

<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
o. Our Option to Purchase Your Business	§20	This option applies only to certain items and only on expiration or termination of the Franchise Agreement.
p. Your Death or Disability	§15	You may transfer the Franchise Agreement on your death or permanent incapacity, provided that the Transfer is to your parent, sibling, spouse or children or to a member of the Continuity Group. You must complete the Transfer within a reasonable time, not to exceed 6 months.
q. Non-Competition Covenants During the Term of the Franchise	§17	In-term, non-competition covenants include a ban on diverting any customer or potential customer; owning any restaurant business that specializes in selling fried chicken (which restriction does not apply to your existing Restaurants, if any, or to other restaurants you operate that are franchised by us or our affiliates). With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
r. Non-Competition Covenants After the Franchise is Terminated or Expires	§17	Post-term, non-competition covenants include a 2-year ban on owning any restaurant business that specializes in selling fried chicken within a 5-mile radius of your Restaurant or any Restaurant then in existence (which restriction does not apply to your existing Restaurants, if any, or to other restaurants you operate that are franchised by us or our affiliates). With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
s. Modification of Agreement	§25	All amendments must be mutually agreed on and in writing; however, we can modify the Manual.
t. Integration/Merger Clause	§25	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of this Franchise Disclosure Document and the Franchise Agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Not Applicable	Not applicable
v. Choice of Forum	§27	Subject to state law, if you sue us, you must do so where our principal office is located (currently, Atlanta, Georgia). If we sue you, we may do so there as well.
w. Choice of Law	§27	Subject to state law, Georgia law applies.

## **ITEM 18 PUBLIC FIGURES**

We do not use any public figures 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 that 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 information included in Tables 1, 2, 3, 4, 5, 6, and 7 is based on Gross Sales during 2025 fiscal year. The tables exclude Restaurants that were open and operating for less than 26 weeks. Gross Sales were annualized for Restaurants that were not open the full fiscal year. We compiled the Franchised Restaurant sales data from our POS database and the information our franchisees submitted to us for purposes of sales reporting. We believe the information our franchisees submitted is accurate, however we have not audited the data to confirm the accuracy. The data for company operated restaurants is from our internal records.

**Table 1. Historical Gross Sales by Venue Type**

As of December 28, 2025, there were 722 Franchised Restaurants and 163 Company Restaurants. The information included in the tables below is for 565 Franchised Restaurants and 145 Company and by venue type. The “Other” venue type includes Food Courts and Conversions. We excluded data for 115 Franchised Restaurants in Puerto Rico and 42 Franchised Restaurants and 18 Company Restaurants that were not open for at least 52 weeks.

Franchised Restaurants by Venue Type							
Venue Type	Unit Count	AUV	# and % of Units that exceeded Weekly Avg Unit Volume		Median Sales	High Sales	Low Sales
Freestanding W/DT	421	\$ 1,141,050	189	45%	\$ 1,106,323	\$ 2,435,926	\$ 444,427
Freestanding	35	1,363,960	13	37%	1,212,653	2,169,984	830,821
End Cap with Drive Thru	23	976,686	11	48%	954,533	1,479,157	532,436
End Cap	2	754,393	1	50%	754,393	805,503	703,282
C-Store	79	935,124	35	44%	890,953	2,143,992	336,236
In-Line	2	940,493	1	50%	940,493	959,186	921,800
Other	3	710,005	1	33%	668,779	808,854	652,382
<b>Total</b>	<b>565</b>	<b>\$ 1,115,007</b>			<b>\$ 1,065,581</b>	<b>\$ 2,435,926</b>	<b>\$ 336,236</b>

