

## **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.

### **GENERAL INFORMATION REGARDING THIS ITEM 19**

This Item 19 is broken into two sections. The first section (Section A), discloses gross sales information for all BURGER KING restaurants that operated for the entire 12-month period ended December 31, 2024 ("Sales Distributions"). The second section (Section B), discloses sales uplift information for certain remodeled Traditional Restaurants, as that term is defined below.

As of December 31, 2024 there were 6,701 franchisee-owned Restaurants open and operating in the United States and 1,177 company-owned BURGER KING Restaurants open and operating in the United States. The company-owned Burger King Restaurants include 1,023 Restaurants that we acquired from a franchisee in May, 2024. Of the total Restaurants referred to above, there were 5,527 franchisee-owned Restaurants and 1,174 company-owned BURGER KING Restaurants open and operating during the entire 12-month period ended December 31, 2024. The results of those Restaurants is disclosed in the Sales Distribution section below and is further broken down by type as discussed below.

Sales reported in this Item has the same meaning as the term Gross Sales in the Franchise Agreement; that is, all sums charged for goods, merchandise or services sold at or from the Restaurant and from any other approved location, including all premiums, but excluding sales taxes.

**Some Restaurants have sold these amounts. Your individual results may differ. There is no assurance you'll sell as much.**

You should construct your own pro forma cash flow statement and make your own projections concerning potential sales, operating costs, total capital investment requirements, cash injection, debt, overall potential cash flow, and other financial aspects of operating a BURGER KING Restaurant. You should conduct your own independent investigation of costs and sales potential for your proposed Restaurant. You should consult an accountant, attorney and existing BURGER KING franchisees.

The data used in preparing the information in this Item has been prepared on a basis consistent with generally accepted accounting principles to the extent applicable. We have relied on the Gross Sales and other information as reported by Franchisees.

**THE SALES FIGURES IN THIS ITEM 19 DO NOT REFLECT THE COSTS OF SALES, OPERATING EXPENSES, OR OTHER COSTS OR EXPENSES THAT MUST BE DEDUCTED FROM THE GROSS SALES 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 BURGER KING® RESTAURANT. FRANCHISEES OR FORMER FRANCHISEES LISTED IN THIS DISCLOSURE DOCUMENT MAY BE ONE SOURCE OF THIS INFORMATION.**

We will make available to you, on reasonable request, data used in preparing this Item 19, in a form that does not identify any individual franchisee owned Restaurant.

## SECTION A SALES DISTRIBUTION INFORMATION

Sales Distributions are provided separately for “Traditional Restaurants,” “Non-Traditional Restaurants,” and four types of “Fuel Co-Branded Restaurants,” as those terms are used for purposes of this Item. Sales Distributions are also provided for Modern Image “Traditional Restaurants” compared to Legacy Image “Traditional Restaurants” as those terms are defined in this Item. For purposes of this Item, “Non-Traditional Restaurants” include the following types of BURGER KING Restaurants:

- (1) In-line facilities;
- (2) Restaurants or food courts at institutional locations (such as airports, military facilities, colleges, schools, office buildings, retail stores, tourist locations, and turnpikes; see Item 7);
- (3) Conversion Restaurant facilities;
- (4) Drive-thru only facilities;
- (5) Mall location facilities;
- (6) Mobile Restaurant units (buses/trailers);
- (7) Big Box Retail; and
- (8) Fuel Co-Branded Restaurants

For purposes of this Item, “Traditional Restaurants” are all Restaurants other than those included as “Non-Traditional Restaurants.”

The Sales Distributions presented below do not reflect the sales distributions of all the varying facility types or sizes or facility locations.

