

	Provision	Section	Summary
t.	Integration/merger clause	FA: 20.01 DA: 10	Franchise Agreement is the entire agreement and understanding between Sonic and you and will supersede all previous discussions and representations by Sonic personnel. Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u.	Dispute resolution by mediation or arbitration	Not applicable	Not applicable.
v.	Choice of forum	FA: 22.02 DA: 10	State, federal or local courts within the county where we maintain our headquarters (currently, Atlanta, Georgia) (subject to state law).
w.	Choice of law	FA: 22.01 DA: 10	Georgia law applies to all claims (subject to state law)

ITEM 18 **PUBLIC FIGURES**

Sonic does not use any public figure to promote its franchise.

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 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.

These financial performance representations provide actual, historical “AUVs,” or average “Unit Volumes,” for specific groups of franchised Sonic Restaurants. “Unit Volume” has the same meaning as Gross Sales, which we define in the note below. This Item 19 includes financial information for our 2024 fiscal year (which we will call simply “2024” in this Item 19), which is the period from January 1, 2024 until December 29, 2024. Indeed, federal and state franchise laws permit us to include in Item 19 either (a) a historical financial performance representation about the franchise system’s existing outlets or a subset of those outlets, or (b) a forecast of the prospective franchisee’s future financial performance. The information in this Item 19 reflects 2024 historical data for the AUV of certain franchised Sonic Restaurants, and is not a forecast of future financial performance or a projection.

There were 3,144 franchised Sonic Restaurants operating in the United States at the end of 2024, 71 of which operate at Non-Drive-In Locations, including C-Stores. We excluded from these financial performance representations: (a) all 30 of the franchised restaurants that first opened for business during 2024 and did not operate for the full year; (b) all 26 of the franchised restaurants that were closed and reported no sales for extended periods during 2024, often for more than a month, either as part of remodeling or rebuilding the restaurant, due to a hurricane weather-related casualty or fire/water damage, or because of a planned relocation or transfer; (c) all 2 of the franchised restaurants that operated at Non-Traditional Locations and had results that may not be typical for Traditional Drive-Ins; and (d) the 1 franchised restaurant that operated at a Multi-Brand Location (which commenced operations during 2024 and is therefore excluded under (a) above). The financial performance representations in this Item 19 provide AUVs during 2024 for the remaining 3,086 franchised Sonic Restaurants (called the “2024 Franchised Restaurants”) or an identified portion of those 2024 Franchised Restaurants. We also excluded from these financial performance representations the 80 franchised Sonic Restaurants that closed in 2024, all of which were open for at least 12 months before they closed, and the 317 company-owned Sonic Restaurants that we or our affiliates operated as of the end of 2024.

Most 2024 Franchised Restaurants, other than the C-Store Locations, are free-standing buildings and include a drive-thru lane and a patio, and sometimes also an enclosed patio or indoor seating. The 2024 Franchised Restaurants are located across the country and in a variety of urban, suburban and rural locations and in varied markets with wide-ranging levels of competition. The 2024 Franchised Restaurants without inside seating (other than those in C-Stores) typically range in size from 1,100 to 1,700 square feet, including stalls and drive-thru, although there are some atypical 2024 Franchised Restaurants whose size falls outside this range. The 2024 Franchised Restaurants with inside seating (other than those in C-Stores) typically range in size from 2,000 to 4,000 square feet. The size of 2024 Franchised Restaurants that are C-Store locations varies with the type of location and ranges from 1,000 to 3,000 square feet. 2,403 of the 2024 Franchised Restaurants operate with drive-thru windows and the remaining 683 do not. The 2024 Franchised Restaurants have operated for an average of 27 years.

The first financial performance representation reflects the AUVs for the 2024 Franchised Restaurants, both overall and as grouped into quartiles (categories of 25%) based on their AUVs.

**Average Unit Volume
for 2024 Franchised Traditional Restaurants**

1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile	All Restaurants
\$935,705	\$1,320,788	\$1,693,845	\$2,398,950	\$1,587,024

**Statistics for
2024 Franchised Traditional Restaurants**

	# of Restaurants	Median	Highest	Lowest	#/% Above Average
1 st quartile	772	\$969,886	\$1,146,501	\$282,129	439 / 57%

	# of Restaurants	Median	Highest	Lowest	#/% Above Average
2 nd quartile	772	\$1,320,171	\$1,501,675	\$1,146,519	385 / 50%
3 rd quartile	771	\$1,690,128	\$1,919,295	\$1,502,041	380 / 49%
4 th quartile	771	\$2,270,659	\$4,838,846	\$1,919,501	294 / 38%
All Restaurants	3,086	\$1,500,713	\$4,838,846	\$282,129	1,334 / 43%

The second financial performance representation reflects the AUVs for the 2024 Franchised Restaurants, grouped by Region, as defined in the note below.

