

Provision	Section in the Development Rights Agreement	Summary
		representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	11	We and you must arbitrate all disputes within 10 miles of where we have our principal business address when the arbitration demand is filed (it currently is in Las Vegas, Nevada) (subject to state law).
v. Choice of forum	11	Subject to arbitration requirements, litigation generally must be in courts closest to where we have our principal business address when the action is commenced (it currently is in Las Vegas, Nevada) (subject to state law).
w. Choice of law	11	Except for federal law, Nevada law applies (subject to state law).

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise.

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.

This historical financial performance representation reflects certain actual operating results for the franchised and affiliate-owned CAPRIOTTI’S Restaurants described below during the 2025 calendar year. The unaudited operating results of those franchised and affiliate-owned CAPRIOTTI’S Restaurants are presented separately. All “affiliate-owned” CAPRIOTTI’S Restaurants disclosed in this Item 19 are owned and operated by our wholly-owned or majority-owned and controlled subsidiaries.

All of the CAPRIOTTI’S Restaurants (both franchised and affiliate-owned) whose information is included in this Item 19 are substantially similar to one another in terms of products and services offered and substantially similar to the CAPRIOTTI’S Restaurants for which we offer franchises in this disclosure document. We continue to shore up national distribution, improve operational efficiency and performance, enhance training programs, sign competitive vendor contracts, negotiate national pricing with delivery service providers, and enhance national and local marketing efforts. The “traditional” or “brick and mortar” CAPRIOTTI’S Restaurants disclosed in this Item 19 operate within a retail center, on a stand-alone basis, or at an in-line location with other businesses and have prominent exterior and interior branding. These

CAPRIOTTI'S Restaurants operate a minimum of 10 hours per day, 7 days a week. The operational system is consumer-facing, directly serving consumers through dine-in and carryout options and indirectly serving consumers through delivery service providers.

The first portion of this financial performance representation discloses the actual unaudited historical average, median, and high/low annual Gross Sales during 2025 for all franchised (a total of 119 in 2025) and affiliate-owned (a total of 12 in 2025) traditional CAPRIOTTI'S Restaurants in the United States that were open and operating during all of 2025. It also discloses the actual unaudited historical average, median, and high/low annual Gross Sales during 2025 of (among other groupings):

(i) the franchised (a total of 57 in 2025) and affiliate-owned (a total of 11 in 2025) traditional CAPRIOTTI'S Restaurants that were open and operating during all of 2025 and operated in "mature markets" (defined in the tables below);

(ii) the franchised (a total of 48 in 2025) and affiliate-owned (a total of 8 in 2025) traditional CAPRIOTTI'S Restaurants that were open and operating during all of 2025 and had been open for more than 10 full years as of December 31, 2025; and

(iii) the franchised (a total of 24 in 2025) and affiliate-owned (a total of 1 in 2025) traditional CAPRIOTTI'S Restaurants that were open and operating during all of 2025 and had been open for more than 20 full years as of December 31, 2025.

However, this financial performance representation does not include the results of the following Restaurants operating (or that operated) under the CAPRIOTTI'S Mark:

(a) 15 traditional franchised and 1 affiliate-owned Restaurants that opened during 2025 (and therefore were not open for the full 2025 calendar year);

(b) 14 traditional franchised and 1 affiliate-owned Restaurants that permanently closed during 2025 (and therefore were not open for the full 2025 calendar year), all of which had been open for at least 12 months;

(c) 3 franchised Restaurants that operated at non-traditional locations (and are not our prototypical franchised Restaurants);

(d) 1 affiliate-owned Restaurant that operated through an operating partner; and

(e) 2 traditional franchised and 2 affiliate-owned Restaurants with limited operating hours (less than 50 hours per week during 2025, while our standard operating hours are a minimum of 70 hours per week).

The second portion of this financial performance representation contains (i) actual partial unaudited operating financial statements for 2025 for each of 11 affiliate-owned and operated traditional CAPRIOTTI'S Restaurants that were open and operated by us during all of 2025 (excluded are the one former franchised Restaurant that we reacquired during 2025, the one affiliate-owned Restaurant that opened during 2025 and therefore did not operate during all of 2025, the one affiliate-owned Restaurant that operated through an operating partner, the 2 affiliate-owned Restaurants with limited operating hours, and the one affiliate-owned Restaurant that permanently closed during 2025), and (ii) an actual average and median partial unaudited operating financial statement for 2025 for all 11 of those affiliate-owned and operated traditional CAPRIOTTI'S Restaurants.