Company Operated Restaurants by Venue Type							
Venue Type	Unit Count	AUV	# and % of Units that exceeded Weekly Avg Unit Volume by Quartile		Median Sales	High Sales	Low Sales
Freestanding W/DT	130	\$ 1,244,224	54	42%	\$ 1,162,936	\$ 2,648,149	\$ 655,154
Freestanding	12	1,225,267	5	42%	1,174,773	1,947,561	792,378
End Cap with Drive Thru	1	1,274,979	-	0%	1,274,979	1,274,979	1,274,979
In-Line	1	931,599	-	0%	931,599	931,599	931,599
C-Store	1	1,122,284	-	0%	1,122,284	1,122,284	1,122,284
<b>Total</b>	<b>145</b>	<b>\$ 1,239,870</b>			<b>\$ 1,159,787</b>	<b>\$ 2,648,149</b>	<b>\$ 655,154</b>

**Table 2. Historical Average Income Statement For Domestic Free-Standing Company and Franchised Restaurants**

As of December 28, 2025, there were 752 domestic free-standing Franchised and Company Restaurants, both with and without drive-thrus. The data excludes 18 Company Restaurants that were open and operating for less than 26 weeks. For the Franchised Restaurants, we excluded 116 Restaurants that did not provide P&L information and 104 Franchised Restaurants located in Puerto Rico. The data includes the

following: (1) operating cost information based on Cajun Operating’s unaudited income statement for fiscal year 2025; and (2) unaudited profit and loss statements submitted to us quarterly by franchisees during our fiscal year 2025, as required by Section 4.B of the Franchise Agreement. We have not audited or verified the data submitted by our franchisees and therefore cannot attest to its accuracy. Factors that may influence whether you achieve the same level of performance include economic or market conditions that are basic to your operation of your Restaurant, cost of goods sold and operating expenses. There are 514 Franchised Restaurants and Company Restaurants in the below chart.

Category	All Freestanding							
	Franchise							
	Total	High	% of Sales	Median	% of Sales	Low	% of Sales	No. (%) that Met or Exceed Average
Gross Sales	\$ 1,270,320	\$ 1,542,056	100.0%	\$ 1,447,583	100.0%	\$ 967,086	100.0%	38%
Food Cost	375,928	429,209	27.8%	426,389	29.5%	300,767	31.1%	52%
Labor Cost	351,784	357,000	23.2%	394,731	27.3%	306,419	31.7%	47%
<b>Gross Profit Margin</b>	<b>542,608</b>	<b>755,848</b>	<b>49.0%</b>	<b>626,463</b>	<b>43.3%</b>	<b>359,900</b>	<b>37.2%</b>	<b>49%</b>
Controllables	157,412	157,415	10.2%	172,031	11.9%	142,792	14.8%	49%
<b>Controllable Profit Margin</b>	<b>385,196</b>	<b>598,433</b>	<b>38.8%</b>	<b>454,432</b>	<b>31.4%</b>	<b>217,108</b>	<b>22.4%</b>	<b>46%</b>
Non-Controllables	24,787	25,102	1.6%	28,023	1.9%	21,406	2.2%	47%
Marketing	63,911	75,949	4.9%	71,815	5.0%	50,426	5.2%	48%
Royalty	61,661	73,179	4.7%	71,050	4.9%	46,934	4.9%	89%
<b>Restaurant Operating Profit (EBITDAR)</b>	<b>\$ 234,836</b>	<b>\$ 424,203</b>	<b>27.5%</b>	<b>\$ 283,544</b>	<b>19.6%</b>	<b>\$ 98,343</b>	<b>10.2%</b>	<b>45%</b>