**Average Unit Volume
for 2024 Franchised Traditional Restaurants
by Region**

Region	AUV	#	Median	Highest	Lowest	#/% Above Average
Northeast	\$1,561,042	67	\$1,294,624	\$4,838,846	\$542,093	21 / 31%
Midwest	\$1,621,362	474	\$1,500,428	\$3,926,280	\$472,331	204 / 43%
South	\$1,559,050	2,152	\$1,481,406	\$4,161,151	\$282,129	946 / 44%
West	\$1,703,222	393	\$1,606,376	\$3,366,723	\$350,389	170 / 43%

The third financial performance representation reflects the AUVs for the 2024 Franchised Restaurants, grouped by Venue Type, as described in the note below.

**Average Unit Volume
for 2024 Franchised Traditional Restaurants
by Venue Type**

Venue Type	AUV	#	Median	Highest	Lowest	#/% Above Average
Free-standing	\$1,597,296	3,015	\$1,510,818	\$4,838,846	\$350,389	1,303 / 43%
Gas/C-Store	\$1,121,215	67	\$1,154,982	\$2,253,332	\$282,129	35 / 52%
Other Traditional Restaurants	\$1,647,515	4	\$1,498,188	\$2,675,439	\$918,243	2 / 50%

Notes

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(1) “AUV” or “Unit Volume” for a 2024 Franchised Restaurant is the same as Gross Sales, which means all revenues from all business conducted upon or from the 2024 Franchised Restaurant, whether evidenced by check, cash, credit, charge account, debit card, stored-value card, exchange, or otherwise, and includes the amounts received from the sale of goods, wares, and merchandise, including sales of food, beverages, and tangible property of every kind and nature, promotional or otherwise (excluding restaurant equipment), for services performed from or at the restaurant, whether the franchisee fills the orders from the restaurant or elsewhere, and for any implied or imputed Gross Sales from any business interruption insurance. Each charge or sale via credit, debit card, stored-value card, or other payment means shall constitute a sale for the full price in the month during which the charge or sale occurs, regardless of the time when the franchisee receives payment (in whole or in part) for the charge or sale. The phrase “Gross Sales” does not include (a) sales of merchandise for which the franchisee makes a cash refund, if previously included in Gross Sales; (b) the price of merchandise returned by customers for exchange, if the franchisee previously included the sales price of the merchandise returned by the customer in Gross Sales and includes the sales price of merchandise delivered to the customer in exchange in Gross Sales; (c) the amount of any sales tax imposed by any governmental authority directly on sales and collected from customers, if the franchisee adds the amount of the tax to the sales price or absorbs the amount of the sales tax in the sales price and actually pays the tax to the governmental authority; (d) amounts not received for menu items because of discounts or coupons, if properly documented; (e) amounts received from the sale of Sonic-approved stored-value cards; and (f) any proceeds received for the sale of the restaurant.

(2) We calculate the AUVs in this Item 19 by adding the Unit Volumes for each restaurant in the applicable group and dividing the sum by the number of restaurants in the applicable group. We obtain the Unit Volumes for franchised Sonic Restaurants from sales reports that franchisees submit to us and from data that we collected from franchisees’ POS systems. We have not independently audited that information. Prospective franchisees and sellers of franchises should be advised that no certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form. Upon your reasonable request, we will provide written substantiation for these financial performance representations. A Sonic Restaurant’s sales may vary depending on a number of factors, such as the restaurant’s location and physical condition, other characteristics of the site (such as access and signage), seasonality, competition and demographics in the market, pricing decisions, the level and types of marketing the restaurant undertakes, the quality of management and service, commitment to training staff, a franchisee’s business acumen, and the length of time the restaurant has been open. The 2024 Sonic Restaurants offer essentially the same products and services, face the same kinds of competitive challenges, and receive the same level of support from us that we expect new franchisees will experience.

(3) We define the “Regions” for purposes of these financial performance representations as follows:

Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.

Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

South: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia

West: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming

(4) A free-standing location is generally a stand-alone building on a pad or outlot. A Gas/C-Store location is generally a Drive-Thru Only Location, convenience store, gas filling station or travel plaza. Other Traditional Drive-Ins are at urban store-front locations.

(5) These financial performance representations do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the AUV figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

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

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 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 our Vice President, Franchise Counsel, Lisa Storey, Esq. at Three Glenlake Parkway NE, Atlanta, Georgia 30328 or (678) 514-6928, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
SONIC DRIVE-INS AND FRANCHISEE INFORMATION

Table No. 1
System Restaurant Summary
For Years 2022 to 2024

Restaurant Type	Year	Restaurants at the Beginning of the Year	Restaurants at the End of the Year	Gross Change
Franchise	2022	3,231	3,220	(11)
	2023	3,220	3,194	(26)
	2024	3,194	3,144	(50)
Company	2022	321	326	5
	2023	326	327	1
	2024	327	317	(10)
Total Drive-Ins	2022	3,552	3,546	(6)
	2023	3,546	3,521	(25)
	2024	3,521	3,461	(60)