We obtained the Gross Sales information for franchised CAPRIOTTI'S Restaurants from unaudited sales reports submitted by franchisees. "Gross Sales" is currently defined in our Franchise Agreement as the total of all revenue and other consideration you generate from operating the Restaurant whether from sales for cash or credit, and irrespective of collection, including sales of merchandise, products and services, excluding only (or, if applicable, reduced only by) the following: sales tax if paid to the appropriate government authorities; proceeds from the sale of equipment not in the ordinary course of business; promotional discounts you initiate and formally request and we pre-approve in writing, provided physical evidence of the promotion is retained; discounts granted on food purchased by employees for their own consumption; and any other exclusions or reductions we specifically identify (although without any obligation to do so) in the Manual. All transactions first will be (and must be) entered into the Information System at the full (non-discounted) retail price, plus all related fees and charges, for purposes of calculating Gross Sales. For the avoidance of doubt, Gross Sales are not reduced by the amount paid to, retained or collected by, or shared with third-party food ordering and delivery systems with which your Restaurant does business.

The actual historical average, median, and high/low annual Gross Sales volumes reported below do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the Gross Sales figures to obtain your net income or profit. You should independently investigate the costs and expenses you will incur in operating your CAPRIOTTI'S Restaurant. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

2025 Franchised Restaurants

Table 1 — Core Performance Summary						
Population	Number of Restaurants	Average Unit Volume (\$)	Median Unit Volume (\$)	Highest Gross Sales (\$)	Lowest Gross Sales (\$)	Number & % Exceeding Average
All Franchised Restaurants Open During All of 2025*	119	\$858,875	\$795,624	\$2,087,521	\$325,562	51 / 43%
Open in Mature Markets**	57	\$894,502	\$819,959	\$1,815,504	\$570,373	22 / 39%
Open Less Than 18 Months	5	\$1,040,601	\$1,166,176	\$1,183,575	\$586,846	4 / 80%
Open More Than 1 Year but Less Than 3 Years	26	\$919,777	\$799,809	\$2,087,521	\$422,460	10 / 38%
Open More Than 10 Years	48	\$903,965	\$861,761	\$1,707,841	\$509,334	20 / 42%
Open More Than 20 Years	24	\$965,879	\$907,944	\$1,707,841	\$584,676	10 / 42%

Table 2 — Top Quartile Performance (Top 25% by Net Sales)						
Population	Number of Restaurants	Avg Unit Volume Top 25% (\$)	Median Unit Volume (\$)	Highest Gross Sales (\$)	Lowest Gross Sales (\$)	Number & % Exceeding Quartile Avg***
All Franchised Restaurants	30	\$1,256,507	\$1,183,073	\$2,087,521	\$1,002,708	9 / 30%
Open in Mature Markets	15	\$1,285,136	\$1,203,520	\$1,815,504	\$973,076	6 / 40%
Open More Than 1 Year but Less Than 3 Years	7	\$1,401,068	\$1,183,575	\$2,087,521	\$1,166,176	2 / 29%
Open More Than 10 Years	12	\$1,267,078	\$1,222,542	\$1,707,841	\$1,040,157	5 / 42%
Open More Than 20 Years	6	\$1,388,438	\$1,323,938	\$1,707,841	\$1,102,564	3 / 50%

Table 3 — Bottom Quartile Performance (Bottom 25% by Net Sales)						
Population	Number of Restaurants	Avg Unit Volume Bottom 25% (\$)	Median Unit Volume (\$)	Highest Gross Sales (\$)	Lowest Gross Sales (\$)	Number & % Exceeding Quartile Avg****
All Franchised Restaurants	30	\$569,227	\$582,666	\$668,229	\$325,562	18 / 60%
Open in Mature Markets	15	\$639,850	\$656,064	\$674,541	\$570,373	10 / 67%
Open More Than 1 Year but Less Than 3 Years	7	\$552,449	\$560,663	\$644,689	\$422,460	4 / 57%
Open More Than 10 Years	12	\$631,836	\$654,868	\$692,099	\$509,334	8 / 67%
Open More Than 20 Years	6	\$666,697	\$674,377	\$713,082	\$584,676	4 / 67%

* “All of 2025” includes only franchised Restaurants that were open and operating for the entire 2025 fiscal year (January 1, 2025 through December 31, 2025). Restaurants that opened or permanently closed during the year are excluded.