Category	All Freestanding							
	Company							
	Total	High	% of Sales	Median	% of Sales	Low	% of Sales	No. (%) that Met or Exceed Average
Gross Sales	\$ 1,236,658	\$ 1,642,045	100.0%	\$ 1,218,431	100.0%	\$ 878,479	100.0%	42%
Food Cost	374,488	486,508	29.6%	367,930	30.2%	278,513	31.7%	50%
Labor Cost	339,223	385,582	23.5%	339,330	27.8%	293,943	33.5%	51%
<b>Gross Profit Margin</b>	<b>522,946</b>	<b>769,956</b>	<b>46.9%</b>	<b>511,171</b>	<b>42.0%</b>	<b>306,023</b>	<b>34.8%</b>	<b>46%</b>
Controllables	171,297	182,728	11.1%	170,991	14.0%	160,785	18.3%	52%
<b>Controllable Profit Margin</b>	<b>351,650</b>	<b>587,228</b>	<b>35.8%</b>	<b>340,180</b>	<b>27.9%</b>	<b>145,238</b>	<b>16.5%</b>	<b>46%</b>
Non-Controllables	29,129	30,485	1.9%	28,660	2.4%	28,736	3.3%	53%
Marketing	71,835	95,465	5.8%	70,658	5.8%	51,182	5.8%	42%
Royalty	61,833	82,102	5.0%	60,922	5.0%	43,924	5.0%	100%
<b>Restaurant Operating Profit (EBITDAR)</b>	<b>\$ 188,853</b>	<b>\$ 379,175</b>	<b>23.1%</b>	<b>\$ 179,941</b>	<b>14.8%</b>	<b>\$ 21,396</b>	<b>2.4%</b>	<b>49%</b>

**Table 3. Historical Average Income Statement for Domestic Convenience Store Company and Franchised Restaurants**

As of December 28, 2025, there were 82 Convenience Franchised and Company Restaurants. The data excludes 0 Company Restaurants that were open and operating for less than 26 weeks. For the Franchised Restaurants, we excluded 37 Restaurants that did not provide P&L information and 0 Franchised Restaurants located in Puerto Rico. The data includes the following: (1) operating cost information based on Cajun Operating’s unaudited income statement for fiscal year 2025; and (2) unaudited profit and loss statements submitted to us quarterly by franchisees during our fiscal year 2025, as required by Section 4.B of the Franchise Agreement. We have not audited or verified the data submitted by our franchisees and therefore cannot attest to its accuracy. Factors that may influence whether you achieve the same level of performance include economic or market conditions that are basic to your operation of your Restaurant, cost of goods sold and operating expenses. There are 45 Franchised Restaurants and Company Restaurants in the below chart.

Category	All C-Stores							
	Franchise							
	Total	High	% of Sales	Median	% of Sales	Low	% of Sales	No. (%) that Met or Exceed Average
<b>Gross Sales</b>	\$ 897,889	\$ 1,156,040	100.0%	\$ 902,498	100.0%	\$ 784,180	100.0%	43%
Food Cost	274,835	338,726	29.3%	270,387	30.0%	250,418	31.9%	41%
Labor Cost	279,122	305,449	26.4%	261,042	28.9%	279,892	35.7%	48%
<b>Gross Profit Margin</b>	<b>343,932</b>	<b>511,864</b>	<b>44.3%</b>	<b>371,070</b>	<b>41.1%</b>	<b>253,870</b>	<b>32.4%</b>	<b>50%</b>
Controllables	86,432	65,796	5.7%	86,239	9.6%	95,405	12.2%	45%
<b>Controllable Profit Margin</b>	<b>257,500</b>	<b>446,068</b>	<b>38.6%</b>	<b>284,830</b>	<b>31.6%</b>	<b>158,465</b>	<b>20.2%</b>	<b>50%</b>
Non-Controllables	38,403	21,026	1.8%	35,817	4.0%	47,573	6.1%	32%
Marketing	42,849	55,415	4.8%	53,327	5.9%	30,479	3.9%	64%
Royalty	39,589	49,031	4.2%	36,661	4.1%	37,495	4.8%	84%
<b>Restaurant Operating Profit (EBITDAR)</b>	<b>\$ 136,659</b>	<b>\$ 320,595</b>	<b>27.7%</b>	<b>\$ 159,025</b>	<b>17.6%</b>	<b>\$ 42,918</b>	<b>5.5%</b>	<b>52%</b>