### SALES DISTRIBUTIONS

#### “Traditional” and “Non-Traditional” Restaurants Percentage of Restaurants at Sales Level<sup>(3)</sup> January 1, 2024 – December 31, 2024

Annual Sales Level - Range	Traditional <sup>(1)</sup>			Non-Traditional <sup>(2)</sup>
	Consolidated	Company-owned	Franchisee-Owned	Franchisee-Owned
Above \$1.9M	29.1%	31.3%	28.6%	13.6%
\$1.7M-\$1.9M	11.9%	13.6%	11.5%	6.5%
\$1.5M-\$1.7M	15.5%	18.6%	14.8%	8.5%
\$1.3M-\$1.5M	15.7%	15.8%	15.7%	11.9%
\$1.1M-\$1.3M	14.2%	13.1%	14.5%	14.4%
\$0.9M-\$1.1M	8.8%	5.0%	9.6%	15.3%
\$0.7M-\$0.9M	4.1%	2.5%	4.4%	13.9%
Below \$0.7M	0.7%	0.1%	0.9%	15.9%
<b>Total</b>	100%	100%	100%	100%

	Traditional <sup>(1)</sup>			Non-Traditional <sup>(2)</sup>
Annual Sales Level - Range	Consolidated	Company-owned	Franchisee-Owned	Franchisee-Owned
Average Sales	\$1,671,613	\$1,730,667	\$1,658,463	\$1,321,324
#/% Meeting or Exceeding Average Sales	2,503 / 43%	453 / 43%	2,050 / 43%	288 / 39%
Median Sales	\$1,579,183	\$1,638,579	\$1,561,502	\$1,155,563
High Annual Sales	\$5,833,717	\$4,430,058	\$5,833,717	\$7,387,029
Low Annual Sales	\$271,485	\$629,239	\$271,485	\$208,320

**Notes:**

- (1) There were 6,229 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Traditional Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Traditional Restaurants is sales information for a total of 5,837 of these Restaurants. Of those Restaurants, 4,774 were franchisee-owned and 1,063 were company-owned as of December 31, 2024. Only those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024, are reported in this chart. As a result, 76 company-owned Restaurants and 161 franchisee-owned Restaurants that temporarily closed in 2024 were not included. In addition, 1 company-owned Restaurant and 109 franchisee-owned Restaurants that were permanently closed in 2024 were not included. None of the Restaurants that permanently closed had been open for less than 12 months before closing. Two company-owned and 43 franchisee-owned Restaurants that opened in 2024 were not included as they were not open and operating for the entire 12 month period ended December 31, 2024. The Traditional Restaurants from whom the information above is derived have been operating between 70 years and 1 year depending upon the Restaurant.
- (2) There were 874 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Non-Traditional Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Non-Traditional Restaurants is sales information for a total of 775 of these Restaurants. Of those Restaurants, 741 Restaurants were franchisee-owned and 34 were company-owned as of December 31, 2024. Only those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024, are reported in this chart. As a result, the following were not included in the calculation: 44 franchisee-owned Restaurants that temporarily closed during 2024, 26 franchisee-owned Restaurants that permanently closed in 2024, and 29 franchisee-owned Restaurants that opened in 2024 as they were not open and operating for the entire 12 month period ended December 31, 2024. None of the Restaurants that permanently closed had been open for less than 12 months before closing. The Non-Traditional Restaurants from whom the information above is derived have been operating between 50 years and 1 year depending upon the Restaurant.
- (3) The Percentage of Total Sales is derived by dividing the total sales of the Restaurants at the applicable Annual Sales Level Range by the total annual sales of all Restaurants in the data set. Due to rounding, percentages may not equal 100%.

## **Fuel Co-Branded Restaurants**

### **Basis for Presentation**

The Sales Distributions for Fuel Co-Branded BURGER KING Restaurants discloses Gross Sales information for 320 Fuel Co-Branded Restaurants that were open and operating for the entire 12 month period ended December 31, 2024. For purposes of this presentation, a “Fuel Co-Branded Restaurant” is a BURGER KING Restaurant attached to a branded gas station, other than truck stops and gas stations at travel plazas on interstate highways. In many instances, a convenience store is also located at the Co-Branded Restaurant. Separate Sales Distributions are given for four categories of Fuel Co-Branded Restaurants, distinguished by size and seating capacity. These four categories are as follows:

<u>Category</u>	<u>Approximate Size / Seating Capacity</u>
“Full Size”	2300 square feet and larger; seats 50-70
“Large”	1500 - 2300 square feet; seats 40-65
“Small”	1200 - 1500 square feet; seats 30-40
“Kiosk”	200 - 1200 square feet; seats 0-30

The Sales Distribution for each category reflects the Gross Sales of all Restaurants in that category that were open for the entire 12 month period ended December 31, 2024. All Fuel Co-Branded Restaurants whose Gross Sales are reflected in the Sales Distributions are franchisee owned Restaurants.

