

Provision	Section in Franchise Agreement (FA) and Area Development Agreement (MUOA)	Summary
v. Choice of forum	FA – Section 18.7 / MUOA – Section 17	Must be held within 50 miles of our (or our successor's or assign's) then current place of business (currently Plano, Texas), subject to state law. The agreements allow us to bring an action for injunctive relief in any court having jurisdiction if you breach the provisions of the agreements concerning use of the Marks (under the FA), confidentiality, or the covenants not to compete.
w. Choice of law	FA – Section 18.7 / MUOA – Section 17	The state where we maintain our (or our successor's or assign's) place of business (currently, Texas), except the United States Arbitration Act governs the arbitration provisions, subject to state law.

ITEM 18 **PUBLIC FIGURES**

We do not use any public figure to promote the franchise.

You do not have the right to use the name of a public figure in your promotional efforts or advertising without prior written approval from us.

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 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 performance at a particular location or under particular circumstances.

Definitions

As used in this Item 19, the following terms have the meanings given them below:

- “2023 Measurement Period” means the 52-week period beginning January 2, 2023 and ending December 31, 2023.
- “2024 Measurement Period” means the 52-week period beginning January 1, 2024 and ending December 29, 2024.
- “Costs of Goods Sold” are the amounts, as reported by the franchisee, spent to purchase and have delivered to the Restaurant: (i) the products, inventory and ingredients necessary to prepare the food and beverage items offered for sale in the Restaurant, and (ii) the paper products and inventory used in delivering food and beverage products to the Restaurant's customers, including napkins, paper bags, cups and straws, liners, food containers, and plastic utensils.

- “Gross Sales” means all sales, revenues, charges, and receipts generated from, or attributed to, your Restaurant, whether from cash, check, credit or debit card, barter exchange, trade credit or other credit transactions, but exclusive of Sales Tax and any refunds made for a Restaurant’s customers. “Sales Tax” includes, but is not limited to, sales or use tax, goods and services tax, gross receipts tax, excise tax or other similar tax collected by the franchisee from the franchisee’s customers and paid to the appropriate taxing authority. Payments by gift certificate, gift card or similar programs are included in Gross Sales when the gift certificate, gift card or similar item is redeemed. Gross Sales also includes all insurance proceeds the franchisee received for loss or interruption of business due to a casualty or similar event at the Restaurant. This definition is the same definition for “Gross Sales” that is used in the Franchise Agreement and that will serve as the basis for your calculation of royalty and certain other fees.
- “Gross Profits” means Total Food & Beverage Sales less Costs of Goods Sold.
- “Labor Costs” are the amounts, as reported by the franchisee, spent on restaurant wages (salaried & hourly), bonuses, payroll taxes, payroll fees, benefits (insurance, 401k, vacation, etc.), and other employee-related labor expenses. This does not include owner-operator salary.
- “Gross Profits Less Labor” means Gross Profits less Labor Costs.
- “Net Sales” means Gross Sales minus promotional discounts, including employee meal discounts and complimentary meals, the amounts of which may be recommended by us, but which are ultimately determined by each individual franchisee.
- “Non-Traditional Site” means Restaurants that operate at non-traditional sites (such as mall food courts, airports, hospitals, cafeterias, commissaries, schools, hotels, office buildings and stadiums, arenas, ballparks, festivals, fairs, military bases, and other mass gathering locations or events).
- “Total Food & Beverage Sales” means the portion of the Restaurant’s revenue that was attributed to the sale of food and beverage products at the Restaurant, as reported by the franchisee. Total Food & Beverage Sales excludes any sales tax collected by the franchisee from the franchisee’s customers and paid to the appropriate taxing authority, but it does not exclude discounts provided by the franchisee to the customer or employee; as a result, the Total Food & Beverage Sales are not the same as Gross Sales or Net Sales, and are not the amount on which you would pay royalties, brand fund contributions or other fees that are based on Gross Sales (as defined above and in the franchise agreement).

Data Sets and Methodology

As of December 29, 2024, there were a total of 74 Restaurants in operation in the United States, and 71 of them were owned and operated by third-party franchisees. Of the 71 franchised Restaurants, three (3) operated at a Non-Traditional Site and three (3) Restaurants opened during the 2024 Measurement Period. The remaining 65 Restaurants make up the “Complete Set” of franchised Restaurants that operated standard Restaurants during the entirety of the 2024 Measurement Period. The results shown in Part A below are the results of the Complete Set of 65 Restaurants owned and operated by third-party franchisees.

