

	Provision	Section in LLC Operating Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Section 11.2	Subject to state law, all disputes must be arbitrated in Los Angeles County California.
v.	Choice of Forum	Section 11.2	Subject to state law, arbitration in Los Angeles County, California.
w.	Choice of law	Section 11.2	Delaware law applies.

Please refer to the State Specific addenda in Schedule 2 for any changes or additional provisions that apply in your state.

Item 18 **PUBLIC FIGURES**

Fatburger does not use any public figure to promote its franchise. A number of franchises are owned by public figures who promote their individual restaurants and the Fatburger brand in general; however, these individuals do not receive compensation from Fatburger for this promotion.

Item 19 **FINANCIAL PERFORMANCE REPRESENTATION**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchise 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 also be given, but only if: (1) a franchisor provide 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 first set of tables below list selected historical and unaudited financial and operating data for 66 (out of a total of 88) Fatburger only and "Fatburger" Restaurants of which "Buffalo's Cafe" co-branded operations were a part, U.S. franchised Restaurants and for January 1, 2024 to December 31, 2024. There were 2 Fatburger restaurant within Round Table Pizza restaurants as of December 31, 2024 that are not included in the data. The following Restaurants are not included in the data: (1) 17 Restaurants which were not open for the entire 12 month period; (2) 89 international locations, including Canada, and (3) 5 franchised Restaurants that did not report their sales and cost information.

The second set of tables below list selected historical and unaudited financial and operating data for the full 2024 calendar year for 35 (out of a total of 50) U.S. franchised "Fatburger" Restaurants of which "Buffalo's Cafe" co-branded operations were a part, and that were in operation for 12 full months. Buffalo's Café co-branded operations are not full restaurants and represent the smaller portion of the combined operations compared to the "Fatburger" portion. The following restaurants were not included in the data: (1) 12 Restaurants which were not open for the entire 12 month period;

(2) 67 international locations, including Canada, and (3) 3 franchised Restaurants that did not report their sales and cost information.

Free Standing restaurants are restaurants that are free standing buildings that are not attached to any other property or space on either side and may or may not contain a drive thru or walk-up window. Free standing restaurants refer to those not located in a mall. In line and end cap restaurants are located in strip malls. End cap locations in strip malls may or may not also contain a drive thru. In line restaurants have other businesses located on either side and end cap restaurants are at the end of a strip mall. In line and end cap restaurants may also be located in open air malls and enclosed malls.

Selected Financial & Operating Data for All Fatburger Restaurants

Table 1 - Net Sales

Description	Units	Average	#/% ≥ Avg	Median	Min	Max
Total	66	\$1,144,270	29/43.94%	\$1,077,512	\$305,445	\$3,198,617
End-Cap	20	\$1,116,422	10/50.00%	\$1,094,724	\$466,122	\$2,441,464
In-Line	16	\$840,277	6/37.50%	\$737,828	\$377,359	\$1,846,574
Free Standing	10	\$1,411,402	6/60.00%	\$1,509,118	\$523,160	\$2,162,969
Casino	14	\$1,572,993	4/28.57%	\$1,138,493	\$703,382	\$3,198,617
Other	6	\$602,166	2/33.33%	\$502,930	\$305,445	\$1,151,901

Table 2 - Range of Net Sales

Range of Net Sales	Units	Min	Max
Under \$499,999	10	\$305,445	\$499,807
\$500,000 to \$749,999	11	\$523,160	\$745,893
\$750,000 to \$999,999	9	\$755,804	\$993,166
\$1,000,000 to \$1,249,999	13	\$1,002,614	\$1,221,659
\$1,250,000 to \$1,499,999	8	\$1,271,578	\$1,469,260
Over \$1,500,000	15	\$1,526,964	\$3,198,617

Table 3 - Food Cost as a Percentage of Net Sales
(including beverage & paper)

Description	Units	Average	#/% ≤Avg	Median	Min	Max
Total	66	27.94%	34/51.52%	27.56%	17.96%	42.75%
End-Cap	20	29.00%	9/45.00%	29.38%	24.00%	35.31%
In-Line	16	26.56%	7/43.75%	26.84%	22.24%	31.62%
Free Standing	10	26.72%	6/60.00%	26.50%	22.67%	31.41%
Casino	14	27.19%	7/50.00%	27.18%	17.96%	42.75%
Other	6	31.89%	4/66.67%	31.32%	27.48%	36.47%