## **SALES DISTRIBUTIONS**

### **Fuel Co-Branded Restaurants** **January 1, 2024 – December 31, 2024**

<b>Annual Sales Level - Range</b>	<b>Full Size<sup>(1)</sup></b>		<b>Large<sup>(2)</sup></b>	
	<b>Number of franchised Restaurants</b>	<b>Percentage of Total Sales<sup>(3)</sup></b>	<b>Number of franchised Restaurants</b>	<b>Percentage of Total Sales<sup>(3)</sup></b>
Above \$1.7M	15	38.4%	18	23.5%
\$1.5M-\$1.7M	9	16.8%	13	12.2%
\$1.3M-\$1.5M	11	17.6%	19	15.5%
\$1.1M-\$1.3M	7	9.6%	30	20.8%
\$0.9M-\$1.1M	9	10.4%	25	14.9%
\$0.7M-\$0.9M	6	5.6%	21	10.2%
Below \$0.7M	2	1.5%	9	2.9%
<b>Total</b>	59	100.0%	135	100.0%
<b>Average Sales</b>		\$1,446,035		\$1,256,658
<b>#/% Meeting or Exceeding Average Sales</b>		25/ 42%		55 / 41%

	Full Size <sup>(1)</sup>		Large <sup>(2)</sup>	
Annual Sales Level - Range	Number of franchised Restaurants	Percentage of Total Sales <sup>(3)</sup>	Number of franchised Restaurants	Percentage of Total Sales <sup>(3)</sup>
Median Sales		\$1,362,734		\$1,150,439
High Annual Sales		\$2,720,903		\$3,511,921
Low Annual Sales		\$594,316		\$303,213

**Notes:**

- (1) There were 60 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Full Size Fuel Co-Branded Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Full Size Fuel Co-Branded Restaurants is sales information for those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024. There was 1 Restaurant that was excluded from the chart above as it was permanently closed during 2024. This Restaurant had been open for more than 12 months before closing. The Full Size Fuel Co-Branded Restaurants from whom the information above is derived have been operating between 50 years and 1 year depending upon the Restaurant.
- (2) There were 138 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Large Fuel Co-Branded Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Large Fuel Co-Branded Restaurants is sales information for those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024. There were 3 Restaurants that were excluded from the chart above; 1 due to temporary closure during 2024, 1 that was permanently closed during 2024, and 1 that opened in 2024. The Restaurant that permanently closed had been open for more than 12 months before closing. The Large Fuel Co-Branded Restaurants from whom the information above is derived have been operating between 32 years and 1 year depending upon the Restaurant.
- (3) The Percentage of Total Sales is derived by dividing the total sales of the Restaurants at the applicable Annual Sales Level Range by the total annual sales of all Restaurants in the data set. Due to rounding, percentages may not equal 100%.

**SALES DISTRIBUTIONS**

**Fuel Co-Branded Restaurants**  
**January 1, 2024 – December 31, 2024**

	Small <sup>(1)</sup>		Kiosk <sup>(2)</sup>	
Annual Sales Level – Range	Number of franchised Restaurants	Percentage of Total Sales <sup>(3)</sup>	Number of franchised Restaurants	Percentage of Total Sales <sup>(3)</sup>
Above \$1.7M	6	30.5%	7	17%
\$1.5M-\$1.7M	2	7.2%	7	13.6%
\$1.3M-\$1.5M	5	16.3%	5	8.5%
\$1.1M-\$1.3M	6	16.8%	13	19.2%
\$0.9M-\$1.1M	7	16.0%	8	9.7%
\$0.7M-\$0.9M	4	7.7%	14	14.0%

