

<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
v.	Choice of forum Section 15.I of Franchise Agreement Section 10 of Development Agreement	Litigation must be in the Federal District Court for the Southern District of Indiana or in Indiana State Circuit Court in the County of Marion, Indiana (subject to state law).
w.	Choice of law Section 15.H of Franchise Agreement Section 10 of Development Agreement	Applicable law is that of the state where your business is located (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.

The financial performance representations set forth in this Item 19 contain information relating to company-owned and franchisee-owned WINGS ETC.® restaurants that open and operating as of December 31, 2024. As of December 31, 2024, all WINGS ETC.® restaurants were Grill and Pubs; we did not have any Wings 2 Go open and operating.

The tables presented in Parts 1 through 3 below list 2024 information for the restaurants included in the financial performance representation. Part 1 lists information for franchisee-owned Wings Etc.® restaurants and Part 2 lists information for company-owned Wings Etc.® restaurants. The tables in Parts 1 and 2 separate the information into tiered quartiles (top 25%, second 25%, third 25%, and bottom 25%) and then present information on certain statistical categories. Part 3 lists overall averages for company-owned restaurants, for franchised restaurants and, for company-owned and franchised restaurants combined, based upon the outlets that were included in Part 1 and Part 2, not separated into quartiles. Wherever average figures are presented, we have listed both the average for the applicable category and the median (midpoint) amount. Wherever average total sales figures are presented, we also listed high and low figures for the applicable tier.

The following definitions apply to financial performance representations in this Item 19:

**Total Sales.** Total Sales means the total Gross Sales of the restaurant. This means all revenues and receipts from the sale of all products, services and merchandise but not including sales tax or discounts. This figure includes revenues related to food and alcohol sales, as well as revenue from newspaper racks, video games, jukeboxes, gaming machines, gum machines, games, rides, vending machines, pool tables, automated teller machines or other similar devices. This figure also includes sales made at discounted prices, including sales made in connection with coupons and other promotional activities.

**Food Cost.** Food Cost means the restaurant's cost for food products sold to customers during the year (based on beginning inventory plus purchases less ending inventory). The food products include ingredients, non-alcoholic beverages, and condiments. Note that the food cost portion of discounts given and employee meals is not reflected in this figure.

**Alcohol Cost.** Alcohol Cost means the cost of the alcoholic beverages sold to customers of the restaurant during the year (based on beginning inventory plus purchases less ending inventory), and may be expressed as a percentage of Total Sales.

**Total Labor Cost.** Total Labor Cost means labor costs for the restaurant during the year. Labor Cost includes crew labor, hourly shift manager wages and salaries, as well as salary paid to the general manager or principal operator. It also includes employment related taxes, other compensation, and benefits. You will have the sole discretion to determine the number of employees and managers hired for your restaurant, and their hours, compensation and benefits. The figures in this Item 19 are not requirements nor recommendations.

**Paper Cost.** Paper Cost means the cost of paper products that are used by the restaurant during the year (based on beginning inventory plus purchases less ending inventory). Paper products include bags, product wraps and containers, other paper products, cups and lids, straws, and eating utensils.

**Discounts.** Discount means the costs associated with discounted sales (generally for promotional and customer service purposes) and employee meals.

**Total Cost.** This is the total of all cost categories (Food, Labor, Paper, Discount and Alcohol).

**EBITDAR.** EBITDAR is an accounting term meaning total earnings before adjustment for interest, taxes, depreciation, amortization and rent.

*[Remainder of Page Left Blank]*

Part 1: 2024 Franchisee-Owned Restaurant Revenue and Cost Information by Quartile

There were a total of 54 franchised Wings Etc.® restaurants operating as of December 31, 2024. One of these franchised restaurants was newly opened in 2024 and was not included in this Part 1 because they were not in operation for at least 12 months as of December 31, 2024. One franchised restaurant left system during 2024 and was not included in this Part 1 because it was not in operation for at least 12 months as of December 31, 2024.

TABLE 1: FRANCHISED RESTAURANT SALES AND COST INFORMATION BY TIER									
Tier (and # of Restaurants in Tier)	Average Total Sales Tier	Median Total Sales for Tier	Low to High Total Sales for Tier	Average Food Cost %	Average Labor Cost %	Average Paper Cost Percent	Average Discount Cost %	Average Alcohol Cost %	Average Total Cost %
1st Quartile - Top 25% (14)	\$2,213,575	\$2,023,939	\$1,767,909 to \$3,840,336	26.3%	16.0%	1.8%	2.9%	5.5%	52.6%
2nd - Quartile Second 25% (13)	\$1,592,956	\$1,565,393	\$1,471,801 to \$1,756,279	24.6%	14.3%	1.8%	3.4%	5.6%	49.7%
3rd - Quartile Third 25% (13)	\$1,347,784	\$1,337,597	\$1,250,468 to \$1,463,881	25.5%	15.6%	1.9%	4.0%	5.1%	52.1%
4th - Quartile Botom 25% (13)	\$1,042,203	\$1,004,663	\$850,788 to \$1,246,594	24.2%	16.2%	2.0%	4.1%	4.8%	51.3%

## Part 2: 2024 Company-Owned Restaurant Revenue and Cost Information by Quartile

There were a total of 26 company-owned Wings Etc.® restaurants operating as of December 31, 2024. All 26 restaurants were continuously operated by our affiliate for at least 12 months as of December 31, 2024 were included in Part 2.

