

Provision	Section in the Development Rights Agreement	Summary
w. Choice of law	11	Except for federal law, Nevada law applies (subject to state law).

**Item 18
Public Figures**

We do not use any public figure to promote our 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 franchisor-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.

This historical financial performance representation reflects certain actual unaudited operating results of the affiliate-owned Fantasy Claw Arcade described below during the 2024 calendar year. All “affiliate-owned” Fantasy Claw Arcades disclosed in this Item 19 are owned and operated by our wholly-owned or majority-owned and controlled subsidiaries or arcades licensed to members of our ownership.

All of the Fantasy Claw Arcades (both franchised and affiliate-owned) whose information is included in this Item 19 is substantially similar to one another in terms of products and services offered and substantially similar to the Fantasy Claw Arcades for which we are offering franchises in this disclosure document. We continue to shore up product distribution, improve operational efficiency and performance, enhance training programs, sign competitive vendor contracts, negotiate pricing with equipment and product suppliers, and enhance national and local marketing efforts. The “traditional” or “brick and mortar” Fantasy Claw Arcades disclosed in this Item 19 operate within a retail center or Shopping Mall, on a stand-alone basis, or at an in-line location with other businesses and have prominent exterior and interior branding. These Fantasy Claw Arcades operate a minimum of 10 hours per day, 7 days a week. The operational system is consumer-facing, directly serving products to consumers through dine-in and carryout options and indirectly serving consumers through delivery-service providers.

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The financial performance representation discloses the actual unaudited profit and loss statement for affiliate-owned Fantasy Claw Arcades, Fashion Show and Planet Hollywood, the latter of which was open for a portion of 2025.

See Note ¹	Las Vegas Fashion Show 2025 Act \$	Las Vegas Fashion Show 2025 Act %	Las Vegas Planet Hollywood 2025 Act \$	Las Vegas Planet Hollywood 2025 Act %
Total Sales	\$1,137,751	100.0%	\$404,472	100.0%
Total Cost of Goods Sold ²	\$296,550	26.1%	\$86,281	21.3%
Store Level Salary ³	\$58,343	5.1%	\$15,854	3.9%
Store Level Bonus-Salary ⁴	\$0	0.0%	\$0	0.0%
Total Payroll & Related ⁵	\$227,509	20.0%	\$87,668	21.7%
Total Prime Cost ⁶	\$524,060	46.1%	\$173,949	43.0%
Total Operating Expense ⁷	\$100,588	8.8%	\$54,452	13.5%
Total Rent ⁸	\$109,758	9.6%	\$98,781	24.4%
Royalty Fee ⁹	\$68,128	6.0%	\$24,268	6.0%
National Marketing Fees ¹⁰	\$22,709	2.0%	\$8,089	2.0%
Local Marketing Cooperative Fees ¹¹	\$0	0.0%	\$0	0.0%
Total Non-Controllable Expense ¹²	\$221,915	19.5%	\$133,047	32.9%
EBITDA¹³	\$291,189	25.6%	\$43,025	10.6%

Notes:

1. “Gross Sales” is defined as the total of all revenue and other consideration generated by Franchisee from operation of the Franchised Arcade whether from sales for cash or credit, and irrespective of the collection thereof, including sales of merchandise, products and services, excluding only (or, if applicable, reduced only by) the following: sales tax if paid to the appropriate government authorities; proceeds from the sale of equipment not in the ordinary course of business; promotional discounts initiated and formally requested by Franchisee and pre-approved by Franchisor in writing, provided physical evidence of the promotion is retained; and any other exclusions or reductions Franchisor specifically identifies (although without any obligation to do so) in the Manual. The Planet Hollywood arcade opened May 9, 2025. Total sales are net of taxes and tips. Expenses exclude one-time startup costs, including but not limited to claw machines, opening inventory, laptops, leaseholder improvements, décor, signage, POS systems, FF&E, logistics, and legal.
2. Total Cost of Goods Sold: This includes the total cost of all plushies, prizes, tokens, freight, and paper goods used in the Arcades. Some proprietary items might not be stocked by our local distributor, causing an increase in freight costs.
3. Store Level Salary: This is the General Manager’s salary. All Las Vegas stores share the same General Manager, and his salary is proportionally allocated to each location.

4. Store Level Bonus – Salary: Each General Manager has the opportunity to earn a bonus based on his or her management of Cost of Goods Sold and Labor.
5. Total Payroll & Related: This includes all salary and hourly wages, bonuses, taxes, and benefits paid at each company-owned Arcade.
6. Total Prime Cost: This is the sum of Cost of Goods Sold plus Total Payroll & Related.
7. Total Operating Expense: This includes comps, promos, cleaning supplies, linen, uniforms, equipment (purchases and rentals), repairs and maintenance, pest control, marketing and advertising, delivery expense, music, technology, telephone, permits, licenses, security, office supplies, postage, bank charges, credit card fees, and professional services.
8. Total Rent: This includes base rent, common area maintenance, property tax, insurance, and (at some of our locations) a fee to be included on monument or pylon signs.
9. Royalty Fee: Our affiliate-owned Arcades pay a License Fee equal to a 6% Royalty Fee. In this example, we take into account the payment of Royalty Fees for our locations. Royalties are not paid on discounts or couponing. This table represents the Royalty Fee of 6%, which would be paid by a multi-unit developer under the terms of an Area Development Agreement (rather than the 7% Royalty Fee payable by a franchisee who operates a single Arcade).
10. Marketing Fee–National: Each affiliate-owned Arcade contributes to the National Marketing Fund. While we have the right to collect 4% of Gross Sales towards the National Marketing Fund, we currently collect 2%. In this example, we take into account the payment of National Marketing Fees for all ten (10) locations. Our accounting system breaks up the 12 months into 13 separate 4-week accounting periods.
11. Marketing Fees – COOP: No advertising Coop is currently established.
12. Total Non-Controllable Expense: This includes total rent, in some instances personal property tax, electricity, gas, sewer, trash removal, water, TV, License Fee (Royalty Fee), Marketing Fees–National Fund & Local Cooperative, and accounting fees.
13. EBITDA: This calculation uses the following formula (Total Sales minus Total Prime Cost minus Total Operating Expense minus Total Non-Controllable Expense = EBITDA).

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Written substantiation of all financial performance information presented in this financial performance representation will be made available to you upon reasonable request.

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 outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brad Howard, Managing Partner, 3110 Polaris Ave Suite #8, Las Vegas, Nevada 89102, (614) 582-6477 the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

Outlets And Franchisee Information

All year-end numbers appearing in the tables below are as of December 31 in each year. The “Company-Owned” outlets referenced in tables 1, 4, and 5 below are owned by one or more of our wholly-owned or majority-owned and controlled subsidiaries.

Table No. 1
Systemwide Outlet Summary for the year 2024, and 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2024	0	0	0
	2025	0	0	0
Company- Owned	2024	0	1	+1
	2025	1	4	+3
Total Outlets	2024	0	1	+1
	2025	1	4	+3

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For the year 2024, and 2025

State	Year	Number of Transfers
None	2024	0
	2025	0
Total	2024	0
	2025	0

Table No. 3
Status of Franchised Outlets
For the year 2024, and 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
None	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Total	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0