Of the 65 franchised Restaurants that make up the Complete Set, 60 Restaurants operated for the entire 2023 and 2024 Measurement Periods (the “Comparison Set”). The results shown in Part B below are the results of the Comparison Set of 60 Restaurants owned and operated by third-party franchisees.

Of the 65 franchised restaurants that make up the Complete Set, 34 franchised Restaurants also reported to us their Costs of Goods Sold and Labor Costs for the 2024 Measurement Period. Those data points for the 34 franchised Restaurants who reported them are set forth in Part C below.

In each instance in which we show an average of a category (for example, Gross Sales, Net Sales, Costs of Goods Sold), we calculated the average by adding the total amount of that same category for either the 2023 or 2024 Measurement Period (as applicable) as reported by all Restaurants in the group, then divided those numbers by the number of Restaurants in the group. In each instance in which we show an average, we also show the range of the data points and the median data point. The range is the space between the lowest and highest points in the data set. The median is the middle data point; that is, the data point in the center of all data points. Where the number of data points is an even number, there is no middle data point, so the median is the average of the two middle data points.

The data presented in the charts in Part A and Part B below is data we obtained by polling the information directly from the franchisees' point-of-sale systems. The data presented in the charts in Part C below were reported to us by the franchisees of the reporting Restaurants. In all cases, the data used was the franchisees' data. Neither we nor our affiliates have undertaken an independent investigation to verify the data that we polled from the franchisees' point-of-sale systems or that was provided to us by the reporting franchisees.

Because the numbers of Restaurants that comprise the data sets reported in Parts A, B, and C below are different and are sorted by different criteria, the Restaurant numbers indicated in the charts in each Part do not correlate to or match the Restaurant numbers in the charts in the other Parts. Moreover, as described in further detail above in the Definitions section, Gross Sales, Net Sales, and Total Food & Beverage Sales are calculated differently for the same Restaurant. As a result, Parts A, B and C should be read independently of each other.

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Part A: Averages for 2024 Measurement Period

The chart below provides, for the Complete Set, the average Gross Sales, and average Net Sales for the 2024 Measurement Period.

	2024 Gross Sales	2024 Net Sales
Average	\$1,088,393	\$1,033,882
Number/Percentage that Met or Exceeded the Average	31 / 47.0%	30 / 45.5%
Median	\$1,056,153	\$1,009,367
Range	\$329,205 to \$2,193,815	\$322,298 to \$2,092,151

Part B: Comparison of Results for 2023 and 2024

We have also compared the results of 2023 and 2024 of the Restaurants that operated for the entirety of both Measurement Periods.

The charts below show the data for four (4) groups of Restaurants. We sorted the Comparison Set into 4 quartiles, each quartile having 15 Restaurants, ranked (highest to lowest) by the amount of Net Sales reported by the Restaurants for the 2024 Measurement Period. In each case, we show results for the 2024 Measurement Period and the results for the same Restaurants for the 2023 Measurement Period (calculated in the same manner as the 2024 Measurement Period) so that the differences between the four measurement periods can be shown.

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Part B: Top Quartile of Comparison Set (15 Restaurants):

