



Reconciliation of GAAP Financial Results to Non-GAAP Financial Measures
Q4 2025

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-K for the year ended December 28, 2025 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		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Net income	\$ 8,630	\$ 14,959	\$ 32,117	\$ 84,197
Income tax expense	5,730	4,582	16,261	29,929
Net interest expense	10,161	9,990	40,769	42,578
Depreciation and amortization	30,169	16,879	92,245	69,407
Stock-based compensation expense	2,848	3,687	14,980	9,590
Gain on refranchising transaction, net and sale of QC Center properties ^(a)	(17,566)	-	(17,053)	(41,289)
Restructuring costs ^(b)	8,918	7,759	13,780	27,363
Other costs ^(c)	2,223	-	8,012	5,495
Adjusted EBITDA	\$ 51,113	\$ 57,856	\$ 201,111	\$ 227,270

Footnotes to Non-GAAP Financial Measures

(a) For the three and twelve months ended December 28, 2025, represents pre-tax gain on sale, net of transaction costs, realized upon the completion of the refranchising of 85 restaurants on November 24, 2025. For the twelve months ended December 29, 2024, represents pre-tax gain on sale, net of transaction costs, realized upon the August 2, 2024 completion of the sale of our Texas and Florida QC Center properties.

(b) Represents costs associated with the Company's Enterprise Transformation Plan and International Transformation Plan.

(c) For the year ended December 28, 2025, other costs represents:

- i. Losses on disposal of equipment incurred in connection with the termination of a COVID-era program that pre-purchased store equipment due to supply chain challenges;
- ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations; and
- iii. Costs incurred, net of anticipated insurance recoveries, arising from tornadoes that damaged the Texas QC Center as well as the restaurant support center and QC Center in Louisville, Kentucky.

For the year ended December 29, 2024, other costs represents non-cash impairment and remeasurement charges related primarily to fixed and intangible assets from the refranchising of 15 Domestic Company-owned restaurants.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.

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		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
General and administrative expenses	\$ 52,519	\$ 62,709	\$ 244,282	\$ 190,515
Gain on refranchising transaction, net and sale of QC Center properties ^(a)	(17,566)	-	(17,053)	(41,289)
Restructuring costs ^(b)	7,752	7,759	12,593	27,273
Other costs ^(c)	2,018	-	7,807	5,495
Adjusted General and administrative expenses	\$ 60,315	\$ 54,950	\$ 240,935	\$ 199,036

Footnotes to Non-GAAP Financial Measures

(a) For the three and twelve months ended December 28, 2025, represents pre-tax gain on sale, net of transaction costs, realized upon the completion of the refranchising of 85 restaurants on November 24, 2025. For the twelve months ended December 29, 2024, represents pre-tax gain on sale, net of transaction costs, realized upon the August 2, 2024 completion of the sale of our Texas and Florida QC Center properties.

(b) Represents costs associated with the Company's Enterprise Transformation Plan and International Transformation Plan.

(c) For the year ended December 28, 2025, other costs represents:

- i. Losses on disposal of equipment incurred in connection with the termination of a COVID-era program that pre-purchased store equipment due to supply chain challenges;
- ii. Costs associated with project-based strategic initiatives that are not related to our ongoing operations.
- iii. Costs incurred, net of anticipated insurance recoveries, arising from tornadoes that damaged the Texas QC Center as well as the restaurant support center and QC Center in Louisville, Kentucky.

For the year ended December 29, 2024, other costs represents non-cash impairment and remeasurement charges related primarily to fixed and intangible assets from the refranchising of 15 Domestic Company-owned restaurants.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.

RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP FINANCIAL MEASURES

The following table reconciles Depreciation and amortization to adjusted Depreciation and amortization.

<i>in \$ thousands</i>	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Depreciation and amortization	\$ 30,169	\$ 16,879	\$ 92,245	\$ 69,407
Accelerated software depreciation ^(a)	12,289	-	18,380	-
Adjusted Depreciation and amortization	\$ 17,880	\$ 16,879	\$ 73,865	\$ 69,407

Footnotes to Non-GAAP Financial Measures

(a) Represents 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.

Refer to the Company's Form 10-K for the year ended December 28, 2025 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 attributable to common shareholders to adjusted net income attributable to common shareholders.

<i>in \$ thousands</i>	Three Months Ended		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Net income attributable to common shareholders	\$ 6,827	\$ 14,633	\$ 29,569	\$ 83,320
Gain on franchising transaction, net and sale of QC Center properties ^(a)	(16,396)	-	(16,028)	(41,289)
Restructuring costs ^(b)	7,752	7,759	12,593	27,273
Accelerated software depreciation ^(c)	12,289	-	18,380	--
Other costs ^(d)	2,223	-	8,012	5,495
Tax effect of adjustments ^(e)	(1,446)	(1,745)	(5,326)	1,934
Adjusted net income attributable to common shareholders	\$ 11,249	\$ 20,647	\$ 47,200	\$ 76,733

Footnotes to Non-GAAP Financial Measures

- (a) For the three and twelve months ended December 28, 2025, represents pre-tax gain on sale, net of transaction costs, realized upon the completion of the franchising of 85 restaurants on November 24, 2025. For the twelve months ended December 29, 2024, represents pre-tax gain on sale, net of transaction costs, realized upon the August 2, 2024 completion of the sale of our Texas and Florida QC Center properties.
- (b) Represents costs associated with the Company's Enterprise Transformation Plan and International Transformation Plan.
- (c) Represents 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.
- (d) For the year ended December 28, 2025, other costs represents:
- Losses on disposal of equipment incurred in connection with the termination of a COVID-era program that pre-purchased store equipment due to supply chain challenges;
 - Costs associated with project-based strategic initiatives that are not related to our ongoing operations.
 - Costs incurred, net of anticipated insurance recoveries, arising from tornadoes that damaged the Texas QC Center as well as the restaurant support center and QC Center in Louisville, Kentucky.
- For the year ended December 29, 2024, other costs represents non-cash impairment and remeasurement charges related primarily to fixed and intangible assets from the franchising of 15 Domestic Company-owned restaurants.
- (e) The tax effect on non-GAAP adjustments was calculated by applying the marginal tax rates of 23.2% for the three and twelve months ended December 28, 2025 and 22.7% for the three and twelve months ended December 29, 2024.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.