	<b>Small<sup>(1)</sup></b>		<b>Kiosk<sup>(2)</sup></b>	
<b>Annual Sales Level – Range</b>	<b>Number of franchised Restaurants</b>	<b>Percentage of Total Sales<sup>(3)</sup></b>	<b>Number of franchised Restaurants</b>	<b>Percentage of Total Sales<sup>(3)</sup></b>
Below \$0.7M	4	5.6%	29	18.1%
<b>Total</b>	34	100.0%	83	100.0%
<b>Average Sales</b>		\$1,281,881		\$973,531
<b>#/% Meeting or Exceeding Average Sales</b>		13 / 38%		36 / 43%
<b>Median Sales</b>		\$1,183,684		\$883,223
<b>High Annual Sales</b>		\$2,891,810		\$2,437,687
<b>Low Annual Sales</b>		\$592,161		\$234,399

**Notes:**

- (1) There were 36 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Small Fuel Co-Branded Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Small Fuel Co-Branded Restaurants is sales information for those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024. There was 1 restaurant that was excluded due to temporary closure during 2024. There was 1 Restaurant that was excluded due to permanent closure in 2024. This Restaurant was open for more than 12 months before closing. The Small Fuel Co-Branded Restaurants from whom the information above is derived have been operating between 31 years and 1 year depending upon the Restaurant.
- (2) There were 86 Restaurants in the BURGER KING franchise system as of December 31, 2024 that would be treated as “Kiosk Fuel Co-Branded Restaurants” for purposes of this Item 19. The information provided in this Sales Distribution for Kiosk Fuel Co-Branded Restaurants is sales information for those Restaurants that were open and operating for the entire 12 month period ended December 31, 2024. There was 1 Restaurant that was excluded due to temporary closure in 2024. There were 2 Restaurants that were excluded due to permanent closure in 2024. None of these Restaurants was open for less than 12 months before closing. The Kiosk Fuel Co-Branded Restaurants from whom the information above is derived have been operating between 29 years and 1 year depending upon the Restaurant.
- (3) The Percentage of Total Sales is derived by dividing the total sales of the Restaurants at the applicable Annual Sales Level Range by the total annual sales of all Restaurants in the data set. Due to rounding, percentages may not equal 100%.

## **SECTION B**

### **REMODEL UPLIFT INFORMATION**

In addition to providing the Sales Distribution information above, we have compiled the following information related to sales uplift information for certain remodeled Traditional Restaurants:

- (1) Sales Uplift for Remodeled Restaurants
- (2) Multi-year Sales Uplift for Remodeled Restaurants

This information should be read together with all the related information about the factual basis and material assumptions underlying them.

A total of 930 Traditional Restaurants with an estimated CAPEX remodel expenditure of \$650,000 or more, were completely remodeled in the United States to our Modern Image standards between January 1, 2018, and December 31, 2023. Of these 930 Traditional Restaurants, 921 of them were open and operating for the entire 12 month period ended December 31, 2024. Of these 921 Restaurants, 893 had sufficient data to be included in the “remodel sample” (the “Remodeled Restaurants”). (The 28 Restaurants that were excluded because they did not have sufficient data were missing construction start and/or completion dates or complete sales data for the relevant periods.). 9 Restaurants were also excluded because they permanently closed between January 1, 2018 and December 31, 2024. All of the Restaurants that permanently closed operated for more than 12 months before closing. For purposes of this presentation, Restaurants remodeled in the Modern Image were remodeled to our current Garden Grill, Pavilion or Sizzle images.

We reviewed the sales data of the Remodeled Restaurants for the 12 month period immediately before the start of construction of the remodel and the 12 month period immediately after the remodel completion date. We then compared the same store sales of each of these Remodeled Restaurants against BURGER KING Traditional Restaurants sales for the same periods in the same designated marketing area (DMA) that were not remodeled (the “Control Restaurants”). The Control Restaurants were made up of other BURGER KING Traditional Restaurants in the applicable DMA that had similar seasonality and same store sales trends as the Remodeled Restaurants, but excluded any Remodeled Restaurant or any Restaurant that opened after January 1, 2016. All of the charts below provide sales uplift information as compared against the Control Restaurants. The Control Restaurants have been operating between 7 and 70 years depending upon the Restaurant.

When in this section we refer to “Full” remodels, we are referring to Restaurants where the existing structure of the building was maintained, while the interior and exterior was upgraded to our Modern Image standards. When we refer to “Scrape & Rebuild” remodels, we are referring to Restaurants where the existing structure was demolished and the Restaurant was rebuilt to our Modern Image standards in the same location.