Table 4 - Labor Cost as a Percentage of Net Sales
(including salaries, wages, insurance, workers comp & employee meals)

Description	Units	Average	#/% ≤Avg	Median	Min	Max
Total	66	34.78%	41/62.12%	33.55%	20.19%	70.74%
End-Cap	20	32.91%	10/50.00%	32.71%	20.91%	55.89%
In-Line	16	32.49%	9/56.25%	29.62%	24.19%	48.23%
Free Standing	10	29.33%	5/50.00%	29.30%	22.09%	35.85%
Casino	14	41.27%	9/64.29%	37.35%	22.50%	70.74%
Other	6	41.06%	3/50.00%	41.07%	20.19%	61.56%

Selected Financial & Operating Data for Co-branded Restaurants

Table 1 - Net Sales

Description	Units	Average	#/% ≥Avg	Median	Min	Max
Total	35	\$1,005,845	17/48.57%	\$1,002,614	\$305,445	\$1,846,574
End-Cap	14	\$1,010,189	6/42.86%	\$955,356	\$466,122	\$1,703,583
In-Line	9	\$1,029,503	5/55.56%	\$1,068,750	\$488,169	\$1,846,574
Free Standing	4	\$1,256,108	3/75.00%	\$1,426,473	\$523,160	\$1,648,328
Casino	3	\$1,195,084	2/66.67%	\$1,354,905	\$703,382	\$1,526,964
Other	5	\$637,342	2/40.00%	\$579,572	\$305,445	\$1,151,901

Table 2 - Range of Net Sales

Range of Net Sales	Units	Min	Max
Under \$499,999	5	\$305,445	\$499,807
\$500,000 to \$749,999	8	\$523,160	\$733,709
\$750,000 to \$999,999	4	\$755,804	\$908,097
\$1,000,000 to \$1,249,999	7	\$1,002,614	\$1,221,659
\$1,250,000 to \$1,499,999	5	\$1,271,578	\$1,451,390
Over \$1,500,000	6	\$1,526,964	\$1,846,574

Table 3 - Food Cost as a Percentage of Net Sales

(including beverage & paper)

Descrip tion	Units	Average	#/% <=Avg	Median	Min	Max
Total	35	28.81%	19/54.29%	27.96%	22.24%	42.75%
End-Cap	14	29.24%	7/50.00%	29.21%	24.54%	35.31%
In-Line	9	26.12%	4/44.44%	26.83%	22.24%	30.81%
Free Standing	4	25.42%	2/50.00%	25.48%	23.51%	27.20%
Casino	3	32.79%	2/66.67%	31.75%	23.88%	42.75%
Other	5	32.77%	3/60.00%	31.59%	31.04%	36.47%

Table 4 - Labor Cost as a Percentage of Net Sales

(including salaries, wages, insurance, workers comp & employee meals)

Descrip tion	Units	Average	#/% <=Avg	Median	Min	Max
Total	35	33.56%	20/57.14%	31.36%	20.19%	58.93%
End-Cap	14	33.59%	8/57.14%	32.71%	24.02%	55.89%
In-Line	9	29.35%	4/44.44%	29.39%	24.19%	39.64%
Free Standing	4	27.74%	2/50.00%	29.03%	22.09%	30.80%
Casino	3	48.18%	1/33.33%	50.24%	35.37%	58.93%
Other	5	36.95%	2/40.00%	40.59%	20.19%	47.95%

Selected Financial & Operating Data for Fatburger Only Restaurants

Table 1 - Net Sales

Description	Units	Average	#/% ≥ Avg	Median	Min	Max
Total	31	\$1,300,556	11/35.48%	\$1,098,778	\$377,359	\$3,198,617
End-Cap	6	\$1,364,297	2/33.33%	\$1,250,718	\$745,893	\$2,441,464
In-Line	7	\$596,988	3/42.86%	\$498,116	\$377,359	\$889,245
Free Standing	6	\$1,514,931	4/66.67%	\$1,648,099	\$627,853	\$2,162,969
Casino	11	\$1,676,059	4/36.36%	\$1,098,778	\$853,016	\$3,198,617
Other	1	\$426,287	1/100.00%	\$426,287	\$426,287	\$426,287