Restaurant No.	2023 Gross Sales	2024 Gross Sales	Year over Year % Increase or Decrease (2023 to 2024)	2023 Net Sales	2024 Net Sales	Year over Year % Increase or Decrease (2023 to 2024)
1	\$1,946,453	\$2,193,815	12.7%	\$1,871,201	\$2,092,151	11.8%
2	\$1,745,925	\$1,745,105	0.0%	\$1,711,259	\$1,705,821	-0.3%
3	\$1,648,231	\$1,756,147	6.5%	\$1,553,322	\$1,641,592	5.7%
4	\$1,708,079	\$1,757,848	2.9%	\$1,587,570	\$1,635,438	3.0%
5	\$1,655,199	\$1,670,710	0.9%	\$1,603,612	\$1,612,228	0.5%
6	\$1,714,382	\$1,636,159	-4.6%	\$1,636,705	\$1,537,374	-6.1%
7	\$1,655,114	\$1,608,221	-2.8%	\$1,569,068	\$1,531,003	-2.4%
8	\$1,438,249	\$1,604,645	11.6%	\$1,376,045	\$1,524,943	10.8%
9	\$1,418,831	\$1,632,650	15.1%	\$1,325,876	\$1,502,923	13.4%
10	\$1,500,624	\$1,488,146	-0.8%	\$1,439,143	\$1,414,730	-1.7%
11	\$1,326,382	\$1,446,060	9.0%	\$1,284,886	\$1,386,445	7.9%
12	\$1,485,162	\$1,438,714	-3.1%	\$1,432,894	\$1,379,573	-3.7%
13	\$831,247	\$1,363,386	64.0%	\$786,471	\$1,282,594	63.1%
14	\$1,365,922	\$1,361,532	-0.3%	\$1,297,393	\$1,275,584	-1.7%
15	\$1,185,767	\$1,305,035	10.1%	\$1,131,758	\$1,239,033	9.5%
Average	\$1,508,371	\$1,600,545	8.1%	\$1,440,480	\$1,517,429	7.8%
Number / Percentage that met or exceeded average	7 / 46.6%	9 / 60.0%	7 / 46.6%	7 / 46.6%	8 / 53.3%	7 / 46.6%
Median	\$1,500,624	\$1,608,221	2.9%	\$1,439,143	\$1,524,943	3.0%
Range (Min)	\$831,247	\$1,305,035	-4.6%	\$786,471	\$1,239,033	-6.1%
Range (Max)	\$1,946,453	\$2,193,815	64.0%	\$1,871,201	\$2,092,151	63.1%

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Part B: 2nd Quartile of Comparison Set (15 Restaurants):

Restaurant No.	2023 Gross Sales	2024 Gross Sales	Year over Year % Increase or Decrease (2023 to 2024)	2023 Net Sales	2024 Net Sales	Year over Year % Increase or Decrease (2023 to 2024)
16	\$1,257,689	\$1,264,982	0.6%	\$1,224,245	\$1,230,946	0.5%
17	\$1,334,558	\$1,309,865	-1.9%	\$1,262,363	\$1,227,656	-2.7%
18	\$1,264,772	\$1,267,892	0.2%	\$1,200,179	\$1,197,744	-0.2%
19	\$1,160,742	\$1,251,237	7.8%	\$1,119,075	\$1,196,622	6.9%
20	\$1,030,815	\$1,222,933	18.6%	\$979,738	\$1,158,356	18.2%
21	\$1,080,785	\$1,225,904	13.4%	\$1,021,947	\$1,156,494	13.2%
22	\$1,130,794	\$1,158,974	2.5%	\$1,088,273	\$1,105,410	1.6%
23	\$1,109,922	\$1,140,552	2.8%	\$1,076,998	\$1,100,711	2.2%
24	\$1,193,559	\$1,187,935	-0.5%	\$1,117,435	\$1,095,979	-1.9%
25	\$1,062,244	\$1,140,019	7.3%	\$1,029,037	\$1,093,225	6.2%
26	\$1,060,788	\$1,106,806	4.3%	\$1,028,858	\$1,072,008	4.2%
27	\$1,029,625	\$1,089,790	5.8%	\$993,810	\$1,054,137	6.1%
28	\$1,086,262	\$1,094,452	0.8%	\$1,028,250	\$1,030,924	0.3%
29	\$1,060,635	\$1,070,784	1.0%	\$1,027,553	\$1,026,301	-0.1%
30	\$1,007,984	\$1,056,153	4.8%	\$974,371	\$1,009,367	3.6%
Average	\$1,124,745	\$1,172,552	4.5%	\$1,078,142	\$1,117,059	3.9%
Number / Percentage that met or exceeded average	6 / 40.0%	7 / 46.6%	7 / 46.6%	6 / 40.0%	6 / 40.0%	7 / 46.6%
Median	\$1,086,262	\$1,158,974	2.8%	\$1,029,037	\$1,100,711	2.2%
Range (Min)	\$1,007,984	\$1,056,153	-1.9%	\$974,371	\$1,009,367	-2.7%
Range (Max)	\$1,334,558	\$1,309,865	18.6%	\$1,262,363	\$1,230,946	18.2%

