



Reconciliation of GAAP Financial Results to Non-GAAP Financial Measures
Q1 2026

NON-GAAP FINANCIAL MEASURES

In addition to the results provided in accordance with U.S. GAAP, we provide certain non-GAAP measures, which present results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with U.S. GAAP and include the following: adjusted EBITDA, adjusted G&A, adjusted D&A, adjusted net income attributable to common shareholders, adjusted diluted earnings per common share, free cash flow, 4-wall EBITDA, and 4-wall EBITDA margin. We believe that our non-GAAP financial measures enable investors to assess the operating performance of our business relative to our performance based on U.S. GAAP results and relative to other companies. We believe that the disclosure of these non-GAAP measures is useful to investors as they reflect metrics that our management team and Board utilize to evaluate our operating performance, allocate resources, and administer employee incentive plans. The most directly comparable U.S. GAAP measures to adjusted EBITDA, adjusted G&A, adjusted D&A, adjusted net income attributable to common shareholders, adjusted diluted earnings per common share, free cash flow, and 4-wall EBITDA are net income, general and administrative expenses, depreciation and amortization, net income attributable to common shareholders, diluted earnings per common share, net cash provided by operating activities, and segment adjusted EBITDA, respectively. These non-GAAP measures should not be construed as a substitute for or a better indicator of the Company's performance than the Company's U.S. GAAP results.

Adjusted EBITDA represents Net income before Net interest expense, Income tax expense, Depreciation and amortization, Stock-based compensation expense, and other adjustments that vary from period to period in accordance with the Company's Non-GAAP policy. The Company believes adjusted EBITDA is a meaningful measure as it is widely used by analysts and investors to value the Company and its restaurants on a consistent basis. Our measure of adjusted EBITDA might not be comparable to similarly titled measures used by other companies.

Adjusted General and administrative expenses ("adjusted G&A") excludes the one-time items from adjusted EBITDA that impact G&A expense in the above definition but does not exclude stock-based compensation.

Adjusted Depreciation and amortization ("adjusted D&A") represents depreciation and amortization expense excluding incremental depreciation expense related to the shortened useful life of legacy capitalized software assets due to the ongoing development and deployment of our new omnichannel platforms and other technology improvements.

Free cash flow represents net cash provided by operating activities (from the Consolidated Statements of Cash Flows) less purchases of property and equipment, excluding purchases of property and equipment related to damages from natural disasters.

4-wall EBITDA represents segment revenue less segment cost of sales of our Domestic Company-owned restaurants. Segment revenues and costs of sales used in our 4-wall EBITDA calculation are derived from our GAAP segment footnote disclosures. 4-wall EBITDA margin is defined as 4-wall EBITDA divided by segment revenue for our Domestic Company-owned restaurants segment.

The Company may discuss forward-looking projections for certain non-GAAP financial measures, including adjusted EBITDA, adjusted G&A, adjusted D&A, and 4-wall EBITDA. The Company excludes certain expenses and benefits from adjusted EBITDA, adjusted G&A, adjusted D&A, and 4-wall EBITDA that, due to the uncertainty and variability of the nature and amount of those expenses and benefits, the Company is unable to, without unreasonable effort or expense, provide a reconciliation of those projected measures.

Refer to the Company's Form 10-Q for the three months ended March 29, 2026 for additional details on each of the measures presented.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Net income to adjusted EBITDA.

