

	Provision	Section in Area Development Agreement	Summary
			or under constructions in or outside the United States.
s.	Modification of the agreement	Section 17(c)	Except for modifications to the Manuals, no modifications without your consent.
t.	Integration/merger clause	Section 17(f)	Only the terms of the Area Development Agreement and its attached exhibits are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and area development agreement may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in this area development agreement.
u.	Dispute resolution by arbitration or mediation	Sections 15	Except for certain claims, all disputes must be mediated, and if not resolved, arbitrated in Texas unless contrary to applicable state law.
v.	Choice of forum	Sections 15(c)(7)	Litigation must be in the U.S. District Court for the Northern District of Texas, Dallas Division or District Courts of Texas serving Dallas County, Texas (subject to state law).
w.	Choice of law	Section 15(b)	Texas law applies (subject to state law).

ITEM 18 **PUBLIC FIGURES**

We do not use any public figure to promote the franchise.

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 company-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.

A. Table 1: FY 2023 Annual Unit Volume of Franchised Restaurants

Data for Franchised Twin Peaks Restaurants for Fiscal Year 2023⁽¹⁾⁽³⁾⁽⁴⁾	
Average AUV ⁽²⁾	\$5,801,663
Median AUV	\$5,610,004
% / # of Franchised Restaurants that attained or surpassed average AUV	41.7% / 25
Highest AUV	\$13,245,352
Lowest AUV	\$2,446,772

(1) Our 2023 fiscal year began on December 26, 2022 and ended on December 31, 2023 (“FY 2023”). As of the last day of FY 2023, there were 70 franchised Twin Peaks Restaurants (the “Franchised Restaurants”) operating in the US, of which 60 were open and had been operating for the entire FY 2023. The Franchised Restaurants are included in the data set for Table 1 and are located in the following states: Alabama, Arizona, Arkansas, California, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Louisiana, Michigan, Mississippi, Missouri, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, Tennessee, Texas, and Washington. The Franchised Restaurants operated for an average of 8.1 years as of the last day of FY 2023. The Franchised Restaurants are primarily standalone sites of 6,000-8,000 square feet, although some Franchised Restaurants may operate similarly-sized Twin Peaks Restaurants in end-cap or inline locations. The Franchised Restaurants are generally consistent with the current Twin Peaks model offered in this disclosure document, with current audio/visual system and related technology systems.

(2) “AUV” means the annual unit volume calculated based upon the sales of the Franchised Restaurants included in the data set. The sales data was obtained from reports generated by the point-of-sale systems in the applicable Franchised Restaurants and has not been audited or independently verified by us for accuracy. The average, median, highest and lowest AUV and weekly unit volume data include the total of all food sales and beverage sales, including liquor, wine and beer sales and sales of promotional merchandise. Sales as shown in Table 1 and Table 4 do not equate to “Gross Sales” as defined in the Franchise Agreement because the “Gross Sales” definition provides for certain exclusions, including (as examples) refunds provided to customers in connection with resolving customer satisfaction issues, promotional campaigns established by us, taxes and employee meal discounts.

(3) The financial performance representation figures in Tables 1 and 4 do not reflect the cost of sales, operating expenses, rent/real estate, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit.

(4) We do not provide profit and loss information for the Franchised Restaurants. We do not have access to sufficient cost, operating profit, or other financial data of the Franchised Restaurants to provide a profit and loss claim.

B. Table 2: FY 2023 Annual Unit Volume of Company-Owned Restaurants

Data for Company-Owned Restaurants for Fiscal Year 2023⁽⁵⁾⁽⁷⁾	
Average AUV ⁽⁶⁾	\$5,176,145
Median AUV	\$5,147,607
% / # of Company-Owned Twin Peaks Restaurants which attained or surpassed average AUV	50% / 15
Highest AUV	\$8,436,923
Lowest AUV	\$3,245,352

Table 3: FY 2023 Profit and Loss Data for Company-Owned Restaurants

P&L Data for Company-Owned Restaurants in FY 2023 ⁽⁵⁾⁽⁸⁾⁽⁹⁾	
Average AUV ⁽⁶⁾	\$5,176,145
Median AUV	\$5,147,607
Average Cost of Goods Sold ⁽⁸⁾ (% of Average AUV) Food (% of Average AUV): Bar (% of Average AUV):	\$1,345,362 (26.0%) \$789,199 (15.2%) \$556,163 (10.7%)
Median Cost of Goods Sold (% of Median AUV) Food (% of Median AUV): Bar (% of Median AUV):	\$1,336,809 (26.0%) \$785,822 (15.3%) \$550,987(10.7%)
Average Labor Cost ⁽⁹⁾ (% of Average AUV) Hourly Staff (% of Average AUV): Manager (% of Average AUV): Payroll Taxes/Benefits (% of Average AUV):	\$1,540,493 (29.8%) \$891,560 (17.2%) \$402,881 (7.8%) \$246,050 (4.8%)
Median Labor Cost (% of Median AUV) Hourly Staff (% of Median AUV): Manager (% of Median AUV):	\$1,513,870 (29.4%) \$855,470 (16.6%) \$404,476 (7.9%) \$247,657 (4.8%)