Table 2 - Range of Net Sales

Range of Net Sales	Units	Min	Max
Under \$499,999	5	\$377,359	\$498,116
\$500,000 to \$749,999	3	\$627,853	\$745,893
\$750,000 to \$999,999	5	\$837,330	\$993,166
\$1,000,000 to \$1,249,999	6	\$1,083,359	\$1,200,354
\$1,250,000 to \$1,499,999	3	\$1,271,614	\$1,379,209
Over \$1,500,000	9	\$1,566,845	\$3,198,617

Table 3 - Food Cost as a Percentage of Net Sales

(including beverage & paper)

Description	Units	Average	#/% ≤ Avg	Median	Min	Max
Total	31	26.96%	14/45.16%	27.48%	17.96%	31.63%
End-Cap	6	28.45%	2/33.33%	29.80%	24.00%	31.30%
In-Line	7	27.12%	4/57.14%	26.98%	23.47%	31.62%
Free Standing	6	27.58%	3/50.00%	27.33%	22.67%	31.41%
Casino	11	25.67%	5/45.45%	26.72%	17.96%	31.63%
Other	1	27.48%	1/100.00%	27.48%	27.48%	27.48%

Table 4 - Labor Cost as a Percentage of Net Sales

(including salaries, wages, insurance, workers comp & employee meals)

Description	Units	Average	#/% ≤Avg	Median	Min	Max
Total	31	36.15%	19/61.29%	34.19%	20.91%	70.74%
End-Cap	6	31.31%	3/50.00%	32.00%	20.91%	39.45%
In-Line	7	36.52%	4/57.14%	34.19%	26.78%	48.23%
Free Standing	6	30.40%	4/66.67%	29.30%	23.85%	35.85%
Casino	11	39.38%	7/63.64%	35.32%	22.50%	70.74%
Other	1	61.56%	1/100.00%	61.56%	61.56%	61.56%

The information presented regarding past operating results for restaurants is not a full profit and loss or income statement (or statement of cash flows), omits all operating costs and expenses related to operation of a restaurant except food, paper and store level labor, and has not been audited and does not meet standards generally applicable to audited financial statements. In addition, historical costs may not apply to your operations. The costs (including transportation) of food and paper goods are likely to be higher in more remote markets where there are fewer or no pre-existing Fatburger restaurants. Further, sales in markets in which we have no prior brand recognition are likely to be lower than markets in which we are well known. Also, it's possible that future requirements by us (e.g. upgrading of a restaurant, new operational standards and requirements, etc.) or market-driven, competitive or other changes may affect your revenues and/or increase your costs over those which applied in the past.

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you'll earn as much.

The information presented is based on unaudited internal financial statements prepared by franchisees and by us for corporate restaurants using a cash basis of accounting. With respect to information presented for franchised restaurants, we are relying upon information included in royalty reports and other unaudited financial reports provided to us by our franchisees. We have not audited this information nor have we otherwise verified its accuracy.

For many Restaurants, location can be an important factor affecting results, particularly with respect to demographics, competition and general economic conditions. It is possible that the character of existing Restaurant locations may be different than where you plan to do business. Location, competition and other factors may change over time and this could have an effect (positive or negative) on your results in the future. You should, before making any investment decision, carefully examine any location you might choose, together with the surrounding area, including an analysis of existing and potential competition, research the need in the proposed area of operation for a fast casual restaurant, as well as other characteristics of the area.

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 report it to the franchisor's management by contacting Warren Christiansen at 9720 Wilshire Boulevard Suite 500 Beverly Hills, California 90212, (310) 319-1850, the Federal Trade Commission, and the appropriate state regulatory agencies.

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

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-Wide Outlet Summary
For Years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	192	203	+11
	2023	203	186	-17
	2024	186	177	-9
Affiliate-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	192	203	+11
	2023	203	186	-17
	2024	186	177	-9

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Company)
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
California	2022	0
	2023	5
	2024	3
Total	2022	0
	2023	5
	2024	3