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FRANCHISE DISCLOSURE DOCUMENT

Wingstop Franchising LLC
A Delaware Limited Liability Company
2801 North Central Expressway
Suite 1600
Dallas, Texas 75204
(972) 686-6500
areadevelopment@wingstop.com
www.wingstop.com

The franchise is to operate a restaurant under the WING-STOP® trade name and business system that serves cooked-to-order, hand-sauced and tossed chicken wings, boneless wings, and tenders, chicken sandwiches, seasoned fries, and beverages.

The total investment necessary to begin operation of a WING-STOP® Restaurant is $298,200 to $1,013,500 excluding real estate purchase and lease costs. This includes $50,000 that must be paid to the franchisor or affiliate. You sign the Development Agreement even if you want only one Restaurant franchise. If you want development rights for more than one Restaurant, you must pay the franchisor a development fee equal to $25,000 times the number of Restaurants you commit to develop.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date of this Franchise Disclosure Document: March 28, 2025

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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only WING-STOP® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a WING-STOP® franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit E.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

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Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement and development agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in its home state (currently Texas). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its home state (currently Texas) than in your own state.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

(A) A prohibition on the right of a franchisee to join an association of franchisees.

(B) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(C) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(D) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(E) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(F) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(G) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(H) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (C).

(I) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
(517) 335-7567

Despite subparagraph (F) above, we intend to enforce fully the provisions of the arbitration sections contained in our Development Agreement and Franchise Agreement. We believe that subparagraph (F) is unconstitutional and cannot preclude us from enforcing our arbitration sections. If you acquire a franchise, you acknowledge that we will seek to enforce those sections as written, and that the terms of the Development Agreement and Franchise Agreement will govern our relationship with you, including the specific requirements of the arbitration sections.

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EXHIBITS:

A. FINANCIAL STATEMENTS
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STATE EFFECTIVE DATES

RECEIPTS

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

This disclosure document does not provide all of the information you should consider in deciding whether to enter into a development agreement or franchise agreement. You should independently investigate this franchise opportunity and consult with an advisor like an attorney and/or accountant.

Wingstop Franchising LLC, Parent Companies, and Predecessor. Wingstop Franchising LLC ("we," "us," and "our") offers the franchise described in this disclosure document. "You" means the individual or business entity (corporation, limited liability company, etc.) that buys a franchise. Except for sole proprietorships, "you" does not include a business entity's owners.

We are a Delaware limited liability company formed on October 3, 2018, with our home office at 2801 North Central Expressway, Suite 1600, Dallas, Texas 75204. We do business primarily under our limited liability company name and the WING-STOP® trademark and no other name. If we have an agent in your state for service of process, we disclose that agent in Exhibit E to this disclosure document. We have offered franchises for Wingstop Restaurants ("Restaurants") since November 2018. We have not offered franchises in any other line of business, have never operated a Restaurant, and have no other business activities.

We are a direct, wholly-owned subsidiary of Wingstop Funding LLC ("Wingstop Funding"), which in turn is a direct, wholly-owned subsidiary of Wingstop Guarantor LLC ("Wingstop Guarantor"). We, Wingstop Funding and Wingstop Guarantor were organized as part of the original secured financing transaction completed in 2018 that is described below (the "Securitization Transaction"). We, Wingstop Funding and Wingstop Guarantor, each, are indirect, wholly-owned subsidiaries of Wingstop Inc., a public company which is our ultimate parent company ("Wingstop Parent"). Wingstop Holdings, Inc., is Wingstop Parent's direct, wholly-owned subsidiary ("Holdings"). Wingstop Restaurants Inc. ("WRI"), is Holdings' direct, wholly-owned subsidiary, the direct parent company of Wingstop Guarantor LLC, and (as the original and only franchisor of the Wingstop Restaurant franchise system before November 2018) our predecessor. We have no other predecessor. All of these Wingstop entities share our principal business address. No other parent or affiliate companies are disclosable in this Item.