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Part B: 3rd Quartile of Comparison Set (15 Restaurants):

Restaurant No.	2023 Gross Sales	2024 Gross Sales	Year over Year % Increase or Decrease (2023 to 2024)	2023 Net Sales	2024 Net Sales	Year over Year % Increase or Decrease (2023 to 2024)
31	\$1,096,985	\$1,033,433	-5.8%	\$1,069,693	\$1,001,914	-6.3%
32	\$1,004,165	\$1,016,843	1.3%	\$961,991	\$960,572	-0.1%
33	\$820,788	\$1,011,071	23.2%	\$788,201	\$960,443	21.9%
34	\$813,552	\$971,215	19.4%	\$796,373	\$944,507	18.6%
35	\$973,644	\$973,237	0.0%	\$947,891	\$940,278	-0.8%
36	\$942,810	\$956,881	1.5%	\$911,963	\$914,879	0.3%
37	\$935,592	\$954,642	2.0%	\$894,848	\$912,148	1.9%
38	\$972,001	\$917,408	-5.6%	\$931,353	\$880,278	-5.5%
39	\$868,359	\$918,840	5.8%	\$835,561	\$870,650	4.2%
40	\$886,849	\$895,418	1.0%	\$859,463	\$859,663	0.0%
41	\$889,011	\$912,869	2.7%	\$837,663	\$851,682	1.7%
42	\$1,027,028	\$884,338	-13.9%	\$970,587	\$823,245	-15.2%
43	\$709,512	\$886,042	24.9%	\$661,262	\$822,295	24.4%
44	\$775,288	\$850,958	9.8%	\$744,799	\$811,465	9.0%
45	\$558,846	\$925,069	65.5%	\$509,517	\$804,532	57.9%
Average	\$884,962	\$940,551	-4.2%	\$848,078	\$890,570	7.5%
Number / Percentage that met or exceeded average	9 / 60.0%	7 / 46.6%	6 / 40.0%	8 / 53.3%	7 / 46.6%	6 / 40.0%
Median	\$889,011	\$925,069	2.0%	\$859,463	\$880,278	1.7%
Range (Min)	\$558,846	\$850,958	-13.9%	\$509,517	\$804,532	-15.2%
Range (Max)	\$1,096,985	\$1,033,433	65.5%	\$1,069,693	\$1,001,914	57.9%

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Part B: Bottom Quartile of Comparison Set (15 Restaurants):

Restaurant No.	2023 Gross Sales	2024 Gross Sales	Year over Year % Increase or Decrease (2023 to 2024)	2023 Net Sales	2024 Net Sales	Year over Year % Increase or Decrease (2023 to 2024)
46	\$789,399	\$830,718	5.2%	\$765,947	\$800,445	4.5%
47	\$932,283	\$808,327	-13.3%	\$902,636	\$772,785	-14.4%
48	\$821,434	\$807,054	-1.8%	\$793,041	\$771,813	-2.7%
49	\$716,909	\$789,055	10.1%	\$694,480	\$760,793	9.5%
50	\$771,658	\$727,263	-5.8%	\$741,241	\$703,659	-5.1%
51	\$722,643	\$734,779	1.7%	\$691,978	\$700,111	1.2%
52	\$706,021	\$691,089	-2.1%	\$684,557	\$668,922	-2.3%
53	\$681,826	\$673,287	-1.3%	\$648,051	\$635,234	-2.0%
54	\$630,844	\$656,375	4.0%	\$600,259	\$625,818	4.3%
55	\$628,680	\$656,648	4.4%	\$598,973	\$623,454	4.1%
56	\$665,554	\$681,421	2.4%	\$595,291	\$618,138	3.8%
57	\$644,655	\$624,478	-3.1%	\$628,419	\$603,072	-4.0%
58	\$476,353	\$519,400	9.0%	\$457,185	\$497,848	8.9%
59	\$425,785	\$390,185	-8.4%	\$415,907	\$378,930	-8.9%
60	\$397,679	\$329,205	-17.2%	\$390,881	\$322,298	-17.5%
Average	\$667,448	\$661,286	-2.9%	\$640,590	\$632,221	-3.4%
Number / Percentage that met or exceeded average	8 / 53.3%	9 / 60.0%	7 / 46.6%	8 / 53.3%	8 / 53.3%	7 / 46.6%
Median	\$681,826	\$681,421	-1.3%	\$648,051	\$635,234	-2.0%
Range (Min)	\$397,679	\$329,205	-17.2%	\$390,881	\$322,298	-17.5%
Range (Max)	\$932,283	\$830,718	10.1%	\$902,636	\$800,445	9.5%

