

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 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 Statement below is an unaudited statement of sales, cost of sales and gross margin, as qualified in the Statement. A new franchisee's individual financial results may differ from the results stated in the financial performance representation. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

UNAUDITED STATEMENT OF SALES, COST OF SALES AND GROSS MARGIN

The following statements of certain gross sales, cost of sales, and gross margin averages ("Statement") are based upon store reports for the 11 restaurants operated by our affiliate Milius Subs Forever (MSF) and by our 7 franchised Restaurants for the 13 period calendar from (i) December 26, 2021 through December 25, 2022 ("2022 Reporting Period") and by our 12 restaurants operated by our affiliate Milius Subs Forever (MSF) and by our 6 franchised Restaurants for the 13 period calendar from (ii) December 26th, 2022 and December 31, 2023 ("2023 Reporting Period") and and by our 11 restaurants operated by our affiliate Milius Subs Forever (MSF) and by our 6 franchised Restaurants for the 12 period calendar from (iii) January 1, 2024 and December 29, 2024 ("2024 Reporting Period"). These store reports have not been audited for purposes of this Statement. The restaurants are substantially similar to the type of restaurant you will operate under the MILIO'S name.

The historical information in Part I of this Statement is for 11 affiliate-owned restaurants that were open and operating for the full 2022 Reporting Period. The affiliate-owned restaurants include 8 restaurants in strip mall locations and 3 free-standing restaurants. The historical information included in Part II of this Statement is for 7 franchise restaurants, with all of the stores in strip mall locations. The historical information in Part III of this Statement is for 12 affiliate-owned restaurants that were open and operating for the full 2023 Reporting Period. The affiliate-owned restaurants include 9 restaurants in strip mall locations and 3 free-standing restaurants. The historical information included in Part IV of this Statement is for 6 franchise restaurants, with all of the stores in strip mall locations. The historical information in Part V of this Statement is for 11 affiliate-owned restaurants that were open and operating for the full 2024 Reporting Period. The affiliate-owned restaurants include 8 restaurants in strip mall locations and 3 free-standing restaurants. The historical information included in Part VI of this Statement is for 6 franchise restaurants, with all of the stores located in strip mall locations. One affiliate-owned restaurant was sold and converted into a franchise restaurant during the 2024 Reporting Period and is excluded from Parts V and VI of this Statement. Additionally, one affiliate-owned restaurant

permanently closed during the 2024 Reporting Period and is excluded from Part V of this Statement.

The Statement provides the following information:

PART I: AFFILIATE-OWNED RESTAURANTS 2022

AVERAGE OF All 11 RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$ 607,604	100.00%	5 (45%)	\$515,586	\$ 1,070,077	\$363,509
Cost of Sales	\$ 163,586	26.92%	4 (36%)	27.01%	28.5%	24.36%
Gross Margin	\$ 444,018	73.08%	5 (45%)	72.99%	75.64%	71.50%

PART II: FRANCHISED RESTAURANTS 2022

AVERAGE OF All 7 RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$595,989	100.00%	5 (71%)	\$625,171	\$876,763	\$324,798
Cost of Sales	\$165,511	27.77%	3 (43%)	28.01%	29.73%	24.45%
Gross Margin	\$430,478	72.23%	5 (71%)	71.99%	75.55%	70.27%

PART III: AFFILIATE-OWNED RESTAURANTS 2023

AVERAGE OF ALL 12 MSF RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$586,285	100.00%	4 (33%)	\$533,027	\$999,468	\$357,322
Cost of Sales	\$161,931	27.62%	6 (50%)	27.59%	30.80%	25.19%
Gross Margin	\$424,354	72.38%	4 (33%)	72.41%	74.81%	69.20%

PART IV: FRANCHISED RESTAURANTS 2023

AVERAGE OF ALL 6 FRANCHISED RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$628,926	100.00%	4 (67%)	\$644,743	\$821,236	\$299,843
Cost of Sales	\$172,057	27.36%	2 (33%)	27.56%	27.94%	26.40%
Gross Margin	\$456,869	72.64%	3 (50%)	72.44%	73.60%	72.06%

PART V: AFFILIATE-OWNED RESTAURANTS 2024

AVERAGE OF ALL 11 MSF RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$531,671	100.00%	4 (36%)	\$461,842	\$920,411	\$313,313
Cost of Sales	\$153,899	28.95%	5 (45%)	29.21%	35.14%	26.07%
Gross Margin	\$377,772	71.05%	4 (36%)	70.79%	73.93%	64.86%

PART VI: FRANCHISED RESTAURANTS 2024

AVERAGE OF ALL 6 FRANCHISED RESTAURANTS						
	Average	% of Gross Sales	Number of Restaurants (Percentage) At or Above Average	Median	High	Low
Gross Sales	\$593,126	100.00%	4 (67%)	\$617,793	\$790,955	\$276,517
Cost of Sales	\$166,552	28.08%	3 (50%)	27.98%	31.15%	24.76%
Gross Margin	\$426,574	71.92%	4 (67%)	72.02%	75.24%	68.85%

For purposes of this Statement, the following definitions apply:

- Gross Sales.** Gross Sales includes the total revenues and receipts from the sale of all products, services and merchandise sold in your Restaurant, including any vending or similar activities in your Restaurant or on its premises. Gross Sales also includes total revenue derived

from delivery service, catering or from operating at authorized special events or other authorized off-site sales. Gross Sales does not include sales tax.

2. **Cost of Sales.** The cost of the food products that are sold to consumers and the associated packaging. The food products include ingredients, beverages, and condiments. The associated packaging includes bags, product wraps and containers, other paper products, cups and lids, straws, and eating utensils. Because this Statement is based on unaudited store reports that do not identify each item included in the restaurants' cost of sales, we cannot identify the specific items that each restaurant actually included in its cost of sales calculation.

3. **Gross Margin.** Gross profit remaining after deduction of cost of sales and before any variable or fixed expenses.

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

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 Gerard Helminski 5936 #100 Seminole Centre Ct. Madison WI 53711 and (608) 284-7638, the Federal Trade Commission, and the appropriate state regulatory agencies.

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

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

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

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2022	7	7	0
	2023	7	6	-1
	2024	6	7	+1
Company-Owned	2022	12	12	0
	2023	12	13	+1
	2024	13	11	-2
Totals	2022	19	19	0
	2023	19	19	0
	2024	19	18	-1

* As of December 25, 2022, December 31, 2023, and December 29, 2024.