The first Wingstop Restaurant opened in July 1994. WRI incorporated in November 1996 and began offering franchises for Restaurants in May 1997. Its first franchised Restaurant opened in April 1998. WRI was the franchisor of Wingstop Restaurants from 1997 until the closing of the Securitization Transaction in November 2018. WRI never offered franchises in another line of business. WRI operates 51 Restaurants as of the issuance date of this disclosure document and is our "manager" under a management agreement, as described below in the Securitization Transaction.

Wingstop GCM, LLC, WRI's wholly-owned subsidiary with the same principal business address as us, administers certain aspects of the Wingstop gift card program (*i.e.*, gift cards issued/sold by third-party retailers, not by Wingstop Restaurants). It has never operated a Wingstop Restaurant or offered franchises in any line of business.

WRI maintains and administers the digital ecommerce platform that all franchisees must use.

Securitization Transaction. We, Wingstop Funding, and Wingstop Guarantor were organized as part of the Securitization Transaction, which closed in November 2018. As part of the Securitization Transaction, all existing U.S. and international franchise agreements and related agreements for Wingstop Restaurants were transferred to us, and we became the franchisor for all existing and future franchise and

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related agreements. Ownership and control of all U.S. and international trademarks and certain other intellectual property relating to the operation of Wingstop Restaurants also were transferred to us.

At the closing of the Securitization Transaction in 2018, WRI (our predecessor and the original franchisor of the Wingstop system) entered into a management agreement with us under which WRI provides required support and services to Wingstop franchisees and prospective franchisees under their franchise agreements and development agreements and also acts as our franchise sales agent. We pay management fees to WRI for these services. However, as the franchisor, we are responsible and accountable to you to make sure that all services we promise to perform under your Franchise Agreement or other agreement signed with us are performed in compliance with the applicable agreement, regardless of who actually performs these services on our behalf.

Wingstop's Business and Description of the Franchise. Wingstop Restaurants offer chicken wings, boneless wings, tenders, and chicken sandwiches in a variety of highly-seasoned flavors. They also offer French fries, other foods, and beverages, including beer and wine where legally permitted. Restaurants operate under the WING-STOP® trade name and use a distinctive logo, which appears on this disclosure document's cover page. Restaurants also will operate under other trademarks, logos, and trade dress and use our uniform standards, exterior and interior Restaurant design, décor, color scheme, special recipes, operating procedures, products, and other items we determine and communicate to you through our confidential operating manuals and other means.

A Wingstop franchise entitles you to operate one Restaurant at an approved location. Our Development Agreement governs a Restaurant's development phase, location, and timeframe. The Development Agreement gives you the right to obtain a franchise for your Restaurant after you complete our site location procedures and sign a lease for a location we have accepted. You must sign a Franchise Agreement for the Restaurant as soon as you sign the lease. Each Franchise Agreement gives you the right to own and operate a single Restaurant at a specific location. You must sign our then-current form of Franchise Agreement for each Restaurant you open. If you are renewing your franchise because its term is about to expire, you also will sign a Renewal Rider to Franchise Agreement (Exhibit G) ("Renewal Rider"), which generally modifies certain provisions in our standard Franchise Agreement that do not apply to you because your Restaurant is already open. The version of Renewal Rider you will sign depends on your particular circumstances.

Your Development Agreement also states the terms on which you (and your controlled affiliates) may develop more than one Restaurant if we allow you to become a multi-Restaurant operator. We offer multi-Restaurant development rights only to qualified individuals. Typically, a prospective franchisee sends us a personal profile and application setting forth personal, financial, business, and other information on the prospective franchisee and its owners. No portion of the Development Fee is refundable if you fail to develop Restaurants according to your Development Agreement's terms. You must sign our then-current form of Franchise Agreement for each additional Wingstop Restaurant you develop. That form may differ from the form of Franchise Agreement included in this disclosure document. In limited circumstances, which depend exclusively on your development territory and timing considerations (i.e., how quickly the market should be developed due to competition and other business factors), WRI might be willing to find and secure the site for one or more of your required Restaurants, construct and develop the Restaurant for you, and then sell you the Restaurant and its assets under an asset purchase agreement, together with a lease assignment. You would be responsible under the asset purchase agreement for the costs of developing the Restaurant. You then would operate the Restaurant going forward under a Franchise Agreement with us. In addition, we periodically may incentivize development in underdeveloped markets (i.e., in certain states in which there are no or only a few

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Wingstop Restaurants). Such incentives may include waiver or abatement of a portion of the development fee, the franchise fee and/or royalties.

