

## ITEM 19

### FINANCIAL PERFORMANCE REPRESENTATION

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 this 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 average annual Gross Sales of Salsarita's Restaurants at traditional locations, company-owned and franchised open for the entire operating year of 2024 was \$1,244,494. This average represents 53 such locations. Twenty such locations exceeded this average. The sales ranged from \$507,777 to \$3,219,392.

In operating year 2024, our nine company-owned and affiliated locations averaged \$1,074,147 in Gross Sales. Gross sales in operating year 2024 at those locations were as follows:

Location	2024 Gross Sales
A	\$ 1,414,005
B	\$ 1,287,408
C	\$ 1,195,875
D	\$ 747,004
E	\$ 1,005,733
F	\$ 905,851
G	\$ 1,295,427
H	\$ 741,423
I	\$ 1,074,601

In addition, the 2024 average annual Gross Sales of the top, middle and bottom third of Salsarita's Restaurants at traditional locations, company-owned and franchised, and the percentage in each group surpassing the average, and the standard deviation around the average, were as follows:

2024 AVERAGE ANNUAL NET SALES OF THE TOP, MIDDLE AND BOTTOM THIRD TRADITIONAL FRANCHISED SALSARITA'S RESTAURANTS			
Rank	Average (# Surpassing)	Standard Deviation	Median
Top Third (15 Restaurants)	\$1,904,787 (5 of 18)	\$553,216	\$1,630,805
Middle Third (16 Restaurants)	\$1,135,046 (9 of 17)	\$89,343	\$1,150,435
Bottom Third (15 Restaurants)	\$784,734 (9 of 18)	\$133,750	\$805,118

<b>2024 AVERAGE ANNUAL NET SALES OF THE TOP, MIDDLE AND BOTTOM THIRD TRADITIONAL COMPANY-OWNED AND AFFILIATE SALSARITA'S RESTAURANTS</b>			
<b>Rank</b>	<b>Average (# Surpassing)</b>	<b>Standard Deviation</b>	<b>Median</b>
Top Third (3 Restaurants)	\$1,332,280 (1 of 3)	\$57,881	\$1,295,427
Middle Third (3 Restaurants)	\$1,092,069 (1 of 3)	\$78,602	\$1,047,601
Bottom Third (3 Restaurants)	\$798,092 (1 of 3)	\$76,231	\$747,0404

We have excluded 19 Salsarita's Restaurants from 2024 averages because either their operations were substantially different due to being located in non-traditional locations such as airports, universities and corporate campuses (12 Locations) or because they were not open and operating for the entire relevant period (7 locations). These figures are based on the Gross Sales reports that we receive from franchisees and affiliate Point-of-Sale systems. The term "**Gross Sales**" means the total sales and fees received by the restaurant before deduction for discounts, returns, allowances and sales taxes. These tables do not reflect the costs of sales, operating expenses, Royalty Fees, advertising contributions, and other costs or expenses that must be deducted from the Gross Sales figure to obtain figures of income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

**Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.** Written substantiation of the financial performance information will be made available to you upon reasonable request. The information in this Item 19 is a historical financial performance representation about the franchise system's existing outlets.

You are responsible for developing your own business plan for your Restaurant, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business and legal advisors and to make necessary allowances for changes in financial results to income, expenses or both.

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 Philip Friedman, our CEO, at 5260 Parkway Plaza Blvd., Suite 160, Charlotte, NC 28217, (704) 540-9447, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**

**OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1**

**System-Wide Outlet Summary  
For Fiscal Year 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	61	62	+1
	2023	62	60	-2
	2024	60	56	-5
<b>Company-Owned*</b>	2022	14	11	-3
	2023	11	11	0
	2024	11	9	-2
<b>Total Outlets</b>	2022	<b>73</b>	<b>71</b>	-2
	2023	<b>71</b>	<b>69</b>	-2
	<b>2024</b>	<b>69</b>	<b>65</b>	-4

\* Company-owned outlets include those outlets owned, directly or indirectly, by one of our affiliates, or by any person required to be identified in Item 2 of this Franchise Disclosure Document.