

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
s. Modification of the agreement	Sections XV and XIX.C in Franchise Agreement and Article 11.11 in Area Development Agreement	No modification generally, unless change is in writing and signed by you and us, but Manual and System subject to change.
t. Integration / merger clause	Section XV and XIX.C in Franchise Agreement and Article 11.12 in Area Development Agreement	Only the terms of the Franchise Agreement and Area Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document, Franchise Agreement and Area Development Agreement are not enforceable.
u. Dispute resolution by arbitration or mediation	Section XVIII in Franchise Agreement and Article 10 in Area Development Agreement	Except for certain claims, all disputes must be submitted to mediation and arbitration in Eau Claire, Wisconsin (subject to state law)
v. Choice of forum	Sections XVIII in Franchise Agreement and Article 11.6 in Area Development Agreement	Any mediation or arbitration must be in Eau Claire, Wisconsin unless parties agree to another location. Litigation must be in the Wisconsin state court having jurisdiction over Eau Claire, County, Wisconsin or the U.S. District Court for the Western District of Wisconsin (subject to state law)
w. Choice of law	Section XIX.F in Franchise Agreement and Article 11.6 in Area Development Agreement	Laws of state of Wisconsin (subject to state law)

## **ITEM 18** **PUBLIC FIGURES**

We do not use any public figure to promote this 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.

Our financial performance representation presents the actual 2023 annual revenues of the 38 Traditional Location franchised outlets that were open for all 12 months during the 2023 calendar year. These 38 outlets represent approximately 63% of the 60 total franchised outlets that were open as of December 31, 2023. Franchised outlets that were not open for the entire 12 months of 2023 have been excluded from the representation as their partial year performance is not indicative of the performance we would reasonably expect to see over an entire calendar year. This performance representation is no indication of what a Non-Traditional Location outlet may experience. This financial performance representation is based on the reports submitted to us by our franchisees. This information has not been audited and may not be based on generally accepted accounting principles.

The actual average annual revenue numbers do not reflect the costs of goods sold, operating expenses or other costs or expenses that must be deducted from revenue to obtain net income or profit. You should conduct an independent investigation of the costs and expenses you may incur in operating your Franchised Business. Franchisees and former franchisees listed in this disclosure document may be one source of this information.

**Annual Revenues**  
**January 1, 2023 – December 31, 2023**  
**Franchised Outlets Open All 12 Months**

	Number of Outlets	Range of Annual Revenue		Median Annual Revenue	Average Annual Revenue	Number At or Above Average vs Number Below Average	Percentage At or Above Average vs Percentage Below Average
		High	Low				
Top Tier	13	\$1,869,348	\$659,141	\$900,664	\$972,467	6/7	46%/54%
Mid Tier	13	\$648,177	\$453,181	\$561,590	\$561,031	7/6	54%/46%
Lower Tier	12	\$436,595	\$135,012	\$407,724	\$361,962	8/4	67%/33%

<sup>†</sup> Figures rounded to nearest dollar. Percentages rounded to the nearest one percent.

**Part I Explanatory Notes**

- 1) "Number of Outlets" refers to E&G Restaurants in the "Top Tier", "Mid-Tier" and "Lower Tier" dataset.
- 2) "Revenue High/Low" refers to the range of total revenue achieved by outlets in the dataset.
- 3) "Median Annual Revenue" refers to the total revenue amount that is in the center of all total revenue figures included in the dataset.

- 4) "Average Annual Revenue" refers to the average total revenue achieved by outlets in the dataset.
- 5) "Number At or Above Average" refers to the number of outlets in the dataset that had total revenue equal to or greater than the Average Annual Revenue.
- 6) "Percentage At or Above Average" refers to the percentage of outlets in the dataset that had total revenue equal to or greater than the Average Annual Revenue.
- 7) The actual annual average and median annual revenue numbers do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from revenue to obtain net income or profit. You should conduct an independent investigation of the costs and expenses you may incur in operating your Franchised Business. Franchisees and former franchisees listed in this disclosure document may be one source of this information.

### **Bases and Assumptions**

There are no material differences between the business conducted by these E & G Restaurants and the Franchised Business to be operated by you under the Franchise Agreement for a Traditional Unit, since Traditional Unit franchised outlets and your Traditional Unit Franchised Business will operate under the same System and Marks and with similar operating requirements.

You should also note that some of the outlets reported are located in concentrated geographic areas and thus collectively benefit from each other's presence through, among other reasons, community advertising, a greater market presence and better shipping rates – a factor that may not be present in other geographic areas. Revenues will vary from outlet to outlet due to various factors, including the demand for the goods and services offered by E & G Restaurants, the type and number of competitive businesses in the market, advertising efforts, management experience, location and other factors.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.**

This information is provided as reference information only for your use with other information. The Company urges you to consult with your financial, business, tax, accounting and legal advisors about the information contained in this Item.

Written substantiation for 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 disregard it and report it to our management by contacting Eric Wolfe at 800 Wisconsin St Mailbox 74, Bldg D2 Suite 315-, Eau Claire, Wisconsin 54703, (715) 271-4177, the Federal Trade Commission, and the appropriate state regulatory agencies.

### **ITEM 20**

#### **OUTLETS AND FRANCHISE INFORMATION**