You must operate your Restaurant under the business system and operating procedures developed for the Wingstop system, as described in our Operations Manual. We and our affiliates have developed several proprietary, private-label products, including packaging and the sauces and seasonings Restaurants use to flavor their chicken wings, tenders, chicken sandwiches, and French fries. Franchisees must use our proprietary products and buy them from the Wingstop system's designated distributors. They also must use other ingredients meeting our grade and quality specifications.

Restaurants are designed to be located primarily in shopping centers. They typically occupy from 1,200 to 2,000 square feet of leased retail space. Restaurants feature a distinctive Wingstop décor, which we also consider proprietary. Restaurants provide limited customer seating, as many customers order digitally via our website or app or call in their orders for off-premises consumption.

Restaurants market their products to customers of all ages and economic levels. Restaurants have not experienced significant sales fluctuations that can be attributed to seasonal factors. This experience may not be typical of seasonal sales variations that other restaurant operators experience. Restaurants typically encounter lower sales after major consumer spending seasons (Christmas and the start of the school year) and during the winter, especially in the country's colder regions.

Industry Specific Regulation

The restaurant industry is heavily regulated. Many of the laws, rules, and regulations that apply to businesses generally, such as the Americans with Disabilities Act, Federal Wage and Hour Laws, and the Occupation, Health and Safety Act, also apply to restaurants. Other laws, rules, and regulations apply to restaurants offering alcoholic beverages.

You must have a beer/wine license before you open your Restaurant. The difficulty and cost of obtaining a beer/wine license, and the procedures for securing the license, vary greatly from area to area. There also is wide variation in state and local laws and regulations governing the sale of beer and wine. In addition, state dram shop laws give rise to potential liability for injuries directly or indirectly related to alcohol sales and consumption. Restaurants have been allowed to operate without serving beer/wine in areas where a beer/wine license could not be obtained. We may allow more Restaurants to open without a beer/wine license as we deem best.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and state and local health departments administer and enforce laws and regulations governing food preparation and service and restaurant sanitary conditions. State and local agencies inspect restaurants to ensure they comply with these laws and regulations. You should consider these and other applicable laws and regulations when evaluating your purchase of a franchise.

Restaurants compete generally with all kinds of quick-service food establishments. Chicken wings, boneless wings, tenders, chicken sandwiches, and other chicken products are the principal food items sold by Wingstop Restaurants. The availability of these products from independent suppliers throughout the United States and their wholesale cost are determined by market factors (including the supply needs of competitive businesses) over which we have little control. These supply chain issues will impact your operating costs and results during the franchise term.

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ITEM 2
BUSINESS EXPERIENCE

President (of Wingstop Franchising LLC) and President and Chief Executive Officer (of WRI): Michael Skipworth

Mr. Skipworth has been our President since October 2020 and was our Treasurer from October 2018 to October 2021. He also has been WRI's President and Chief Executive Officer since March 2022, having previously served as WRI's Chief Operating Officer from August 2021 to March 2022, Executive Vice President from February 2018 to March 2022, and Chief Financial Officer from August 2017 until August 2021. He first joined WRI in December 2014 as Vice President of Finance.

Vice President, Treasurer (of Wingstop Franchising LLC) and Vice President, Corporate Controller (of WRI): Kelley Raye

Ms. Raye has been our Vice President, Treasurer since October 2018. She has also been WRI's Vice President, Corporate Controller since November 2017. She first joined WRI in August 2015 as Assistant Controller.