Category	All C-Stores							
	Company							
	Total	High	% of Sales	Median	% of Sales	Low	% of Sales	No. (%) that Met or Exceed Average
<b>Gross Sales</b>	\$ 1,116,371			\$ 1,116,371	100.0%			100%
Food Cost	321,054			321,054	28.8%			100%
Labor Cost	281,812			281,812	25.2%			100%
<b>Gross Profit Margin</b>	<b>513,505</b>			<b>513,505</b>	<b>46.0%</b>			<b>100%</b>
Controllables	148,536			148,536	13.3%			100%
<b>Controllable Profit Margin</b>	<b>364,969</b>			<b>364,969</b>	<b>32.7%</b>			<b>100%</b>
Non-Controllables	18,549			18,549	1.7%			100%
Marketing	66,679			66,679	6.0%			100%
Royalty	55,819			55,819	5.0%			100%
<b>Restaurant Operating Profit (EBITDAR)</b>	<b>\$ 223,922</b>			<b>\$ 223,922</b>	<b>20.1%</b>			<b>100%</b>

**Table 4. Historical Gross Sales Growth of Free-Standing Reimagined Restaurants**

The 44 Restaurants reported below were reimaged to the Full Blaze image during 2024 or 2025. The Table excludes 14 C-Store, Food Court and End Cap Restaurants that were open and operating for more than 52 weeks because this table only reports reimaged free-standing restaurants. The Table does not include any Company Restaurants because there were none

The Average Annual Sales before Reimage reflects only the 12 months before each Restaurant completed its reimage. The Average Annual Sales after Reimage is calculated using data for the time beginning on the completion of the reimaging and ending December 28, 2025.

<b>Historical Gross Sales Growth of Free-Standing Reimaged Restaurants</b>	
	<b>Franchise</b>
Unit Count	44
<b>Before Reimage:</b>	
Average Annual Sales	\$ 1,189,052
Median Annual Sales	1,164,871
High Annual Sales	2,057,653
Low Annual Sales	492,782
No. (%) Met or Exceeded Average	25
<b>After Reimage:</b>	
Average Annual Sales	\$ 1,268,600
Median Annual Sales	1,289,850
High Annual Sales	2,004,014
Low Annual Sales	491,076
No. (%) Met or Exceeded Average	25
Growth of Average Annual Sales after Reimage	\$ 79,548
<b>Percentage of Growth of Average Annual Sales After Reimage</b>	<b>6.7%</b>

**Table 5. Historical Gross Sales of Domestic Free-Standing Company & Franchised Restaurants With Drive-Thrus by Quartile**

As of December 28, 2025, there were 698 domestic free-standing Restaurants that had drive-thrus. The information included in the Table below is for 551 domestic, free-standing Company and Franchised Restaurants with drive-thrus. The Table excludes 43 Free-Standing Restaurants with drive-thrus that were open and operating for less than 52 weeks or Restaurants classified as C-Store, End Cap, Conversion or Mall. Also excluded are 104 Franchised Restaurants located in Puerto Rico. The information is organized into four quartiles (“Quartiles”) which were determined based on the Weekly Average Gross Sales.

<b>Franchise Restaurant</b>									
Quartile	Unit Count	Average Gross Sales by Quartile	Weekly Average Gross Sales by Quartile	# and % of Units that exceeded Weekly Avg Gross Sales by Quartile		Median Gross Sales by Quartile	Weekly Median Gross Sales by Quartile	High Average Gross Sales by Quartile	Low Average Gross Sales by Quartile
4	106	\$ 1,628,718	\$ 31,322	36	34%	\$ 1,552,650	\$ 29,859	\$ 2,435,926	\$ 1,345,998
3	105	1,201,290	23,102	48	46%	1,186,202	22,812	1,338,507	1,106,323
2	105	986,054	18,963	51	49%	982,945	18,903	1,104,735	894,649
1	105	743,492	14,298	58	55%	754,485	14,509	894,000	444,427