** “Mature Markets” are defined as the States of Delaware, Maryland, Nevada, and Pennsylvania. There were 56 franchised Restaurants in those states that were operational during the entire 2025 calendar year. The first CAPRIOTTI’S Restaurant in one of these states opened in June 1976. The most recent CAPRIOTTI’S Restaurant opened in one of these states in February 2024.

*** “Number & % Exceeding Quartile Avg” represents the number and percentage of Restaurants within the Top 25th Percentile whose Gross Sales exceeded the average Gross Sales of that Top 25th Percentile group.

**** “Number & % Exceeding Quartile Avg” represents the number and percentage of Restaurants within the Bottom 25th Percentile whose Gross Sales exceeded the average Gross Sales of that Bottom 25th Percentile group.

2025 Affiliate-Owned Restaurants

Table 4 — Core Performance Summary (Affiliate-Owned)						
Population	Number of Restaurants	Average Unit Volume (\$)	Median Unit Volume (\$)	Highest Gross Sales (\$)	Lowest Gross Sales (\$)	Number & % Exceeding Average
All Affiliate-Owned Restaurants Open During All of 2025	12	\$1,000,255	\$984,651	\$1,452,356	\$664,857	6 / 50%
Open in Mature Markets*	12	\$1,000,255	\$984,651	\$1,452,356	\$664,857	6 / 50%
Open Less Than 18 Months	N/A	—	—	—	—	—
Open More Than 1 Year but Less Than 3 Years	N/A	—	—	—	—	—
Open More Than 10 Years	8	\$957,573	\$906,162	\$1,452,356	\$664,857	4 / 50%
Open More Than 20 Years	1	\$664,857	\$664,857	\$664,857	\$664,857	—

* “Mature Markets” are defined as the States of Delaware, Maryland, Nevada, and Pennsylvania. There were 11 affiliate-owned Restaurants in those states that were operational during the entire 2025 calendar year.