Senior Vice President, Chief Financial Officer (of both Wingstop Franchising LLC and WRI): Alex Kaleida

Mr. Kaleida has been our Senior Vice President, Chief Financial Officer since October 2021. Mr. Kaleida has been WRI's Senior Vice President, Chief Financial Officer since August 2021, having previously served as WRI's Vice President, Financial, Planning & Analysis from March 2019 until August 2021.

Senior Vice President, Chief Revenue Officer (of WRI): Mark Christenson

Mr. Christenson has been WRI's Senior Vice President, Chief Revenue Officer since December 2024. He served at Procter & Gamble, located in Cincinnati, Ohio, as Senior Vice President, Global Feminine Care from February 2023 to December 2024 and Vice President, NA Baby Care from January 2018 to January 2023.

Senior Vice President, Chief US Franchise Operations and Development Officer (of WRI): Marisa Carona

Ms. Carona has been WRI's Senior Vice President, Chief US Franchise Operations and Development Officer since October 2024, having previously served as Senior Vice President & Chief US Franchise Operations Officer since July 2022. Ms. Carona previously served as WRI's Senior Vice President, Chief Growth Officer from August 2021 to July 2022, Vice President, Strategy and Chief of Staff from June 2019 to August 2021, Vice President, Global Operations Services from April 2017 to June 2019, and Senior Director, Guest Experience from February 2015 to April 2017.

Senior Vice President, Strategy and Chief of Staff (of WRI): Bradley Brewer

Mr. Brewer has been WRI's Senior Vice President, Strategy and Chief of Staff since November 2024. He served at YETI Holdings, Inc., located in Austin, Texas, as Vice President, Corporate Strategy & Analytics from March 2022 to November 2024 and Senior Director, Data Science & Advanced

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Analytics from August 2021 to March 2022, and served as Partner of Boston Consulting Group, located in Dallas, Texas, from August 2015 to August 2021.

Senior Vice President, Chief Information Officer (of WRI): Christopher Fallon

Mr. Fallon has been WRI's Senior Vice President, Chief Information Officer since December 2023. He was Senior Vice President, Chief Information Officer of Fortune Brands Water Innovations, Inc., located in North Olmsted, Ohio, from October 2021 to July 2023, and Senior Vice President, Technology, Corporate, Customer Digital, Retail, Global Infrastructure Services of Starbucks Corporation, located in Seattle, Washington, from March 2016 to October 2021.

Senior Vice President, General Counsel, and Secretary (of both Wingstop Franchising LLC and WRI): Albert McGrath

Mr. McGrath has been our and WRI's Senior Vice President, General Counsel, and Secretary since March 2020.

Senior Vice President, President of International (of WRI): Rajneesh Kapoor

Mr. Kapoor has been WRI's Senior Vice President, President of International since May 2023. He was Senior Vice President, Foodservice for 7-Eleven, Inc., located in Irving, Texas, from November 2017 to April 2023.

Vice President, Market Execution (of WRI): Buddy Francisco

Mr. Francisco has been WRI's Vice President, Market Execution since September 2024. He served at 7-Eleven, Inc., located in Irving, Texas, as Vice President, Logistics from October 2023 to September 2024, Vice President, Operations from February 2020 to October 2023 and Digital Director of Operations from December 2018 to February 2020.

Director, Franchise Sales (of WRI): Cindy Savich

Ms. Savich has been WRI's Director, Franchise Sales since August 2024. She was Director, Franchise Sales for Smoothie King, located in Coppell, Texas, from April 2022 to August 2024, Manager, Franchise Sales for Little Caesars, located in Detroit, Michigan, from November 2020 to April 2022, and Business Consultant for Sysco, located in Canton, Michigan, from August 2018 to November 2020.

Director, Franchise Sales (of WRI): John Pugh

Mr. Pugh has been WRI's Director, Franchise Sales since August 2022, having previously served as Regional Manager of Franchise Sales from December 2020 to August 2022. He first joined WRI in January 2019 as Regional Marketing Director.

