

**Papa John's International, Inc.**  
**Supplemental Financial Data**

Effective as of the first quarter of 2020, the company modified its presentation of adjusted (non-GAAP) financial results to no longer present certain financial assistance provided to the North America system in the form of royalty relief and discretionary marketing fund investments as Special charges. This financial assistance, which began in the third quarter of 2018 in response to declining sales in North America, will continue through the third quarter of 2020, as announced in a formal plan in July 2019. The Non-GAAP Measures data below has been adjusted to exclude the Temporary Franchise Support:

**Non-GAAP Measures**

	Three Months Ended										Year Ended	
	Apr. 1, 2018	July 1, 2018	Sept. 30, 2018	Dec. 30, 2018	Mar. 31, 2019	Jun. 30, 2019	Sept. 29, 2019	Dec. 29, 2019	Mar. 29, 2020	Jun. 28, 2020	Dec. 30, 2018	Dec. 29, 2019
(In thousands, except per share amounts)												
GAAP income (loss) before income taxes	\$ 23,064	\$ 19,113	\$ (20,228)	\$ (15,252)	\$ (767)	\$ 9,959	\$ 678	\$ (4,824)	\$ 11,505	\$ 26,907	\$ 6,697	\$ 5,046
Special charges:												
Legal and advisory fees	-	-	11,349	8,123	5,067	396	459	-	-	-	19,472	5,922
Mark to market adjustment on option valuation	-	-	-	-	5,914	-	-	-	-	-	-	5,914
Reimaging costs and write-off of branded assets	-	-	3,600	2,244	-	-	-	-	-	-	5,844	-
Other costs	-	-	-	-	-	-	2,385	-	-	-	-	2,385
Refranchising (gains) losses, net	(204)	2,122	-	(1,629)	-	(163)	(1,726)	(2,850)	-	-	289	(4,739)
<b>Adjusted income before income taxes</b>	<b>\$ 22,860</b>	<b>\$ 21,235</b>	<b>\$ (5,279)</b>	<b>\$ (6,514)</b>	<b>\$ 10,214</b>	<b>\$ 10,192</b>	<b>\$ 1,796</b>	<b>\$ (7,674)</b>	<b>\$ 11,505</b>	<b>\$ 26,907</b>	<b>\$ 32,302</b>	<b>\$ 14,528</b>
GAAP net income (loss) attributable to common shareholders	\$ 17,368	\$ 11,127	\$ (13,300)	\$ (12,868)	\$ (3,801)	\$ 4,868	\$ (3,088)	\$ (5,612)	\$ 4,972	\$ 15,707	\$ 2,474	\$ (7,633)
Special charges:												
Legal and advisory fees	-	-	11,349	8,123	5,067	396	459	-	-	-	19,472	5,922
Mark to market adjustment on option valuation	-	-	-	-	5,914	-	-	-	-	-	-	5,914
Reimaging costs and write-off of branded assets	-	-	3,600	2,244	-	-	-	-	-	-	5,844	-
Other costs	-	-	-	-	-	-	2,385	-	-	-	-	2,385
Refranchising (gains) losses, net	(204)	2,122	-	(1,629)	-	(163)	(1,726)	(2,850)	-	-	289	(4,739)
Tax effect of Non-GAAP items	45	(475)	(3,349)	(2,161)	(1,175)	(22)	(237)	635	-	-	(5,940)	(799)
Tax effect of China refranchising	-	2,435	-	-	-	-	-	-	-	-	2,435	-
<b>Adjusted net income attributable to common shareholders</b>	<b>\$ 17,209</b>	<b>\$ 15,209</b>	<b>\$ (1,700)</b>	<b>\$ (6,291)</b>	<b>\$ 6,005</b>	<b>\$ 5,079</b>	<b>\$ (2,207)</b>	<b>\$ (7,827)</b>	<b>\$ 4,972</b>	<b>\$ 15,707</b>	<b>\$ 24,574</b>	<b>\$ 1,050</b>
GAAP diluted earnings (loss) per share	\$ 0.52	\$ 0.35	\$ (0.42)	\$ (0.41)	\$ (0.12)	\$ 0.15	\$ (0.10)	\$ (0.18)	\$ 0.15	\$ 0.48	\$ 0.08	\$ (0.24)
Special charges:												
Legal and advisory fees	-	-	0.36	0.26	0.16	0.01	0.01	-	-	-	0.60	0.19
Mark to market adjustment on option valuation	-	-	-	-	0.19	-	-	-	-	-	-	0.19
Reimaging costs and write-off of branded assets	-	-	0.11	0.07	-	-	-	-	-	-	0.18	-
Other costs	-	-	-	-	-	-	0.08	-	-	-	-	0.07
Refranchising (gains) losses, net	-	0.06	-	(0.05)	-	-	(0.05)	(0.09)	-	-	0.02	(0.15)
Tax effect of Non-GAAP items	-	(0.01)	(0.10)	(0.07)	(0.04)	-	(0.01)	0.02	-	-	(0.18)	(0.03)
Tax effect of China refranchising	-	0.08	-	-	-	-	-	-	-	-	0.07	-
<b>Adjusted diluted earnings per share</b>	<b>\$ 0.52</b>	<b>\$ 0.48</b>	<b>\$ (0.05)</b>	<b>\$ (0.20)</b>	<b>\$ 0.19</b>	<b>\$ 0.16</b>	<b>\$ (0.07)</b>	<b>\$ (0.25)</b>	<b>\$ 0.15</b>	<b>\$ 0.48</b>	<b>\$ 0.77</b>	<b>\$ 0.03</b>

The 2018 and 2019 non-GAAP adjusted results shown above should not be construed as a substitute for or a better indicator of the company's performance than the company's GAAP results. Management believes presenting certain financial information excluding Special charges and refranchising (gains) losses, net is important for purposes of comparison to current year results. In addition, management uses these metrics to evaluate the company's underlying operating performance and to analyze trends.

The Company provides Temporary Franchise Support to its North America franchisees, which represents royalty relief and discretionary marketing fund investments. The Temporary Franchise Support by quarter for 2018, 2019 and 2020 and for the full years ended 2018 and 2019 is included below:

**Temporary Franchise Support**

	Three Months Ended										Year Ended	
	Apr. 1, 2018	July 1, 2018	Sept. 30, 2018	Dec. 30, 2018	Mar. 31, 2019	Jun. 30, 2019	Sept. 29, 2019	Dec. 29, 2019	Mar. 29, 2020	Jun. 28, 2020	Dec. 30, 2018	Dec. 29, 2019
(In thousands, except per share amounts)												
Royalty relief	\$ -	\$ -	\$ 9,884	\$ 5,532	\$ 4,873	\$ 2,466	\$ 6,353	\$ 5,404	\$ 5,656	\$ 5,145	\$ 15,416	\$ 19,096
Marketing fund investments	-	-	-	10,000	-	2,500	5,000	20,000	5,000	-	10,000	27,500
<b>Total Temporary Franchise Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,884</b>	<b>\$ 15,532</b>	<b>\$ 4,873</b>	<b>\$ 4,966</b>	<b>\$ 11,353</b>	<b>\$ 25,404</b>	<b>\$ 10,656</b>	<b>\$ 5,145</b>	<b>\$ 25,416</b>	<b>\$ 46,596</b>
Diluted loss per share	\$ -	\$ -	\$ 0.24	\$ 0.38	\$ 0.12	\$ 0.12	\$ 0.28	\$ 0.62	\$ 0.26	\$ 0.12	\$ 0.60	\$ 1.14