$2,290,440
Cost of Goods Sold	\$951,756	1 (25%)	\$696,158	2 (50%)	\$2,237,188	\$177,522
Labor	\$712,321	1 (25%)	\$623,289	2 (50%)	\$1,112,890	\$489,819
Occupancy Cost	\$37,948	2 (50%)	\$40,378	2 (50%)	\$71,036	\$-
Other Operating Costs	\$712,422	2 (50%)	\$631,310	2 (50%)	\$1,071,188	\$515,880
EBITDA	\$1,133,653	2 (50%)	\$1,002,098	2 (50%)	\$1,978,071	\$552,342
EBITDA %	32%	2 (50%)	33%	2 (50%)	38%	24%

TABLE 3: Bottom 25%  
January 1 to December 31, 2024

Category	Bottom 25%					
	Average	# Attained or Surpassed	Median	# Attained or Surpassed	High	Low
Gross Sales	\$288,784	2 (50%)	\$290,571	2 (50%)	\$305,281	\$268,714
Cost of Goods Sold	\$61,219	2 (50%)	\$65,323	2 (50%)	\$93,898	\$20,329
Labor	\$85,611	2 (50%)	\$86,117	2 (50%)	\$107,671	\$62,540
Occupancy Cost	\$3,193	1 (25%)	\$2,908	2 (50%)	\$4,444	\$2,511
Other Operating Costs	\$64,829	2 (50%)	\$62,496	2 (50%)	\$91,964	\$42,361
EBITDA	\$73,933	3 (75%)	\$91,613	2 (50%)	\$118,810	\$(6,304)
EBITDA %	25%	3 (75%)	32%	2 (50%)	39%	-2%

Notes to Item 19

1. “Gross Sales,” has the same meaning as “Gross Sales” in the Franchise Agreement, and means the total receipts from all sales received from performing, marketing, and selling products and services, whether in the form of cash, credit or otherwise. “Gross Sales” does not include any sales tax or other tax collected and paid to the appropriate taxing authority.
2. “Cost of Goods Sold” means the total cost of purchase and selling the products and services to derive Gross Sales, including the various product costs and subcontracted services.
3. “Labor” means costs for payroll and subcontractors services.
4. “Occupancy Cost” means costs for rent or lease of a physical location.
5. “Other Operating Costs” means the key expenses to operate the franchised business, such as advertising and promotion; bank charges and credit card and merchant fees; auto leases and maintenance; dues and subscriptions for computer, software, internet, and technology; insurance; legal, accounting, and professional services; office equipment and supplies; postage and delivery; repairs and maintenance; business licenses and permits; security; telephone; royalties, marketing fees, and technology fees; travel, meals, and entertainment; uniforms and apparel; utilities and garbage; and other operating expenses, but excluding Cost of Goods Sold, Labor, and Occupancy Costs. These charts do not include certain costs and expenses you will incur in the categories of depreciation and amortization and initial franchise fees. The charts

also do not account for interest or principal payments on loans to the businesses or income taxes owed by the businesses or their owners.

6. “EBITDA” means earnings before interest, taxes, depreciation, and amortization as represented to us by our franchisees. The following categories of expenses outlined above were subtracted from Gross sales as part of the EBITDA calculations: Cost of Goods Sold, Labor, Occupancy Cost, and Other Operating Costs. Business expenses and deductions include standard expenses from the operation of the franchised business including expenses such as labor, rent, insurance, advertising and promotion, telephone, office equipment and suppliers, utilities and waste, postage and delivery, credit card and merchant fees, business licenses and permits, auto leases and maintenance, computer, software, internet, technology fees, travel, meals and entertainment, and other miscellaneous operating expenses. As is customary, this calculation excludes taxes and debt services costs, which could vary widely. It also excludes amounts taken out by the franchise owners for salary, wages, or other compensation. The businesses expenses include royalty and marketing fund payments.

7. “EBITDA %” means EBITDA divided by Gross Sales and expressed as a percentage.

8. In each Part 1 table, the “Average” column refers to the average data point of the dataset for each row. The “Median” column refers to the median data point of the dataset for each row. The “High” column refers to the highest data point in the dataset for each row. The “Low” column refers to the lowest data point in the dataset for each row. The “Attained or Surpassed” columns to the right of each of the Average and Median columns refer to the number and percentage of outlets from within the dataset that attained or surpassed the stated Average or Median in the dataset for each row.

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

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Shannon Roderick, 14301 South Lakes Drive, Suite E, Charlotte, NC 28273, 704-604-0370, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**ITEM 20. OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**  
**Systemwide Outlet Summary**  
**For years 2022 to 2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2022	2	15	+13
	2023	15	45	+30
	2024	45	91	+46
<b>Company-Owned</b>	2022	2	1	-1
	2023	1	2	+1
	2024	2	2	0
<b>Total Outlets</b>	2022	4	16	+12
	2023	16	47	+31
	2024	47	93	+46

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>FL</b>	2022	0
	2023	1
	2024	1
<b>PA</b>	2022	0
	2023	0
	2024	1
<b>SC</b>	2022	1
	2023	0