

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.

Set forth below we disclose certain historical financial performance representations for our company-owned Shops and franchised Shops that were open for at least a full 16 months as of December 31, 2024 (the "Reporting Period"). As of the end of the Reporting Period, there were a total of 11 company-owned Shops and 355 franchised Shops open; however, we only disclose financial information below for 9 company-owned Shops ("Reporting Company Shops") and 309 franchised Shops ("Reporting Franchised Shops", and sometimes referred to collectively with Reporting Company Shops as the "Reporting Shops").

32 franchised Shops were excluded from Item 19 because they were not open for at least 16 months as of the end of the Reporting Period. Also excluded from the definition of Reporting Shops are 2 company-owned Shops and 14 franchised Shops that are operate in a fashion materially different than, and have financial results that are not representative of, a typical Shop (i.e., 2 excluded company-owned Shops function as our training stores for the entire franchise system and, 14 franchised Shops are satellite/non-traditional locations that do not prepare the products on-site).

The below financial information is generally broken by: (I) Average Gross Sales of the Reporting Company Shops; (II) EBITDA for the Reporting Company Shops; and, (III) Average Gross Sales of the Reporting Franchised Shops.

Section I: The below financial performance representation sets forth the Average Gross Sales for the 9 Reporting Company Shops in operation as of the end of the Reporting Period.

Reporting Company Shops	
Average Gross Sales*	\$1,468,424
Median Gross Sales	\$1,344,859
Highest Performing Shop	\$2,693,955
Lowest Performing Shop	\$768,506

*Of the 9 Reporting Company Shops, 4 Shops (or 44%) met or exceeded the Average Gross Sales as of the end of the Reporting Period.

Section II: The below financial performance representation sets forth the EBITDA for the 9 Reporting Company Shops in operation as of the end of the Reporting Period.

Reporting Company Shops	
Average Gross Sales*	\$1,468,424
Food Costs	27.0%
Labor Costs	26.9%
Prime Costs	57.7%
Other OpEx Costs (excluding Food Costs and Labor Costs)	15.3%
EBITDA	\$301,254
EBITDA %	20.5%

*Of the 9 Reporting Company Shops, 4 (or 44%) met or exceeded the Average Gross Sales as of the end of the Reporting Period.

Section III: The below financial performance representation sets forth the Average Gross Sales for the 309 Reporting Franchised Shops in operation as of the end of the Reporting Period. This information is also presented to reflect the median, highest and lowest performing Reporting Franchised Shops, as well as the top 25% best performing Reporting Franchised Shops, the bottom 25% worst performing Reporting Franchised Shops, as well as the top 50% best performing Reporting Franchised Shops and the bottom 50% worst performing Reporting Franchised Shops.

Reporting Franchised Shops	
Average Gross Sales*	\$928,180
Median Gross Sales	\$849,273
Highest Performing Shop	\$2,836,300
Lowest Performing Shop Excluding Satellites	\$180,783
Top 25% Performing Shops (78)	\$1,466,147
Top 50% Performing Shops (155)	\$1,229,793
Bottom 50% Performing Shops (154)	\$624,607
Bottom 25% Performing Shops (78)	\$488,649

*Of the 309 Reporting Franchised Shops, 131 (or 42%) met or exceeded the Average Gross Sales as of the end of the Reporting Period.

GENERAL NOTES TO ITEM 19

1. Average. The term “**average**” which is also known as the “mean,” means the sum of all data points in a set, divided by the total number of data points in that set.

2. Median. The term “**median**” means the data point that is in the center of all data points used in a set. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

3. “Gross Sales” means all revenues and income from any source derived or received from, through, by or on account of the operation of the Shops, excluding: (a) sales taxes, value added or other tax, excise or duty charged to customers and (b) tips, gratuities or service charges paid directly by customers to or for employees. For items sold pursuant to coupons or other discounts, Gross Sales also excludes the amount discounted from the purchase price of such items and from sales of pre-paid gift cards and certificates.

4. “Food Costs” means the cost of all food and beverages used in the Reporting Company Shops.

5. “Labor Costs” means the cost of all employees working exclusively at the Reporting Company Shops.

6. “Prime Costs” means the total sum of the Food Costs, paper costs, third-party delivery commissions and Labor Costs.

7. “Other OpEx Costs” means all other variable costs associated with operating the Shops, excluding Food Costs and Labor Costs. Other OpEx Costs also includes the 5% Royalty Fee and 1% advertising fee paid by the Reporting Company Shops to Franchisor.

8. “EBITDA” is calculated by taking the Average Gross Sales and subtracting the Prime Costs and the Other OpEx Costs.

9. We have not audited this information, nor independently verified this information.

10. This analysis does not contain complete information concerning the operating costs and expenses that you will incur in operating your Shop. Operating costs and expenses may vary substantially from business to business. The above figures in Section II above exclude start-up expenses; start-up advertising; administrative expenses; owner compensation/salary; the cost of equipment; the cost of initial inventory, and supplies; travel and entertainment expenses; initial license and permit fees and professional services expenses; taxes; financing expenses, interest expense, interest income, depreciation, and amortization expenses; and related expenses which you will incur as a franchisee. The premises of certain of the 9 Reporting Company Shops are owned by our affiliate and do not pay rent, so we have assumed a rent payment for those shops based on the rent paid by our other Reporting Company Shops in the Other OpEx Costs category.

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

Written substantiation of the data used in preparing this information will be made available upon reasonable request.

Other than the preceding financial performance representations, 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 Brad Reynolds, Chief Financial Officer, 55 Waugh Dr. Suite 1200, Houston, Texas 77007, Phone: (713) 869-4636, 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 December 31, 2022 to December 31, 2024

Outlet Type	Year	Outlets at The Start of The Year	Outlets at The End of The Year	Net Change
Franchised	2022	329	326	-3
	2023	326	337	+11
	2024	337	355	+18
Company Owned	2022	11	11	0
	2023	11	12	+1
	2024	12	11	-1
Total Outlets	2022	340	337	-3
	2023	337	349	+12
	2024	349	366	+17

Table No. 2
Transfers of Franchised Outlets from Franchisees
to New Owners (other than the Franchisor)
For Years December 31, 2022 to December 31, 2024

State	Year	Number of Transfers
Arkansas	2022	0
	2023	2
	2024	0
Colorado	2022	0
	2023	2
	2024	0
Louisiana	2022	0
	2023	1
	2024	0
Mississippi	2022	0
	2023	1
	2024	0
Oklahoma	2022	0
	2023	0
	2024	0
Texas	2022	17
	2023	3
	2024	17
All Other States	2022	0
	2023	0
	2024	0
Totals	2022	17
	2023	9
	2024	17