See Note 1	NV051 Henderson Horizon	NV054 Sparks Stanford	NV067 Reno Meadows	NV079 Reno Sierra	NV103 Henderson Boulder Hwy	NV111 NLV Craig and Mitchell	NV126 NLV Aliante Pkwy & Nature Park	NV151 LV Huntridge	NV152 Reno Plumb Virginia	NV191 Carson City William	PA006 Kennett Square	Average of 11 Restaurants	% of Total Sales	# & % Exceeding Average	Median
Total Sales	\$716,013	\$1,337,457	\$880,552	\$1,491,258	\$707,298	\$1,097,472	\$1,407,722	\$873,170	\$1,198,325	\$1,048,966	\$701,311	\$1,041,777	100.00%	6 / 55%	\$1,048,966
Total Prime Cost ⁶	\$398,332	\$671,590	\$484,966	\$785,506	\$391,298	\$574,587	\$726,156	\$510,148	\$667,316	\$583,500	\$384,403	\$561,618	53.91%	6 / 55%	\$574,587
Total Cost of Goods Sold ²	\$220,332	\$434,043	\$285,592	\$502,305	\$221,220	\$337,620	\$442,088	\$265,535	\$387,124	\$352,743	\$220,798	\$333,582	32.02%	6 / 55%	\$337,620
Store Level Salary ³	\$49,875	\$64,615	\$47,243	\$63,894	\$52,859	\$57,062	\$87,137	\$37,235	\$48,304	\$37,985	\$37,185	\$53,036	5.09%	4 / 36%	\$49,875
Store Level Bonus- Salary ⁴	\$300	\$1,889	\$633	\$1,202	\$3,117	\$3,848	\$4,262	\$529	\$892	\$610	\$1,177	\$1,678	0.16%	4 / 36%	\$1,177
Total Payroll & Related ⁵	\$178,000	\$237,548	\$199,374	\$283,200	\$170,077	\$236,967	\$284,068	\$244,613	\$280,192	\$230,756	\$163,605	\$228,036	21.89%	7 / 64%	\$236,967
Total Operating Expense ⁷	\$126,263	\$175,392	\$163,099	\$253,693	\$132,164	\$179,989	\$212,301	\$156,619	\$165,790	\$165,321	\$116,908	\$167,958	16.12%	4 / 36%	\$165,321
Total Non- Controllable Expense ¹²	\$133,569	\$209,438	\$154,757	\$233,650	\$133,034	\$179,278	\$248,283	\$164,394	\$184,261	\$201,481	\$129,337	\$179,226	17.20%	6 / 55%	\$179,278
Total Rent ⁸	\$53,098	\$64,189	\$73,123	\$69,196	\$50,709	\$43,912	\$73,302	\$115,503	\$85,534	\$75,471	\$61,109	\$69,559	6.68%	5 / 45%	\$69,196
Royalty Fee ⁹	\$40,903	\$69,376	\$25,250	\$77,952	\$40,670	\$59,600	\$79,241	\$14,778	\$46,298	\$53,883	\$16,582	\$47,685	4.58%	5 / 45%	\$46,298
National Marketing Fees ¹⁰	\$13,636	\$25,960	\$16,935	\$28,956	\$13,559	\$20,898	\$26,418	\$4,926	\$17,172	\$20,083	\$13,265	\$18,346	1.76%	5 / 45%	\$17,172
Local Marketing Coop Fees ¹¹	\$14,975	\$25,960	\$16,935	\$28,956	\$14,951	\$23,020	\$29,100	\$4,926	\$17,172	\$20,083	\$13,265	\$19,031	1.83%	5 / 45%	\$17,172
EBITDA¹³	\$57,850	\$281,037	\$77,730	\$218,408	\$50,802	\$163,618	\$220,982	\$42,009	\$180,957	\$98,665	\$70,663	\$132,975	12.76%	5 / 45%	\$98,665

**This table excludes the 6 affiliate-owned Restaurants referenced earlier (one former franchised Restaurant that we reacquired during 2025, one affiliate-owned Restaurant that opened during 2025 and therefore did not operate during all of 2025, one affiliate-owned Restaurant that operated through an operating partner, 2 affiliate-owned Restaurants with limited operating hours, and one affiliate-owned Restaurant that permanently closed during 2025).

The following two line-items calculate (i) the Royalty Fee at 7%, as would be payable by a franchisee that operates a single Restaurant (instead of at the 6% rate that is paid by a multi-unit developer, as noted above and in footnote 9), and (ii) the adjusted EBITDA (see footnote 13) at the 7% (rather than the 6%) Royalty Fee rate:

See Note 1	NV051 Henderson Horizon	NV054 Sparks Stanford	NV067 Reno Meadows	NV079 Reno Sierra	NV103 Henderson Boulder Hwy	NV111 NLV Craig and Mitchell	NV126 NLV Aliante Pkwy & Nature Park	NV151 LV Huntridge	NV152 Reno Plumb Virginia	NV191 Carson City William	PA006 Kennett Square	Average of 11 Restaurants	% of Total Sales	# & % Exceeding Average	Median
Royalty Fee at 7% ⁹	\$50,121	\$93,622	\$61,639	\$104,388	\$49,511	\$76,823	\$98,541	\$61,122	\$83,883	\$73,428	\$49,092	\$72,924	7.00%	6 / 55%	\$73,428
Adjusted EBITDA (at 7% Royalty)¹³	\$60,827	\$251,604	\$89,214	\$183,217	\$52,000	\$130,707	\$195,744	\$96,390	\$182,608	\$100,708	\$82,681	\$129,609	12.44%	5 / 45%	\$100,708

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Notes:

