

THE FRANCHISE RELATIONSHIP		
Provision	Sections in Agreement	Summary
w. Choice of law	FA: Section XX.H	Subject to state law, Oregon law governs.
	ADA: Section 10	Subject to state law, same governing law provision contained in Franchise Agreement applies to ADA (i.e., Oregon law).

ITEM 18: PUBLIC FIGURES

We do not currently use any public figure to promote the franchise. Killer Burger reserves the right to use public figures in its future promotional efforts.

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 Franchise 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 financial performance representation includes certain sales information for 8 Killer Burger Restaurants operated by our affiliate, Killer Burger, LLC, that were open and operating for the entire 2023 calendar year and 5 Killer Burger Restaurants operated by our affiliate, Killer Burger, LLC, that were open and operating for the entire 2024 calendar year. All of these Killer Burger Restaurants served beer and cider, along with the food menu, during the entire 2023 and 2024 calendar years. 2 of these Killer Burger Restaurants have a full-bar. Both bar operations operated periodically in 2023, but are not currently being operated. Killer Burger, LLC, also has two outlets that operate as concession businesses: one in the Moda Center in Portland, Oregon, during the Portland Trail Blazer basketball season and select concerts, and one in Providence Park in Portland, Oregon, during the Portland Timbers and Portland Thorns soccer seasons. These concession businesses are not included in this Item 19 because they are not similar to a franchised Killer Burger Restaurant.

The following financial performance representation also includes the same sales information for 7 franchised Killer Burger Restaurants that operated for the entire year in 2023 and 13 franchised Killer Burger Restaurants that operated for the entire year in 2024. 3 franchised locations that began 2024 as company-owned locations before becoming franchised locations during 2024 are also included. Average results are shown below.

Subset: As of December 31, 2023, we had a total of 23 Killer Burger Restaurants that were open and in operation. For the 2023 calendar year, we have not included information in this Item 19 for the 6 franchised locations that were not open and operating for the entirety of the 2023 calendar year, and also excluded the 2 company-owned locations that operate as concession businesses. As of December 31, 2024, we had a total of 24 Killer Burger Restaurants that were open and in operation. For the 2024 calendar year, we have not included information in this Item 19 the 1 franchised location that was not open and operating for at least a full calendar quarter of the 2024 calendar year, and also excluded the 2 company-owned locations that operate as concession businesses.

Table A presents the historic average gross sales for all 15 Killer Burger Restaurants that were open and operating during all of the 12-month period from January 1, 2023, to December 31, 2023. The 2 company-owned locations that operate as concession businesses are excluded.

Table B presents the historic average gross sales for 20 Killer Burger Restaurants that were open and operating during all of the 12-month period from January 1, 2024, to December 31, 2024 (the “2024 Reporting Period”). 2 company-owned locations that became franchised locations during the 2024 Reporting Period are included in Table B, with 1 company-owned location that became a franchised location during the 2024 Reporting Period excluded because it did not operate as a franchised location for at least a full calendar quarter of the 2024 calendar year. 1 franchised location that was not open and operating for at least a full calendar quarter of the 2024 calendar year is also excluded, and also excluded are the 2 company-owned locations that operate as concession businesses.

Tables C through F present the historic average gross sales for each calendar quarter of 2024 for all 21 Killer Burger Restaurants that were open and operating during the 2024 Reporting Period. The 3 company-owned locations that became franchised locations during the 2024 Reporting Period are included as franchised locations beginning in the calendar quarter that they transitioned from a company-owned location to a franchised location. 1 franchised location that was not open and operating for at least a full calendar quarter of the 2024 calendar year is excluded, and also excluded are the 2 company-owned locations that operate as concession businesses.

Throughout Tables A through F are footnotes regarding financial operations.

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Table A: January 1, 2023 – December 31, 2023

Ownership	Corporate		Franchise	
Number of Restaurants	8		7	
Average Gross Sales ^{1, 2, 3}	\$1,245,091		\$1,396,099	
Median Gross Sales	\$1,255,725		\$1,327,371	
Highest Gross Sales	\$1,449,761		\$1,850,355	
Lowest Gross Sales	\$967,787		\$985,684	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	4	50%	3	43%

Table B: January 1, 2024 – December 31, 2024

Ownership	Corporate		Franchise	
Number of Restaurants	5		15*	
Average Gross Sales ^{1, 2, 3}	\$1,206,517		\$1,576,090	
Median Gross Sales	\$1,182,679		\$1,539,221	
Highest Gross Sales	\$1,385,918		\$2,411,157	
Lowest Gross Sales	\$1,018,808		\$1,080,260	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	2	40	5	33

* Includes 1 location that transitioned from a company-owned location to franchised location in June 2024 and 1 location that transitioned from a company-owned location to franchised location in August 2024.

Table C: Table C: January 1, 2024 – March 31, 2024

Ownership	Corporate		Franchise	
Number of Restaurants	8		13	
Average Gross Sales ^{1, 2, 3}	\$327,768		\$411,695	
Median Gross Sales	\$320,352		\$401,850	
Highest Gross Sales	\$401,850		\$603,846	
Lowest Gross Sales	\$241,925		\$255,807	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	4	50	6	46

Table D: April 1, 2024 – June 30, 2024

Ownership	Corporate		Franchise	
Number of Restaurants	7		14*	
Average Gross Sales ^{1, 2, 3}	\$322,858		\$389,589	
Median Gross Sales	\$306,197		\$378,022	
Highest Gross Sales	\$381,067		\$622,444	
Lowest Gross Sales	\$251,701		\$256,718	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	3	43	6	43

* Includes 1 location that transitioned from a company-owned location to franchised location in June 2024.