<b>Company Restaurant</b>									
Quartile	Unit Count	Average Gross Sales by Quartile	Weekly Average Gross Sales by Quartile	# and % of Units that exceeded Weekly Avg Gross Sales by Quartile		Median Gross Sales by Quartile	Weekly Median Gross Sales by Quartile	High Average Gross Sales by Quartile	Low Average Gross Sales by Quartile
4	33	\$ 1,753,577	\$ 33,723	13	39%	\$ 1,634,894	\$ 31,440	\$ 2,648,149	\$ 1,410,790
3	32	1,287,473	24,759	16	50%	1,294,945	24,903	1,404,476	1,166,086
2	32	1,079,702	20,764	15	47%	1,076,902	20,710	1,159,787	1,006,870
1	33	852,470	16,394	17	52%	868,768	16,707	996,573	655,154

**Table 6A. Average Unit Volume for Franchise Restaurants by Region**

As of December 28, 2025, there were 722 domestic Restaurants. The information included in the Table below is for 565 domestic, Franchised Restaurants. The Table excludes 42 domestic franchised Restaurants that were open and operating for less than 52 weeks. Also excluded are 115 Franchised Restaurants located in Puerto Rico.

Franchised Restaurants by Region						
Venue Type	Unit Count	AUV	# and % of Units that exceeded Weekly Avg Unit Volume	Median AUV	High AUV	Low AUV
Northeast	-	-	-	0%	-	-
South	391	1,061,478	172	44%	1,005,763	2,435,926
Midwest	62	1,228,493	28	45%	1,144,538	2,209,284
West	112	1,239,058	44	39%	1,173,561	2,136,832
<b>Total</b>	<b>565</b>	<b>\$ 1,115,007</b>			<b>\$ 1,065,581</b>	<b>\$ 2,435,926</b>

- The Northeast Region is comprised of New Jersey, New York, Pennsylvania, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.
- The South Region is comprised of Alabama, Kentucky, Mississippi, Tennessee, Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Arkansas, Louisiana, Oklahoma, and Texas.
- The Midwest Region is comprised of Indiana, Illinois, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.
- The West Region is comprised of Arizona, Colorado, Idaho, New Mexico, Montana, Utah, Nevada, Wyoming, Alaska, California, Hawaii, Oregon, and Washington.

**Table 6B: Average Unit Volume for Company Restaurants by Region**

As of December 28, 2025, there were 163 company Restaurants. The information included in the Table below is for 145 company restaurants. The Table excludes 18 Restaurants that were open and operating for less than 52 weeks.

Company Operated Restaurants by Region						
Venue Type	Unit Count	AUV	# and % of Units that exceeded Weekly Avg Unit Volume	Median AUV	High AUV	Low AUV
Northeast	-	-	-	0%	-	-
South	135	1,229,448	55	41%	1,154,039	2,648,149
Midwest	10	1,380,576	5	50%	1,386,818	1,768,192
West	-	-	-	0%	-	-
<b>Total</b>	<b>145</b>	<b>\$ 1,239,870</b>			<b>\$ 1,159,787</b>	<b>\$ 2,648,149</b>

- The Northeast Region is comprised of New Jersey, New York, Pennsylvania, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

- The South Region is comprised of Alabama, Kentucky, Mississippi, Tennessee, Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Arkansas, Louisiana, Oklahoma, and Texas.
- The Midwest Region is comprised of Indiana, Illinois, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.
- The West Region is comprised of Arizona, Colorado, Idaho, New Mexico, Montana, Utah, Nevada, Wyoming, Alaska, California, Hawaii, Oregon, and Washington.

**Table 7. Average Unit Volume for Company Operated Restaurants and Franchised Restaurants in Fiscal Years 2023, 2024 and 2025**

Our 2023 fiscal year began on January 2, 2023, and ended on December 31, 2023. Our 2024 fiscal year began on January 1, 2024, and ended December 29, 2024. Our 2025 fiscal year began on December 30, 2025, and ended on December 28, 2025.