Manager, Franchise Sales (of WRI): Ryan Granby

Mr. Granby has been WRI's Manager, Franchise Sales since July 2024. He was Senior Sales Manager for Mammoth Media, located in Santa Monica, California, from September 2023 to July 2024, Director of Merchandising for Sodexo, located in Gaithersburg, Maryland, from August 2022 to August 2023, and served at 7-Eleven, Inc., located in Irving, Texas, as New Business Development Manager from May 2020 to July 2022 and Operations Manager from April 2018 to April 2020.

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ITEM 3
LITIGATION

Wingstop Franchising LLC v. B. Wing & Flight 83 SAS (London Court of International Arbitration ("LCIA"), Consolidated Arbitration Nos. 215285 and 215356). On September 3, 2021, we commenced an arbitration proceeding with the LCIA against B. Wing, at the time our franchisee operating in France under our International Multiple Unit Franchise Agreement ("IMUFA"), and later added to the proceeding its affiliate Flight 83 SAS. We sought a declaration of both the termination of the franchisee's territorial exclusivity and the reduced scope of the franchisee's territory remaining as a result of its defaults under the IMUFA. We also sought payment of outstanding amounts due, reimbursement of costs and fees incurred in enforcing the IMUFA, and payment of interest on all amounts found to be due. The franchisee responded to our arbitration demand on October 15, 2021, requesting dismissal of our claims, seeking declarations that we did not validly terminate the franchisee's exclusivity, terminate its right to engage sub-franchisees, or reduce its territory under the IMUFA, and alleging that we breached the IMUFA by unlawfully rejecting the franchisee's development proposals. The franchisee's formal October 15, 2021, response to our arbitration demand and April 14, 2022, Statement of Defence and Counterclaim requested that we pay damages in an unspecified amount, legal costs and expenses to be incurred by the franchisee in the arbitration, interest, and such other relief as the arbitrator considered appropriate. An arbitration hearing was held on June 12, 2023. The Arbitral Tribunal issued its ruling on September 27, 2023, that, among other determinations, (a) rejected the franchisee's jurisdictional objection, (b) accepted that the franchisee breached material provisions of the IMUFA by failing to meet development obligations in 2018 and 2019, (c) found that we validly reduced the right to territorial exclusivity, (d) rejected the franchisee's claim that we breached the IMUFA by rejecting sites, (e) determined that the franchisee continued to be in breach of the IMUFA, (f) determined that Flight 83 had no more rights than the franchisee under the IMUFA, and (g) determined that we did not validly exercise our right to reduce the franchisee's territory. We subsequently notified the franchisee of our termination of its right to develop additional restaurants within France, which the franchisee has challenged. On October 31, 2024, the LCIA Tribunal issued a Final Award on Quantum and ordered the franchisee to pay us USD $4.9 million, plus USD $888,820.40, plus GBP 172,679.54, plus EUR 378,495.41, together with interest at 11% per annum from the date of the Award until full payment is due. The franchisee filed a petition to set aside the award, which is pending in the Paris Court of Appeal. A hearing on the franchisee's petition was held on March 17, 2025, and the parties now await a ruling.

Other than this action, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

The Restaurant franchise program always involves two types of agreements and fees: a Development Agreement with development fees and a Franchise Agreement with franchise fees.

The Development Agreement gives you an option to purchase a Restaurant franchise. The option becomes exercisable when you secure a suitable Restaurant site during the option period (which usually

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lasts 180 days). You pay a $25,000 development fee when you sign the Development Agreement. If you obtain development rights for additional Restaurants, you must pay a development fee equal to $25,000 times the number of additional Restaurants you commit to develop. You must pay the development fee in full when you sign the Development Agreement. The development fee is not refundable.

The franchise fee for each Restaurant developed under a Development Agreement currently is $25,000. You must pay the full franchise fee when you sign the Franchise Agreement for the Restaurant. The franchise fee is not refundable. (Development fees and franchise fees are separate; development fees are not credited toward franchise fees.)