TABLE 2: COMPANY-OWNED RESTAURANT SALES AND COST INFORMATION BY TIER								
	Top 25% (7 Restaurants)		Second 25% (6 Restaurants)		Third 25% (6 Restaurants)		Bottom 25% (7 Restaurants)	
SALES	Average (Median)	Average % (Median)	Average (Median)	Average % (Median)	Average (Median)	Average % (Median)	Average (Median)	Average % (Median)
<b>Food Sales</b>	1,816,635 (1,646,113)	76.6% (75.30%)	1,419,030 (1,409,610)	79.4% (78.96%)	1,175,233 (1,155,295)	84.4% (84.42%)	923,692 (927,656)	83.2% (83.18%)
<b>Alcohol Sales</b>	502,893 (489,441)	21.2% (22.39%)	353,391 (364,651)	17.8% (17.99%)	206,239 (202,797)	14.2% (14.05%)	164,161 (175,499)	15.6% (16.63%)
<b>Games &amp; Merchandise Income</b>	52,653 (50,390)	2.2% (2.31%)	15,081 (10,869)	1.1% (1.02%)	11,283 (10,464)	0.4% (0.32%)	22,396 (12,146)	1.5% (1.02%)
<b>Total Sales</b>	2,372,181 (2,185,943)	100.0%	1,787,503 (1,785,130)	100.0%	1,392,754 (1,368,556)	100.0%	1,110,250 (1,115,300)	100.0%
	1,816,635							
<b>Range of Total Sales in Tier</b>	\$1,940,040 - \$3,356,912		\$1,686,117 - \$1,855,214		\$1,244,028 - \$1,597,264		\$952,425 - \$1,219,419	
<b>COSTS</b>	<b>Average</b>	<b>Average %</b>	<b>Average</b>	<b>Average %</b>	<b>Average</b>	<b>Average %</b>	<b>Average</b>	<b>Average %</b>
<b>Cost of Goods Sold</b>								
<b>Food Cost</b>	\$620,787	26.2%	\$477,645	26.7%	\$389,597	28.0%	\$299,539	27.0%
<b>Alcohol Cost</b>	\$141,328	6.0%	\$98,658	5.5%	\$57,466	4.1%	\$47,629	4.3%
<b>Paper Cost</b>	\$48,873	2.1%	\$35,628	2.0%	\$29,165	2.1%	\$24,566	2.2%
<b>Discounts / Other</b>	\$73,757	3.1%	\$47,296	2.6%	\$43,200	3.1%	\$41,563	3.7%
<b>Total Cost of Goods Sold</b>	\$884,745	37.3%	\$659,227	36.9%	\$519,428	37.3%	\$413,298	37.2%
<b>Labor Cost</b>								
<b>Management &amp; Team Wages</b>	\$549,489	23.2%	\$416,816	23.3%	\$370,936	26.6%	\$337,068	30.4%

**TABLE 2: COMPANY-OWNED RESTAURANT SALES AND COST INFORMATION BY TIER**

	Top 25% (7 Restaurants)		Second 25% (6 Restaurants)		Third 25% (6 Restaurants)		Bottom 25% (7 Restaurants)	
<b>Insurance - Health</b>	\$24,734	1.0%	\$29,703	1.7%	\$10,879	0.8%	\$8,058	0.7%
<b>P/R Tax / Workers Compensation</b>	\$73,803	3.1%	\$57,480	3.2%	\$48,527	3.5%	\$41,051	3.7%
<b>Bonus / Vacation Expense</b>	\$14,235	0.6%	\$16,688	0.9%	\$12,430	0.9%	\$10,860	1.0%
<b>Total Labor Cost</b>	\$662,261	27.9%	\$520,687	29.1%	\$442,771	31.8%	\$397,038	35.8%
<b>Gross Profit</b>	\$825,175	34.8%	\$607,589	34.0%	\$430,556	30.9%	\$299,914	27.0%
<b>Unit Controllable Expenses</b>								
<b>Telephone &amp; Utilities</b>	\$48,110	2.0%	\$42,578	2.4%	\$39,914	2.9%	\$41,894	3.8%
<b>Operating Supplies/Services/Other</b>	\$191,315	8.1%	\$156,348	8.7%	\$123,659	8.9%	\$109,364	9.9%
<b>Repairs and Maintenance</b>	\$24,942	1.1%	\$22,216	1.2%	\$15,167	1.1%	\$20,923	1.9%
<b>Advertising</b>	\$44,230	1.9%	\$31,665	1.8%	\$26,065	1.9%	\$20,703	1.9%
<b>Taxes, Licenses &amp; Insurance</b>	\$14,040	0.6%	\$12,618	0.7%	\$9,694	0.7%	\$8,700	0.8%
<b>Royalty Fees</b>	\$115,087	4.9%	\$73,453	4.1%	\$65,527	4.7%	\$29,724	2.7%
<b>Total Unit Controllable Expenses</b>	\$437,725	18.5%	\$338,878	19.0%	\$280,027	20.1%	\$231,307	20.8%
<b>Restaurant Level EBITDAR</b>	\$387,450	16.3%	\$268,711	15.0%	\$150,529	10.8%	\$68,607	6.2%