Table E: July 1, 2024 – September 30, 2024

Ownership	Corporate		Franchise	
Number of Restaurants	6		15*	
Average Gross Sales ^{1, 2, 3}	\$308,382		\$391,830	
Median Gross Sales	\$311,731		\$374,683	
Highest Gross Sales	\$378,852		\$594,890	
Lowest Gross Sales	\$251,534		\$285,169	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	3	50	8	53

* Includes 1 location that transitioned from a company-owned location to franchised location in June 2024 and 1 location that transitioned from a company-owned location to franchised location in August 2024.

Table F: October 1, 2024 – December 31, 2024

Ownership	Corporate		Franchise	
Number of Restaurants	5		16*	
Average Gross Sales ^{1, 2, 3}	\$311,972		\$391,025	
Median Gross Sales	\$308,776		\$377,699	
Highest Gross Sales	\$347,009		\$589,978	
Lowest Gross Sales	\$273,648		\$232,786	
Number and percent of Restaurants that achieved or surpassed:	#	%	#	%
Average Gross Sales	2	40	6	38

* Includes 1 location that transitioned from a company-owned location to franchised location in June 2024, 1 location that transitioned from a company-owned location to franchised location in August 2024, and 1 location that transitioned from a company-owned location to a franchised location in October 2024.

Note 1: “Gross Sales” is the total selling price of all products and services and all income of every other kind and nature related to the Killer Burger Restaurant, whether for cash or credit and regardless of collection in the case of credit. “Gross Sales” includes: (a) All proceeds from the sale of coupons, gift cards/certificates or vouchers; but when the coupons, gift cards/certificates or vouchers are redeemed, you are not required to count the retail value of the products and services provided upon redemption in determining Gross Sales for royalty purposes or for other fees calculated in respect of Gross Sales (If you do not record and report sales proceeds for royalty purposes when the coupon, gift card/certificate or voucher is sold, or if coupons, gift cards/certificates or vouchers are distributed free of charge, you will be required to pay royalties based on the retail value of the products and services provided in exchange for the coupon, gift card/certificate or voucher.); and (b) Your share of revenues from any vending machines or other equipment, machines or devices installed in the Killer Burger Restaurant. “Gross Sales” does not include (i) sales taxes you collect from customers of the Killer Burger Restaurant, if the taxes are actually transmitted in a timely manner to the appropriate taxing authority; (ii) tips or gratuities paid directly to your employees by customers of the Killer Burger Restaurant or paid to you and turned over by you to your employees in lieu of direct tips or gratuities; (iii) returns to vendors or manufacturers; and (iv) proceeds from isolated sales of trade fixtures not constituting any part of the products and services offered for sale at the Killer Burger Restaurant or having any material effect upon the ongoing operation of the Killer Burger Restaurant.

Note 2: For third-party deliveries food prices increased to offset related charges, which are classified in operating expenses. The result is increased sales, increased operating expenses, and lower net operating margin.

Note 3: Sales at several company-owned Restaurants within the Portland urban market remain impacted following the COVID-19 pandemic and civil unrest. The Downtown Portland company-owned Restaurant changed from the highest selling location in 2019 to one of the lowest selling restaurants in 2023 and 2024. Also, during 2021, our affiliate, Killer Burger, LLC, made the opportunistic decision to open 2 additional restaurants within Portland. Both of these restaurants underperformed the average location with approximate sales of \$1.2 million in 2023 and \$1.4 million in 2024 at the restaurant located at 325 NE Russell Street, Portland, OR 97212, and \$0.5 million in 2023 at the restaurant located at 1620 NW 23rd Avenue, Portland, OR 97210. The NW 23rd restaurant location was closed in June 2023.

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

Written substantiation of the data used in preparing of this financial performance representation will be made available to you upon reasonable request.

Except as stated above on this Item 19, we do not make any financial performance representations about a franchisee’s future financial performance of the past financial performance of company-owned 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 Adam Sanders at 10121 SE Sunnyside Road, Suite 300 Clackamas, Oregon 97015 or 503-954-3100, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table 1 - System-wide Outlet Summary for Years 2022 to 2024				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	4	7	+3
	2023	7	13	+6
	2024	13	17	+4
Company-Owned ¹	2022	12	12	0
	2023	12	10	-2
	2024	10	7	-3
Total Outlets	2022	16	19	+3
	2023	19	23	+4
	2024	23	24	+1

¹ These outlets are operated by our affiliate Killer Burger, LLC, and include two non-traditional locations at the Moda Center and Providence Park.

Table 2 - Transfers of Outlets from Franchisees to New Owners (Other than The Franchisor) for Years 2022 to 2024		
State	Year	Number of Transfers
Oregon	2022	0
	2023	1
	2024	0
Total	2022	0
	2023	1
	2024	0