

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.

The following historical sales information is included in this Item: the high, low, average and median 2024 Gross Sales of 40 subfranchised free-standing DQ Grill & Chill restaurants that operated in Montana and North Dakota during the entire 2024 calendar year (21 in Montana and 19 in North Dakota); and the high, low, average and median 2023 Gross Sales of 37 subfranchised free-standing DQ Grill & Chill restaurants that operated in Montana and North Dakota during the entire 2023 calendar year (21 in Montana and 16 in North Dakota)

As of December 31, 2024, another 34 subfranchised DQ stores or restaurants were operating in Montana and North Dakota (14 in Montana and 20 in North Dakota). As of December 31, 2023, another 36 subfranchised DQ stores or restaurants were operating in Montana and North Dakota (14 in Montana and 22 in North Dakota). Those other DQ stores and restaurants, however, did not operate as new or fully-remodeled free-standing DQ Grill & Chill restaurants throughout the 2024 or 2023 calendar years, were treat-centric stores with limited menus, were located in malls or strip centers (including fuel centers), sold non-system foods, were seasonal stores open only part of the year, or were closed part of the year due to fires. The Gross Sales of those other DQ stores and restaurants were not used in preparing this financial performance representation.

In 2024, in Montana and North Dakota, 0 subfranchised stores ceased operations, 0 subfranchised DQ restaurant ceased operations, and 0 subfranchised DQ stores or restaurants both began and ceased operations.

In 2023, in Montana and North Dakota, 0 subfranchised stores ceased operations, 0 subfranchised DQ restaurant ceased operations, and 0 subfranchised DQ stores or restaurants both began and ceased operations.

2024 Historical Gross Sales Information. The table below contains the following historical Gross Sales information: the high, low, average and median 2024 Gross Sales of 40 subfranchised free-standing DQ Grill & Chill restaurants that operated in Montana and North Dakota during the entire 2024 calendar year (21 in Montana and 19 in North Dakota).

**High, Low, Average and Median Gross Sales
of 40 Subfranchised Free-Standing DQ Grill & Chill Restaurants
Operating in Montana and North Dakota in 2024**

HIGH GROSS SALES	\$2,994,084
LOW GROSS SALES	\$706,483
AVERAGE GROSS SALES	\$1,615,815
MEDIAN GROSS SALES	\$1,534,470

Notes:

1. This table contains sales information for new or fully-remodeled free-standing DQ Grill & Chill restaurants. It does not contain any sales information for DQ treat-centric stores with limited menus, DQ stores or restaurants that were located in malls or strip centers (including fuel centers), or DQ stores or restaurants that were selling non-system foods.
2. "Gross Sales" include the total revenue and receipts from the sale of all products sold by the restaurant, including sales of all products under any of ADQ's trademarks, as well as sales of other products, services and merchandise, whether or not identified by other brand names, and excluding sales taxes and revenue and receipts arising directly from the sale of gift cards. Gross Sales do not reflect cost of goods or services sold; operating expenses such as payroll, rent and office expenses; or other expenses, such as amortization, depreciation, income tax, or other tax or debt service expenses.
3. An "average" is calculated by adding the numerical values of all data points in a set, and dividing by the number of data points in the set. Of the 40 subfranchised free-standing DQ Grill & Chill restaurants operating for the entire 2024 calendar year, 16, or 40%, exceeded the average.
4. A "median" is the numerical value of the data point in the middle of all data points in a set. If a set contains an even number of data points, the median is calculated by identifying the 2 data points in the middle of the set, adding their numerical values, and dividing by 2.

2023 Historical Gross Sales Information. The table below contains the following historical Gross Sales information: the high, low, average and median 2023 Gross Sales of 37 subfranchised free-standing DQ Grill & Chill restaurants that operated in Montana and North Dakota during the entire 2023 calendar year (21 in Montana and 16 in North Dakota).