P&L Data for Company-Owned Restaurants in FY 2023 ⁽⁵⁾⁽⁸⁾⁽⁹⁾	
Payroll Taxes/Benefits (% of Median AUV):	

(5) As of the last day of FY 2023, there were 33 company-owned Twin Peaks Restaurants (“Company-Owned Restaurants”) operating in the US, of which 30 were open and had been operating for the full FY 2023. Table 2 and Table 3 include data for the 30 company-owned Twin Peaks Restaurants. The Company-Owned Restaurants are located in Arkansas, Colorado, Illinois, Nevada, New Mexico, and Texas.

As of the last day of FY 2023, the Company-Owned Restaurants included in the data sets for Table 2 and Table 3 operated for an average of 8.1 years. The Company-Owned Restaurants are primarily standalone locations with square footage of 6,000 to 8,000 square feet. All of the company-owned Twin Peaks Restaurants, including the Company-Owned Restaurants, offer substantially the same products and services to customers the Franchised Restaurants are expected to offer.

(6) “AUV” means the annual unit volume calculated based upon the sales of the Company-Owned Restaurants included in the data set. The average, median, highest and lowest AUV and weekly unit volume data include the total of all food sales and beverage sales, including liquor, wine and beer sales and sales of promotional merchandise.

(7) The Company-Owned Restaurants use a uniform accounting system and the data pertaining to the Company-Owned Restaurants was prepared by our in-house accountants. The information contained in Table 3 and Table 5 has not been audited.

(8) Cost of Goods Sold includes the total costs of all food, bar mixes, liquor, wine, beer and promotional merchandise and events. Cost of Goods Sold represents, on average, 26.0% of total sales (and a median of 26.1% of total sales). The average and median sales from alcoholic beverages (i.e. bar mixes, liquor, beer and wine) were 47.9% and 48.0% of the total sales of the Company-Owned Restaurants, respectively. The average and median sales from food and merchandise and events were 52.1% and 52.0% of the total sales of the Company-Owned Restaurants, respectively. We purchase many items used in the operation of the company-owned Twin Peaks Restaurants under arrangements negotiated with suppliers and distributors which may permit us to purchase and have such food, beverage, supply and other items delivered at a volume discount. (See Item 8). Of the Company-Owned Restaurants, 15 (50.0%) met or exceeded the average cost of goods sold (i.e., had lower than average cost of goods).

(9) Labor costs includes costs for restaurant management and hourly personnel and includes benefits (including medical benefits for eligible personnel), training expenses (excluding management training expenses described below), payroll taxes and bonuses. Labor costs does not include personnel employed by us at Twin Peaks’ headquarters or our field personnel that provide support services to company-owned and franchised Twin Peaks Restaurants (e.g. real estate, licensing and permitting, marketing support, information technology services, accounting services and human resources). The cost of hiring and training personnel in connection with the commencement of company-owned Twin Peaks Restaurant operations is expensed in pre-opening costs as incurred in accordance with our customary accounting practices. For the purposes of this analysis, pre-opening expenses are excluded. Of the Company-Owned Restaurants, 17 (56.6%) of the Company-Owned Restaurants met or exceeded the average labor costs (i.e., had lower than average labor costs).

Notes to Tables 1-3

(10) If you are purchasing the assets of an existing Twin Peaks Restaurant, you should review the actual financial results of the Twin Peaks Restaurant being purchased.

(11) The Item 19 figures do not reflect all the operating expenses or other costs and expenses that must be deducted from the average total sales price or gross revenue to obtain the net income or profit. In particular, the costs and expenses contained in this Item 19 do not include the expenses which are payable according to the terms of the Franchise Agreement. You should independently investigate the costs and expenses you will incur in operating your business.

C. Additional Information

Some Twin Peaks Restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

The data in this Item 19 is unaudited but we believe that the information has been compiled using generally accepted accounting principles. Written substantiation for the financial performance representations described above will be made available to you upon reasonable request. Please carefully read all the information in these financial performance representations, and the notes following the charts, in conjunction with your review of the historical data.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing Twin Peaks Restaurant, however, we may provide you with the actual records of that Restaurant. If you receive any other financial performance information or projections for your future income, you should report it to our management by contacting Mike Locey at (678) 488-9566, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1

Systemwide Outlet Summary For Fiscal years 2021 to 2023⁽¹⁾⁽²⁾⁽³⁾

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	52	57	+5
	2022	57	61	+4
	2023	61	70	+9
Company-Owned	2021	26	28	+2
	2022	28	30	+2
	2023	30	33	+3
Total Outlets	2021	78	85	+7