(1) **Sales Uplift for Remodeled Restaurants**

**REMODELED RESTAURANT SALES UPLIFT RESULTS BY REMODEL SCOPE**

Of the Remodeled Restaurants, 840 of these Restaurants underwent a Full remodel and 53 of the Remodeled Restaurants underwent a Scrape & Rebuild remodel. These Restaurants have been operating between 12 and 70 years depending upon the Restaurant. Uplifts for each group of these Restaurants are shown in the table below.

	<b>Full</b>	<b>Scrape &amp; Rebuild</b>	<b>Total</b>
# of Restaurants	840	53	893
Average Sales Uplift %	11.4%	26.1%	12.3%
Median Sales Uplift %	9.9%	21.2%	10.7%
# Above Average Sales Uplift	393	19	412
% Above Average Sales Uplift	46.7%	35.8%	46.1%
Average Traffic Uplift %	10.3%	24.5%	11.1%
Median Traffic Uplift %	9.0%	20.3%	9.5%
# Above Average Traffic Uplift	386	22	408
% Above Average Traffic Uplift	45.9%	41.5%	45.6%



**REMODELED RESTAURANT SALES UPLIFT RESULTS  
BY DRIVE THRU CONVERSION TYPE**

Of the Remodeled Restaurants, 316 of these Restaurants underwent a conversion from a single drive-thru (SDT) facility to a double drive thru (Double DT) facility at the time of the remodel (the “Conversion to Double DT Restaurants”) leaving 577 Restaurants that did not undergo a conversion at the time of remodel (the “No DT Conversion Restaurants”). The Conversion to Double DT Restaurants have been operating between 12 and 70 years depending upon the Restaurant. The No DT Conversion Restaurants have been operating between 12 and 64 years depending upon the Restaurant. Uplifts for each group of these Restaurants are shown in the table below.

	<b>No DT Conversion</b>	<b>Conversion to Double DT</b>	<b>Total</b>
# of Restaurants	577	316	893
Average Sales Uplift %	10.3%	15.8%	12.3%
Median Sales Uplift %	9.7%	13.3%	10.7%
# Above Average Sales Uplift	280	133	413
% Above Average Sales Uplift	48.5%	42.1%	46.2%
Average Traffic Uplift %	9.4%	14.3%	11.1%
Median Traffic Uplift %	8.3%	11.2%	9.5%
# Above Average Traffic Uplift	272	126	398
% Above Average Traffic Uplift	47.1%	39.9%	44.6%

## REMODELED RESTAURANT SALES UPLIFT RESULTS BY PRE-REMODEL IMAGE TYPE

Of the Remodeled Restaurants, we have identified 705 of these Restaurants that underwent a remodel to our Modern Image standards from Legacy image types. Legacy Image types include restaurants that before the remodel had 1999, ROC or other similar image types. These Restaurants have been operating between 13 and 63 years depending upon the Restaurant. Similarly, we have identified 177 of these Restaurants that underwent a remodel to our Modern Image standards from 20/20 Light image types. 20/20 Light image types include restaurants that before the remodel had 20/20 Light, 20/20 Standard, 20/20 Hybrid or other similar image types. These Restaurants have been operating between 12 and 70 years depending upon the Restaurant. Finally, we identified 11 of these Restaurants where the image type before remodel could not be established. Those Restaurants have been classified under the Other category in the table below. These Restaurants have been operating between 18 and 55 years depending upon the Restaurant.

	Legacy to Modern Image	20/20 Light to Modern Image	Other to Modern Image	Total
# of Restaurants	705	177	11	893
Average Sales Uplift %	13.2%	9.3%	2.7%	12.3%
Median Sales Uplift %	12.3%	7.4%	2.9%	10.7%
# Above Average Sales Uplift	330	76	6	412
% Above Average Sales Uplift	46.8%	42.9%	54.5%	46.1%
Average Traffic Uplift %	11.9%	8.6%	1.7%	11.1%
Median Traffic Uplift %	10.6%	7.1%	2.0%	9.5%
# Above Average Traffic Uplift	320	74	7	401
% Above Average Traffic Uplift	45.4%	41.8%	63.6%	44.9%