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		Year Ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Diluted earnings per common share	\$ 0.21	\$ 0.44	\$ 0.90	\$ 2.54
Gain on refranchising transaction, net and sale of QC Center properties ^(a)	(0.50)	-	(0.49)	(1.25)
Restructuring costs ^(b)	0.23	0.24	0.38	0.82
Accelerated software depreciation ^(c)	0.37	-	0.56	-
Other costs ^(d)	0.07	-	0.24	0.17
Tax effect of adjustments ^(e)	(0.04)	(0.05)	(0.16)	0.06
Adjusted diluted earnings per common share	\$ 0.34	\$ 0.63	\$ 1.43	\$ 2.34

Footnotes to Non-GAAP Financial Measures

- (a) For the three and twelve months ended December 28, 2025, represents pre-tax gain on sale, net of transaction costs, realized upon the completion of the refranchising of 85 restaurants on November 24, 2025. For the twelve months ended December 29, 2024, represents pre-tax gain on sale, net of transaction costs, realized upon the August 2, 2024 completion of the sale of our Texas and Florida QC Center properties.
- (b) Represents costs associated with the Company's Enterprise Transformation Plan and International Transformation Plan.
- (c) Represents 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.
- (d) For the year ended December 28, 2025, other costs represents:
- Losses on disposal of equipment incurred in connection with the termination of a COVID-era program that pre-purchased store equipment due to supply chain challenges;
 - Costs associated with project-based strategic initiatives that are not related to our ongoing operations.
 - Costs incurred, net of anticipated insurance recoveries, arising from tornadoes that damaged the Texas QC Center as well as the restaurant support center and QC Center in Louisville, Kentucky.
- For the year ended December 29, 2024, other costs represents non-cash impairment and remeasurement charges related primarily to fixed and intangible assets from the refranchising of 15 Domestic Company-owned restaurants.
- (e) The tax effect on non-GAAP adjustments was calculated by applying the marginal tax rates of 23.2% for the three and twelve months ended December 28, 2025 and 22.7% for the three and twelve months ended December 29, 2024.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.

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>	Year Ended	
	December 28, 2025	December 29, 2024
Net cash provided by operating activities	\$ 126,000	\$ 106,632
Purchases of property and equipment	(64,695)	(72,484)
Free cash flow	\$ 61,305	\$ 34,148

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.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.

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 <i>in \$ thousands</i>	2025					2024					2023 ^(c)				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Segment Revenue	\$170,795	\$175,797	\$165,194	\$150,737	\$662,523	\$176,224	\$173,207	\$168,672	\$174,633	\$692,736	\$179,866	\$175,780	\$177,195	\$193,521	\$726,362
Segment Cost of sales	(155,013)	(155,985)	(150,917)	(131,532)	(593,447)	(151,106)	(150,262)	(155,084)	(154,177)	(610,629)	(159,673)	(156,237)	(156,904)	(164,039)	(636,852)
Training Cost ^(b)	-	-	-	-	-	725	796	947	726	3,194	762	685	609	732	2,788
4-Wall EBITDA^(a)	\$ 15,782	\$ 19,812	\$ 14,277	\$ 19,205	\$ 69,076	\$ 25,843	\$ 23,741	\$ 14,535	\$ 21,182	\$ 85,301	\$ 20,955	\$ 20,228	\$ 20,900	\$ 30,214	\$ 92,298
4-Wall EBITDA margin ^(a)	9.2%	11.3%	8.6%	12.7%	10.4%	14.7%	13.7%	8.6%	12.1%	12.3%	11.7%	11.5%	11.8%	15.6%	12.7%

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 <i>in \$ thousands</i>	2025					2024					2023 ^(c)				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Segment adjusted EBITDA	\$ 5,032	\$ 9,864	\$ 3,942	\$ 9,533	\$ 28,371	\$ 14,938	\$ 13,474	\$ 4,354	\$ 10,893	\$ 43,659	\$ 11,018	\$ 10,708	\$ 10,824	\$ 19,828	\$ 52,379
Segment G&A	10,750	9,948	10,335	9,672	40,705	10,180	9,471	9,234	9,563	38,448	9,175	8,835	9,467	9,654	37,131
Training Cost ^(b)	-	-	-	-	-	725	796	947	726	3,194	762	685	609	732	2,788
4-Wall EBITDA^(a)	\$ 15,782	\$ 19,812	\$ 14,277	\$ 19,205	\$ 69,076	\$ 25,843	\$ 23,741	\$ 14,535	\$ 21,182	\$ 85,301	\$ 20,955	\$ 20,228	\$ 20,900	\$ 30,214	\$ 92,298

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) Training costs for our Domestic Company-owned restaurants were reclassified from Cost of sales to General & administrative expenses prospectively beginning with the year ended December 28, 2025. We have excluded these training costs from Cost of sales in the historical period when calculating 4-wall EBITDA to ensure comparability.
- (c) Results include 14 weeks in the fourth quarter of 2023 and 53 weeks in fiscal year 2023.

Refer to the Company's Form 10-K for the year ended December 28, 2025 for additional details on each of the measures presented.