<i>in \$ thousands</i>	Three Months Ended	
	March 29, 2026	March 30, 2025
Net income	\$ 6,938	\$ 9,343
Income tax expense	4,137	4,543
Net interest expense	9,683	10,079
Depreciation and amortization	17,729	18,343
Stock-based compensation expense	4,409	3,669
Restructuring costs ^(a)	4,110	2,180
Gain on refranchising transaction, net ^(b)	(853)	-
Other costs ^(c)	1,610	1,467
Adjusted EBITDA	\$ 47,763	\$ 49,624

Footnotes to Non-GAAP Financial Measures

- (a) For the three months ended March 29, 2026, represents costs associated with the Company's Enterprise Transformation Plan, inclusive of \$0.2 million of non-cash stock-based compensation expense and depreciation expense. For the three months ended March 30, 2025, represents costs associated with the Company's International Transformation Plan.
- (b) Represents additional pre-tax gain on sale, net of transaction costs, associated with the 2025 refranchising transaction related to the assignment of certain remaining leases to the Buyer. Net loss attributable to noncontrolling interest for the three months ended March 29, 2026 was approximately \$0.4 million.
- (c) For the three months ended March 29, 2026, represents costs associated with project-based strategic initiatives that are not related to our ongoing operations. For the three months ended March 30, 2025 other costs is comprised of the following:
- i. Costs incurred, net of anticipated insurance recoveries, arising from a tornado that damaged the Texas QC Center; and
 - ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles General and administrative expenses to adjusted General and administrative expenses.

<i>in \$ thousands</i>	Three Months Ended	
	March 29, 2026	March 30, 2025
General and administrative expenses	\$ 55,996	\$ 65,167
Restructuring costs ^(a)	4,236	2,135
Gain on refranchising transaction, net ^(b)	(853)	-
Other costs ^(c)	1,610	1,467
Adjusted General and administrative expenses	\$ 51,003	\$ 61,565

Footnotes to Non-GAAP Financial Measures

- (a) For the three months ended March 29, 2026, represents costs associated with the Company's Enterprise Transformation Plan. For the three months ended March 30, 2025, represents costs associated with the Company's International Transformation Plan.
- (b) Represents additional pre-tax gain on sale, net of transaction costs, associated with the 2025 refranchising transaction related to the assignment of certain remaining leases to the Buyer. Net loss attributable to noncontrolling interest for the three months ended March 29, 2026 was approximately \$0.4 million.
- (c) For the three months ended March 29, 2026, represents costs associated with project-based strategic initiatives that are not related to our ongoing operations. For the three months ended March 30, 2025 other costs is comprised of the following:
- i. Costs incurred, net of anticipated insurance recoveries, arising from a tornado that damaged the Texas QC Center; and
 - ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Net income attributable to common shareholders to adjusted net income attributable to common shareholders.

<i>in \$ thousands</i>	Three Months Ended	
	March 29, 2026	March 30, 2025
Net income attributable to common shareholders	\$ 6,959	\$ 9,028
Restructuring costs ^(a)	4,290	2,135
Gain on refranchising transaction, net ^(b)	(1,288)	-
Other costs ^(c)	1,610	1,467
Tax effect of adjustments ^(d)	(1,070)	(818)
Adjusted net income attributable to common shareholders	\$ 10,501	\$ 11,812

Footnotes to Non-GAAP Financial Measures

- (a) For the three months ended March 29, 2026, represents costs associated with the Company's Enterprise Transformation Plan, inclusive of \$0.2 million of non-cash stock-based compensation expense and depreciation expense. For the three months ended March 30, 2025, represents costs associated with the Company's International Transformation Plan.
- (b) Represents additional pre-tax gain on sale, net of transaction costs, associated with the 2025 refranchising transaction related to the assignment of certain remaining leases to the Buyer. Net loss attributable to noncontrolling interest for the three months ended March 29, 2026 was approximately \$0.4 million.
- (c) For the three months ended March 29, 2026, represents costs associated with project-based strategic initiatives that are not related to our ongoing operations. For the three months ended March 30, 2025 other costs is comprised of the following:
- i. Costs incurred, net of anticipated insurance recoveries, arising from a tornado that damaged the Texas QC Center; and
 - ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations.
- (d) The tax effect on non-GAAP adjustments was calculated by applying the marginal tax rates of 23.2% for the three months ended March 29, 2026 and 22.7% for the three months ended March 30, 2025.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Diluted earnings per common share to adjusted diluted earnings per common share.