The 2023 data includes gross revenue for 697 Franchised restaurants that were open and operating during the 2023 fiscal year and excludes performance of: (a) 6 Franchised Restaurants that opened during the 2023 fiscal year and (b) 88 Franchised Restaurants that were operating less than 52 and 53 weeks during the 2023 fiscal year and (c) 111 Franchised Restaurants that operated in Puerto Rico. The 2024 data includes gross revenue for 633 Franchised restaurants that were open and operating during the 2024 fiscal year and excludes performance of: (a) 6 Franchised Restaurants that opened during the 2024 fiscal year and (b) 151 Franchised Restaurants that were operating less than 52 weeks during the 2024 fiscal year and 112 Franchised Restaurants that operated in Puerto Rico. The 2025 data includes gross revenue for 680 Franchised restaurants that were open and operating during the 2025 fiscal year and excludes performance of: (a) 17 Franchised Restaurants that opened during the 2025 fiscal year and (b) 98 Franchised Restaurants that were operating less than 52 weeks during the 2025 fiscal year and (c) 115 Franchised Restaurants that operated in Puerto Rico.

Domestic System									
Year	Unit Count	Average Gross Revenues	% Change Over Previous Year	# of Restaurants Above Average Gross Revenues	% of Restaurants Above Average Gross Revenues	Median Gross Revenues	Lowest Gross Revenues	Highest Gross Revenues	
2023	732	\$ 1,016,596	4.1%	329	45%	\$ 973,583	\$ 358,293	\$ 2,749,500	
2024	660	1,112,809	9.5%	302	46%	1,062,676	346,988	2,386,835	
2025	710	1,140,081	2.5%	310	44%	1,096,949	336,236	2,648,149	

1. Fiscal Year 2023 includes 53 weeks

2. Data includes restaurants open and operating for 52 Wks

Franchise Restaurants									
Year	Unit Count	Average Gross Revenues	% Change Over Previous Year	# of Restaurants Above Average Gross Revenues	% of Restaurants Above Average Gross Revenues	Median Gross Revenues	Lowest Gross Revenues	Highest Gross Revenues	
2023	586	\$ 1,004,955	5.1%	262	45%	\$ 956,367	\$ 358,293	\$ 2,749,500	
2024	521	1,099,681	9.4%	232	45%	1,045,044	346,988	2,386,835	
2025	565	1,114,233	1.3%	250	44%	1,065,581	336,236	2,435,926	

1. Fiscal Year 2023 includes 53 weeks

2. Data includes restaurants open and operating for 52 Wks

Company Restaurants								
Year	Unit Count	Average Gross Revenues	% Change Over Previous Year	# of Restaurants Above Average Gross Revenues	% of Restaurants Above Average Gross Revenues	Median Gross Revenues	Lowest Gross Revenues	Highest Gross Revenues
2023	146	\$ 1,062,508	1.4%	63	43%	\$ 1,018,641	\$ 520,122	\$ 2,186,093
2024	139	1,162,270	9.4%	55	40%	1,117,174	665,624	2,226,691
2025	145	1,239,870	6.7%	60	41%	1,159,787	655,154	2,648,149

1. Fiscal Year 2023 includes 53 weeks

2. Data includes restaurants open and operating for 52 Wks

Notes to Item 19:

- A. “Sales” include Gross Sales during the fiscal year as noted.
- B. “Gross Sales” includes, as stated in Section 3.D of the Franchise Agreement, all revenue from the sale of all services and products and all other income of every kind and nature (including stored value gift cards and gift certificates when redeemed but not when purchased) related to the Franchised Restaurant, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales includes, without limitation, monies or credit received from the sale of food and merchandise, from tangible property of every kind and nature, promotional or otherwise, and for services performed from or at the Franchised Restaurant, including, but not limited to, off-premises services such as catering and delivery, regardless of the method of collection (including cash registers, vending machines, payments to third-party delivery providers or otherwise). Gross Sales do not include (1) the sale of food or merchandise for which refunds have been made in good faith to customers, (2) the sale of used equipment not in the ordinary course of business, or (3) taxes imposed by a governmental authority directly on sales and collected from customers, provided that the amount for the tax is added to or absorbed in the selling price and is actually paid by a franchisee to the governmental authority.
- C. “Food cost” includes the delivered cost of food, beverages, paper and promotional items (i.e., limited-time offerings) to the Restaurants. Delivered costs include distribution and freight costs. The calculation of food costs is primarily a function of the mix of products sold and the cost of commodities that comprise the products.
- D. “Labor - Total” includes unit hourly labor, which is comprised of the average hourly rate and the number of hours worked (a direct correlation to sales volume). The cost of labor will vary from location to location and will be dependent on factors beyond our control, including, without limitation, local minimum wage laws and local labor market conditions. Labor costs also include the salaries of general and assistant managers. Most company Restaurants employ one salaried general manager and one salaried assistant manager. The other components of labor expense are: payroll taxes, health insurance, vacation, wages, sick pay, bonuses and workers’ compensation insurance. Also, with respect to labor costs, because a certain number of employees will be necessary to open and operate a Restaurant irrespective of its Gross Sales, units that have lower than average Gross Sales probably will experience higher than average labor costs. Franchisees, however, often do not use a standard chart of accounts to prepare financial reports that are submitted to us and labor may be booked under different categories in the franchisees’ reports.