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Part C: Certain Costs and Profit Information for 2024

Throughout the 2024 Measurement Period, we requested that Restaurants periodically report to us on the following categories that we believe are important to understanding the Restaurants' performance: Total Food & Beverage Sales, Costs of Goods Sold, Labor Cost, and Gross Profit. Of the 65 Restaurants that make up the Complete Set, 31 Restaurants either did not comply with our request or provided significantly incomplete data and, therefore, have been excluded from the results shown in the charts shown in this Part C. The 34 remaining Restaurants make up the "P&L Set."

The chart below provides, for the P&L Set, the average Total Food & Beverage Sales, Cost of Goods Sold, Gross Profit, Labor Cost, and Gross Profit Less Labor for the 2024 Measurement Period.

	Total Food and Beverage Sales	Costs of Goods Sold	Gross Profit⁵	Labor Cost	Gross Profit Less Labor⁶
Average	\$1,210,374	\$349,135 (29.0%) ¹	\$861,238	\$343,734 (28.7%) ¹	\$517,504
Number /Percentage that Met or Exceeded the Average	14 / 41.2%	13 / 38.2%	14 / 41.2%	17 / 50.0%	13 / 38.2%
Median	\$1,120,287	\$317,935 (28.4%) ²	\$781,528	\$336,818 (28.4%) ²	\$448,696
Range	\$758,942 to \$2,048,785	\$200,894 (23.0%) ³ to \$606,822 (34.2%) ⁴	\$513,267 to \$1,441,963	\$209,777 (20.4%) ³ to \$580,429 (36.0%) ⁴	\$285,879 to \$861,534

1. As a percentage of the average Total Food and Beverage Sales for the P&L Set.
2. As a percentage of the median Total Food and Beverage Sales for the P&L Set.
3. As a percentage of the minimum Total Food and Beverage Sales for the P&L Set.
4. As a percentage of the maximum Total Food and Beverage Sales for the P&L Set.
5. The average, median, and range shown are calculated based on the Gross Profit for each Restaurant in the P&L Set and are not calculated based on the average, median, and ranges shown above for Total Food Beverage Sales and Costs of Goods Sold.
6. The average, median, and range shown are calculated based on the Gross Profit Less Labor for each Restaurant in the P&L Set and are not calculated based on the average, median, and ranges shown above for Total Food Beverage Sales, Costs of Goods Sold, and Labor Cost.

Note that in this Part C, "exceeding the average" will be positive or negative, depending on whether the item for which the average is shown is a revenue or an expense item. Restaurants that exceeded the Gross Profit averages had higher Gross Profits than the averages for those items. Restaurants that exceeded the averages for Costs of Goods Sold and Labor Costs had higher expenses than the averages shown for those items.

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

You should consult with your financial advisor or personal accountant concerning the financial analysis that you should make in determining whether or not to purchase a Restaurant franchise.

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

Other than the preceding financial performance representations, 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 Restaurant, however, we may provide you with the actual records of that restaurant. 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 our Franchise Sales Department at 5412 W. Plano Pkwy., Suite 100, Plano, Texas 75093 or 972-948-5083, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

The information contained in this Item 20 for the year (i) 2022 corresponds to our fiscal year ending January 1, 2023; (ii) 2023 corresponds to our fiscal year ending December 31, 2023; and (iii) 2024 corresponds to our fiscal year ending December 29, 2024.

Table No. 1
System-wide Outlet Summary

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	80	77	-3
	2023	77	74	-3
	2024	74	71	-3
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	3	+2
Total Outlets	2022	81	78	-3
	2023	78	75	-3
	2024	75	74	-1

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)

State	Year	Number of Transfers
California	2022	1
	2023	0
	2024	0
Connecticut	2022	0
	2023	0
	2024	1
Florida	2022	0
	2023	1
	2024	0
Louisiana	2022	0
	2023	1
	2024	2
Texas	2022	2
	2023	1
	2024	1