### Part 3: 2024 Franchised & Company-Owned Restaurant Revenue and Cost Information Overall Averages

There were a total of 80 Wings Etc.® restaurants operating as of December 31, 2024. 79 of the 80 company and franchised restaurants had been continuously operating for at least 12 months as of December 31, 2024 and were included in the financial performance representation.

<b>TABLE 3: FRANCHISED AND COMPANY-OWNED RESTAURANT SALES AND COST INFORMATION TOTALS</b>									
<b>Tier (and # of Restaurants in Tier)</b>	<b>Average Total Sales Tier</b>	<b>Median Total Sales for Tier</b>	<b>Low to High Total Sales for Tier</b>	<b>Average Food Cost %</b>	<b>Average Labor Cost %</b>	<b>Average Paper Cost %</b>	<b>Average Discount Cost %</b>	<b>Average Alcohol Cost %</b>	<b>Average Total Cost %</b>
All Company-Owned Combined (26)	\$1,671,449	\$1,641,691	\$952,425 to \$3,356,912	26.7%	13.9%	2.1%	3.0%	5.2%	50.8%
All Franchisee Tiers Combined (53)	\$1,563,701	\$1,471,801	\$850,788 to \$3,840,336	25.2%	15.6%	1.8%	3.4%	5.4%	51.5%
All Company & Franchisee Tiers Combined (79)	\$1,599,162	\$1,501,468	\$850,788 to \$3,840,336	25.8%	15.0%	1.9%	3.3%	5.3%	51.3%

#### Notes to Part 3:

- 13 out of the 26 (50%) company-owned restaurants met or exceeded the average Total Sales for company-owned restaurants.
- 22 out of the 53 (42%) total franchised restaurants met or exceeded the average Total Sales for franchised restaurants.
- 33 out of the 79 (42%) total restaurants in the system (both company-owned and franchised combined) met or exceeded the average Total Sales for all restaurants.

**Some restaurants have sold the amounts listed above. Your individual results may differ. There is no assurance that you will sell as much.**

You are responsible for developing your own business plan for your restaurant, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business, and legal advisors in doing so.

The financial performance representation does not list the various expenses that you will incur in connection with your operation of your restaurant. In addition to the ordinary expenses you will incur in the operation of a restaurant (such as costs of goods sold, employee wages and overhead), you will pay royalty and marketing fees to us as described in Item 6 of this disclosure document. You also may incur other additional expenses including, but not limited to, insurance, legal and accounting, interest on debt service, rent (if applicable), depreciation/amortization, property taxes, and other taxes and licenses. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Wings, Etc., Inc. does 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 Robert Hensmann, 7337 W. Jefferson Blvd, Suite 200, Fort Wayne, IN 46804; (260) 434-0888, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NUMBER 1**  
**System-Wide Outlet Summary**  
**For years 2022 to 2024**

<b>Outlet Type</b>	<b>Year<sup>1</sup></b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised	2022	55	55	0
	2023	55	54	-1
	2024	54	54	0
Company- Owned <sup>2</sup>	2022	22	25	+3
	2023	25	26	+1
	2024	26	26	0
<b>Total Outlets</b>	<b>2022</b>	<b>77</b>	<b>80</b>	<b>+3</b>
	<b>2023</b>	<b>80</b>	<b>80</b>	<b>0</b>
	<b>2024</b>	<b>80</b>	<b>80</b>	<b>0</b>

- (1) All numbers are as of our fiscal year end for each fiscal year. Our fiscal year ends on the last Sunday of each calendar year.
- (2) These outlets are operated by one of the WEOC Entities, which are our affiliates. See Item 1 for more information.

**TABLE NUMBER 2**  
**Transfers of Outlets From Franchisee**  
**to New Owners (Other than the Franchisor)**  
**For years 2022 to 2024**

<b>State</b>	<b>Year(1)</b>	<b>Number of Transfers</b>
Michigan	<b>2022</b>	<b>0</b>
	<b>2023</b>	<b>0</b>
	<b>2024</b>	<b>1</b>
<b>TOTAL</b>	<b>2022</b>	<b>0</b>
	<b>2023</b>	<b>0</b>
	<b>2024</b>	<b>1</b>