- E. “*Controllables*” refers to miscellaneous restaurant-level costs that are affected by or decided by management, such as the cost of maintenance and repair, supplies, services, commissions related to delivery, and utilities. “*Non-controllables*” refers to miscellaneous restaurant-level costs where the owner has no decision-making ability regarding the expenditure, such as the cost of local operating permits, business licenses and fees, and insurance. Non-controllables in this table excludes rent.
- F. “*Marketing*” is a fee of 5% of Gross Sales as defined in the Franchise Agreement. See Item 6 and Item 11 for more information regarding Marketing. The percentage of income from company Restaurants spent on marketing may be higher than 5%.
- G. “*Royalty*” is 5% of Gross Sales as defined in the Franchise Agreement. See Item 6 for more information regarding the Royalty.
- H. “*EBITDAR*” is Earnings before Interest, Taxes, Depreciation, Amortization, and Rent.
- I. Lease and other real estate costs and expenses related to or regarding the real estate used in the operation of the Restaurant are not included in Item 19.
- J. Certain corporate overhead and other expenses, such as office personnel and payroll and accounting costs, are not incurred at the restaurant level and thus are not included in Item 19.
- K. Franchisees will incur other costs in connection with the operation of Restaurants including, without limitation, occupancy costs (such as rent or mortgage payments), utilities, office expenses, legal and accounting expenses, insurance expenses, and various other general administrative expenses. Expenses in the operation of Restaurants will vary from franchisee to franchisee and from location to location, and are dependent on seasonal, local and other factors beyond our control, such as the franchisee’s efficiency in the use of products, the costs of transportation and the fluctuation in market prices for food and other products. Additionally, labor and costs of goods sold are expected to rise in the future.

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

Your individual financial results are likely to differ from results described in this Item 19. You should conduct an independent investigation of the expenses you will incur in operating your Restaurant.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn 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 Restaurant, however, we may provide you with the actual records of that Restaurant. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Alisa Cleek, our Chief People and Legal Officer, at 980 Hammond Drive, Suite 1100, Atlanta, GA 30328, or 770-350-3800, the Federal Trade Commission and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For Years 2023 to 2025**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at Start of the Year</b>	<b>Outlets at End of the Year</b>	<b>Net Change</b>
Franchised	2023	767	744	-23
	2024	744	714	-30
	2025	714	722	+8
Company Owned	2023	158	156	-2
	2024	156	159	+3
	2025	159	163	+4
Total Outlets	2023	925	900	-25
	2024	900	873	-27
	2025	873	885	+12

**Table No. 2  
Transfers of Outlets from Franchisees to New Owners (Other than Cajun)  
For Years 2023 to 2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Arizona	2023	2
	2024	2
	2025	1
Florida	2023	0
	2024	3
	2025	0
Georgia	2023	13
	2024	0
	2025	1
Michigan	2023	1
	2024	0
	2025	0
New Mexico	2023	0
	2024	4
	2025	0
Texas	2023	3
	2024	10
	2025	6