1. The Restaurants in this category represent 11 affiliate-owned Restaurants in the States of Nevada, Arizona, and Pennsylvania (excluding the 1 Restaurant reacquired from a franchisee in 2025, 1 Restaurant that was opened in 2025 and therefore not in operation for a full year, 2 Restaurants that operated less than 40 hours per week, 1 Restaurant that closed during 2025 and therefore not in operation for a full year, and 1 Restaurant operated by an operating partner).
2. Total Cost of Goods Sold: This includes the total cost of all food, beverages, and paper goods used in the Restaurants. The average Cost of Goods Sold in markets for the affiliate-owned Restaurants from the table above for 2025 was \$333,582 or 32.02% of total sales. A franchisee in a new market with fewer than 3 open Restaurants could expect its Cost of Goods Sold to be higher, likely by an additional 1% to 2% of total sales. Some proprietary items may not be stocked by our local distributor, increasing freight costs. Compared to the average above, a 2% increase would raise the average Cost of Goods Sold to approximately \$340,254, or 34.02% of total sales.
3. Store Level Salary: This is the General Manager's salary. Each affiliate-owned Restaurant has one General Manager.
4. Store Level Bonus–Salary: Each General Manager has the opportunity to earn a bonus based on his or her management of Cost of Goods Sold and Labor.
5. Total Payroll & Related: This includes all salary and hourly wages, bonuses, taxes, and benefits paid at each affiliate-owned Restaurant.
6. Total Prime Cost: This is the sum of Cost of Goods Sold plus Total Payroll & Related.
7. Total Operating Expense: This includes comps, promos, cleaning supplies, linen, uniforms, equipment (purchases and rentals), repairs and maintenance, pest control, marketing and advertising, delivery expense, music, technology, telephone, permits, licenses, security, office supplies, postage, bank charges, credit card fees, and professional services.
8. Total Rent: This includes base rent, common area maintenance, property tax, insurance, and (at some of our locations) a fee to be included on monument or pylon signs.
9. Royalty Fee: Two affiliate-owned Restaurants pay a Management Fee equal to a 6% Royalty Fee. In this example, we take into account the payment of Royalty Fees for all 11 locations. Royalties are not paid on discounts or couponing. Our accounting system breaks up the 12 months into 13 separate 4-week accounting periods. This table represents the Royalty Fee of 6%, which would be paid by a multi-unit developer under the terms of an Area Development Agreement or Development Rights Agreement (rather than the 7% Royalty Fee payable by a franchisee who operates a single Restaurant).
10. Marketing Fee–National: Each affiliate-owned Restaurant contributes to the National Marketing Fund. While we have the right to collect 4% of Gross Sales towards the National Marketing Fund, we currently collect 2%. In this example, we take into account the payment of National Marketing Fees for all 11 locations. Our accounting system breaks up the 12 months into 13 separate 4-week accounting periods.
11. Marketing Fees–COOP: All 11 affiliate-owned Restaurants contribute to their respective local marketing cooperative. In this example, we take into account the payment of Marketing COOP

Fees for all 11 locations. Our accounting system breaks up the 12 months into 13 separate 4-week accounting periods.

12. Total Non-Controllable Expense: This includes total rent, in some instances personal property tax, electricity, gas, sewer, trash removal, water, TV, Management Fee (Royalty Fee), Marketing Fees—National Fund & Local Cooperative, and accounting fees.
13. EBITDA: This calculation uses the following formula (Total Sales minus Total Prime Cost minus Total Operating Expense minus Total Non-Controllable Expense = EBITDA).

Some CAPRIOTTI'S Restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation of all financial performance information presented in this financial performance representation will be made available to you upon reasonable request.

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 Ashley Morris, Chief Executive Officer, 6056 S. Durango Drive, Las Vegas, Nevada 89113, (702) 736-3878, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

All year-end numbers appearing in the tables below are as of December 31 in each year. The "Company-Owned" outlets referenced in tables 1, 4, and 5 below are owned by one or more of our wholly-owned or majority-owned and controlled subsidiaries.

Table No. 1

Systemwide Outlet Summary for years 2023 to 2025

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	126	143	+17
	2024	143	139	-4
	2025	139	139	0
Company- Owned	2023	10	10	0
	2024	10	15	+5
	2025	15	16	+1
Total Outlets	2023	136	153	+17
	2024	153	154	+1
	2025	154	155	+1