	Three Months Ended	
	March 29, 2026	March 30, 2025
Diluted earnings per common share	\$ 0.21	\$ 0.27
Restructuring costs ^(a)	0.13	0.06
Gain on refranchising transaction, net ^(b)	(0.04)	-
Other costs ^(c)	0.05	0.05
Tax effect of adjustments ^(d)	(0.03)	(0.02)
Adjusted diluted earnings per common share	\$ 0.32	\$ 0.36

Footnotes to Non-GAAP Financial Measures

- (a) For the three months ended March 29, 2026, represents costs associated with the Company's Enterprise Transformation Plan, inclusive of \$0.2 million of non-cash stock-based compensation expense and depreciation expense. For the three months ended March 30, 2025, represents costs associated with the Company's International Transformation Plan.
- (b) Represents additional pre-tax gain on sale, net of transaction costs, associated with the 2025 refranchising transaction related to the assignment of certain remaining leases to the Buyer. Net loss attributable to noncontrolling interest for the three months ended March 29, 2026 was approximately \$0.4 million.
- (c) For the three months ended March 29, 2026, represents costs associated with project-based strategic initiatives that are not related to our ongoing operations.
For the three months ended March 30, 2025 other costs is comprised of the following:
- i. Costs incurred, net of anticipated insurance recoveries, arising from a tornado that damaged the Texas QC Center; and
 - ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations.
- (d) The tax effect on non-GAAP adjustments was calculated by applying the marginal tax rates of 23.2% for the three months ended March 29, 2026 and 22.7% for the three months ended March 30, 2025.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Net cash provided by operating activities to free cash flow.

<i>in \$ thousands</i>	Three Months Ended	
	March 29, 2026	March 30, 2025
Net cash provided by operating activities	\$ 7,224	\$ 31,336
Purchases of property and equipment	(13,451)	(12,231)
Free cash flow	\$ (6,227)	\$ 19,105

Footnotes to Non-GAAP Financial Measures

Free cash flow is a non-GAAP financial measure representing net cash provided by operating activities (from the Consolidated Statements of Cash Flows) less the purchases of property and equipment, excluding purchases of property and equipment related to damages from natural disasters.

4-WALL EBITDA: A NON-GAAP MEASURE

The following table represents our calculation of Domestic Company-owned Restaurant 4-wall EBITDA.

Domestic Company-owned Restaurants	2026	2025
<i>in \$ thousands</i>	Q1	Q1
Segment Revenue	\$139,671	\$170,795
Segment Cost of sales	(123,096)	(155,013)
Cost allocation change ^(b)	-	2,095
4-Wall EBITDA ^(a)	\$16,575	\$17,877
4-Wall EBITDA margin ^(a)	11.9%	10.5%

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Domestic Company-owned Restaurant Segment adjusted EBITDA to 4-wall EBITDA.

Domestic Company-owned Restaurants	2026	2025
<i>in \$ thousands</i>	Q1	Q1
Segment adjusted EBITDA	\$ 7,885	\$ 5,032
Segment G&A	8,690	10,750
Cost allocation change ^(b)	-	2,095
4-Wall EBITDA ^(a)	\$16,575	\$17,877

Footnotes to Non-GAAP Financial Measures

- (a) 4-wall EBITDA represents segment revenue less segment cost of sales of our Domestic Company-owned restaurants. Segment revenues and costs of sales used in our 4-wall EBITDA calculation are derived from our GAAP segment footnote disclosures. 4-wall EBITDA margin is defined as 4-wall EBITDA divided by segment revenue for our Domestic Company-owned restaurants segment.
- (b) During the current year, the Company updated its internal cost allocation methodology for certain centrally incurred costs. As a result, a portion of costs previously allocated to the Domestic Company-owned restaurants segment is now reflected within Unallocated corporate expenses and the North America commissaries segment. The change is prospective and does not affect total reported expenses. We have included a conforming adjustment in the historical period when reconciling segment adjusted EBITDA to 4-wall EBITDA to ensure comparability.