**High, Low, Average and Median Gross Sales
of 37 Subfranchised Free-Standing DQ Grill & Chill Restaurants
Operating in Montana and North Dakota in 2023**

HIGH GROSS SALES	\$2,844,438
LOW GROSS SALES	\$599,640
AVERAGE GROSS SALES	\$1,560,104
MEDIAN GROSS SALES	\$1,556,087

Notes:

1. This table contains sales information for new or fully-remodeled free-standing DQ Grill & Chill restaurants. It does not contain any sales information for DQ treat-centric stores with limited menus, DQ stores or restaurants that were located in malls or strip centers (including fuel centers), or DQ stores or restaurants that were selling non-system foods.
2. "Gross Sales" include the total revenue and receipts from the sale of all products sold by the restaurant, including sales of all products under any of ADQ's trademarks, as well as sales of other products, services and merchandise, whether or not identified by other brand names, and excluding sales taxes and revenue and receipts arising directly from the sale of gift cards. Gross Sales do not reflect cost of goods or services sold; operating expenses such as payroll, rent and office expenses; or other expenses, such as amortization, depreciation, income tax, or other tax or debt service expenses.
3. An "average" is calculated by adding the numerical values of all data points in a set, and dividing by the number of data points in the set. Of the 37 subfranchised free-standing DQ Grill & Chill restaurants operating for the entire 2023 calendar year, 18, or 49%, exceeded the average.
4. A "median" is the numerical value of the data point in the middle of all data points in a set. If a set contains an even number of data points, the median is calculated by identifying the 2 data points in the middle of the set, adding their numerical values, and dividing by 2.

General:

The Gross Sales information shown in the tables above for subfranchised DQ Grill & Chill restaurants is compiled from information submitted to **DQ MT/ND** by the franchisees in their 2024 and 2023 unaudited sales reports. The reports submitted to **DQ MT/ND** were not audited, and **DQ**

MT/ND has not undertaken to independently verify the accuracy of the information in the reports or determine whether the reports were prepared in accordance with generally accepted accounting principles. However, **DQ MT/ND** is not aware of any instance in which any subfranchised DQ Grill & Chill restaurant overstated Gross Sales in any report.

Of the subfranchised free-standing DQ Grill & Chill restaurants operating in 2024 and 2023, some were converted rather than newly built, and all had layouts and production cores that varied somewhat depending on their sites and the prototypes used when they were converted or newly built. Otherwise, **DQ MT/ND** is not aware of any material differences between the subfranchised DQ Grill & Chill restaurants for which information is shown in this Item 19, and the subfranchised DQ Grill & Chill restaurants described in this disclosure document.

Written substantiation for the financial performance representation will be made available to you on reasonable request. **DQ MT/ND** urges you to consult with your financial, business and legal advisors in connection with the Gross Sales information shown in this Item 19.

Some restaurants have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Other than the preceding financial performance representation, **DQ MT/ND** does not make any financial performance representations. **DQ MT/ND** also does not authorize its employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, **DQ MT/ND** 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 **DQ MT/ND's** management by contacting Inoshi Denizen, P.O. Box 9137, Missoula, MT 59807, (917) 536-6291, the Federal Trade Commission, and any appropriate state regulatory agencies.

Item 20

**OUTLETS AND SUBFRANCHISEE AND FRANCHISEE INFORMATION
TERRITORY OPERATOR**

TABLE NO. 1

Systemwide Outlet Summary For Years 2022 to 2024

Outlet Type	Year	Outlets At Start Of Year	Outlets At End Of Year	Net Change
Subfranchised	2022	70	71	+1
	2023	71	73	+2
	2024	73	74	+1
Company- Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	70	71	+1
	2023	71	73	+2
	2024	73	74	+1

TABLE NO. 2

**Transfers of Outlets From Subfranchisees to New Owners
(Other Than Territory Operator or An Affiliate) For Years 2022 to 2024**

State	Year	Number Of Transfers
Montana	2022	1
	2023	2
	2024	6
North Dakota	2022	2
	2023	2
	2024	1
Totals	2022	3
	2023	4
	2024	7