Despite the provision above, one franchisee who signed a Development Agreement with us in December 2018 received a waiver of the franchise fee for each Restaurant to be developed under its Development Agreement.

If you purchase an existing Restaurant franchise, you do not pay an initial franchise fee. Instead, we receive a transfer fee (which is not refundable) the amount of which depends on what is set forth in the selling franchisee's franchise agreement (currently either $10,000 or $15,000).

As noted in Item 1, in limited circumstances WRI might be willing, in its sole discretion, to find and secure the site for one or more of your required Restaurants in your development territory, construct and develop the Restaurant for you, and then sell you the Restaurant and its assets under an asset purchase agreement, together with a lease assignment. You would be responsible under the asset purchase agreement for the costs of developing the Restaurant. You then would operate the Restaurant going forward under a Franchise Agreement with us. Also, as noted in Item 1, we periodically may incentivize development in underdeveloped markets (i.e., in certain states in which there are no or only a few Wingstop Restaurants). Such incentives may include waiver or abatement of a portion of the development fee, the franchise fee and/or royalties.

Except as otherwise described, the initial fees and payments in this Item 5 are uniform in all cases.

ITEM 6
OTHER FEES

Column 1 Type of fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalties	6% of Gross Sales However, Royalty will be 5% of Gross Sales for franchisees renewing their franchises who previously committed to obtain, and in fact bought and installed, the Wingstop system's currently-required point-of-sale system by December 31, 2016.	Payable weekly by automatic debit of your account on Tuesday of each week for Gross Sales during the week ended the prior Saturday	Gross Sales include all revenue from your Restaurant but exclude sales taxes, coupon credits, employee discounts, third-party delivery fees, and revenue from gift cards sold (although Gross Sales include full value of transactions where payment is made with gift cards).

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Column 1 Type of fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Ad Fund	Your Ad Fund contribution rate currently is 5.5% of Gross Sales. Ad Fund contributions may be adjusted each year to be no less than 5% and no more than 5.5% to support digital and technology-related costs.	Payable weekly the same as royalties	Your Ad Fund contribution rate—and your combined Ad Fund contribution rate and then-required local advertising amount—may not exceed 5.5% of Gross Sales absent a franchisee vote. Your Ad Fund contribution rate may be increased above the 5.5%, but not decreased, if the franchisees owning 60% or more of U.S. franchised Restaurants vote to require all U.S. franchisees to pay to the Ad Fund the then-applicable maximum Ad Fund contribution rate we specify in our then-current form of Franchise Agreement (and that contribution rate is more than 5.5% of Gross Sales). (We and our affiliates do not vote on any potential increase above the amount we may unilaterally establish.) Item 11 provides additional details regarding your advertising obligations.
Ad Customization Fee	Reasonable charge	Upon delivery of customized advertising materials	If we or our affiliates elect to provide you customized copies of advertising materials showing information about your Restaurant, you may be charged a reasonable customization fee. This fee is not currently charged.

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Column 1 Type of fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Local Advertising and Promotional Materials	We may require franchisees to spend a percentage of their Restaurants' quarterly Gross Sales on local advertising (directly or through an area advertising cooperative operating in their markets) in a manner and at the rate we may establish, including by allocating a portion of their Ad Fund contribution rate toward local advertising. We presently do not require franchisees to spend anything on local advertising.	Upon billing by service providers	The Local Advertising Amount will be a percentage of your Restaurant's quarterly Gross Sales in an amount we determine from time to time; it currently is 0% of quarterly Gross Sales. The combined Ad Fund contribution rate and local advertising amount we charge you currently may not exceed 5.5% of Gross Sales. However, the amount required for the Ad Fund contribution rate or local advertising may be increased if the franchisees owning 60% or more of U.S. franchised Restaurants vote to require all U.S. franchisees to pay on a going-forward basis either or both an increase in the Ad Fund contribution rate and/or an increase in the local advertising amount. You must join a not-for-profit or local area advertising cooperative if one is formed in your market[2]; you must participate in all system-wide promotions and advertising campaigns.
Insurance[3]	As provided in the Operations Manual	Before your Restaurant opens and before each policy renewal date	You must buy your insurance from a company with an A.M. Best rating of A-/VIII or better. If you do not obtain required insurance, we or our designee may obtain it and charge you the costs.

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Column 1 Type of fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
National Gift Card Program Charges	Approximately 10% of value of Wingstop gift cards issued/sold by third-party retailers (*i.e.*, not by Wingstop Restaurants) for eventual redemption at Wingstop Restaurants; amount may change in future based on charges by third-party gift card program administrator.	Cost is recovered upon issuance of gift cards	Third-party gift card program administrator retains this amount upon issuance/sale of gift cards by third-party retailers to cover costs of its administrative services and pays balance of amounts received to our affiliate Wingstop GCM, LLC. When customer redeems gift card at your Restaurant, Wingstop GCM, LLC pays you 90% of value of transaction. However, royalties and Ad Fund contributions you pay (and your other payment obligations under the Franchise Agreement based on Gross Sales) are calculated on the full value of each gift card redemption (*i.e.*, 100% of the sale). This arrangement does not apply to redemptions of gift cards issued/sold directly by Wingstop Restaurants. Neither we nor our affiliates receive any portion of the approximately 10% administrative charge.
Indemnification	Unlimited (but depends on nature of claim)	Upon demand by us	You must indemnify us and our affiliates from liability for any claim based on or arising from your Restaurant's operation or your use of the Wingstop web site or Intranet; you also must defend the claim or reimburse our expenses if our attorneys defend us.

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Audit Fees	Cost of audit, including auditor's travel, meals, and lodging expenses (depends on extent of your noncompliance and cooperation)	Upon invoice	You pay if you lack adequate records or have understated any year's annual Gross Sales by 1% or more.
Non-Reporting Fee	$250	Debited weekly	Due if you do not report weekly Gross Sales.
Interest/ Late Charges	Interest on past-due obligations to us and our affiliates at the highest commercial contract interest rate the law permits	Due upon invoice if you pay obligations more than 5 days late	
Transfer Fees	$15,000	Payable before transfer's effective date	
Renewal Fee	$25,000	Payable when you renew franchise	This renewal fee is due when you renew franchise for a 10-year renewal term.
Website Maintenance Fee	$25 initial set up cost/up to $50 per month	Due with terms of use agreement/payable monthly through auto-debit from your bank account	
Intranet Maintenance and Development Fee	Up to $50 per month	Due with terms of use agreement/payable monthly through auto-debit from your bank account	
Operations Manual(s)/ Training Materials Replacement Charge	$15.64 for recipe guide, $1.68 for spec sheets, and $4.47 for product quality guide, plus shipping costs	Before replacements are sent to you	You will be charged only for replacement costs and shipping. These amounts may increase if costs increase.

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Column 1 Type of fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Annual Meeting Attendance Charge	Registration fees vary depending on location, activities and other matters. The Franchisee of record is not required to pay registration fees, but registration fees are charged to guests of the Franchisee of record. All Franchisees and guests are required to cover their own costs of travel, lodging, and dining associated with the meetings.	Upon invoice	This amount may increase if costs increase. You may be required to pay this charge even if you do not attend the convention.
Product and Service Purchases	Varies depending on products and services you buy from us or our affiliates	As incurred	You will buy products, supplies, and services from designated and approved vendors whose items meet our standards and specifications and from other suppliers to the industry in which Restaurants operate (which may include a franchisee-owned purchasing cooperative).
Attorneys' Fees and Costs	Will vary under circumstances and depend on nature of your non-compliance	Upon invoice	Due when you do not comply with the Franchise Agreement.
Liquidated Damages[4]	Refer to footnote 4 below		
Supplemental Training/ Assistance	Up to $1,000 per trainer, plus out-of-pocket costs	Upon invoice	Due for supplemental on-site training or assistance you need or request beyond the amount provided to you at no cost.
Tax Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us for any taxes we must pay to any state taxing authority on account of either your operation or your payments to us.

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