Provision	Article in DA	Summary
(j) Assignment of contract by franchisor	Article 8	No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Development Agreement
(k) "Transfer" by multi-unit developer–defined	Article 8	Includes transfer of any interest in you or the Development Agreement
(l) Franchisor approval of transfer by multi-unit developer	Article 8	Transfers not allowed except to a wholly owned corporate entity
(m) Conditions for franchisor approval of transfer	Not applicable	Not applicable
(n) Franchisor's right of first refusal to acquire multi-unit developer's business	Not applicable	Not applicable
(o) Franchisor's option to purchase multi-unit developer's business	Not applicable	Not applicable
(p) Death or disability of multi-unit developer	Not applicable	Not applicable
(q) Non-competition covenants during the term of the franchise	Not applicable	Not applicable
(r) Non-competition covenants after the franchise is terminated or expires	Article 7	Includes prohibition on owning or operating business which sells similar services for two years and located within 20 miles of any unit in the System
(s) Modification of the agreement	Article 9	Must be in writing by both parties
(t) Integration/merger clause	Article 9	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises outside the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, any other exhibits and amendments.
(u) Dispute resolution by arbitration or mediation	Article 10	Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be mediated and arbitrated in Rhode Island (subject to state law)
(v) Choice of forum	Article 9	Kent County, Rhode Island (subject to state law)
(w) Choice of law	Article 9	Rhode Island (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.

As discussed in Item 1, the Launch Parks have evolved over time, from the internal designations of Trampoline Parks to Adventure Parks, to Family Entertainment Centers. We are currently only offering franchises for Family Entertainment Centers, and are actively working with our existing locations to continue to expand their offerings to coincide with the Family Entertainment Centers elements. As such, currently, the Family Entertainment Center model and the currently open Adventure Parks model all have, or potentially have, the same approved products, services, and attraction offerings. Both models must comply with all current standards and specifications detailed in the most recent version of the Operations Manual. As of December 31, 2025, there were 28 franchisee-operated Launch Parks. Of those franchised Launch Parks, eight (8) are internally referred to as Trampoline Parks, ten (10) are internally referred to as Adventure Parks, and ten (10) are internally referred to as Family Entertainment Centers.

We have used historical financial information submitted by our franchisees to compile the information contained in this Item 19 or through point-of-sale systems where identified. The information presented in this Item 19 are based upon the historical financial results from fourteen (14) franchised Launch Parks that were owned and operated by the same franchisee for the entirety of the 2025 fiscal year, meaning that each of these Launch Parks had one (1) consistent ownership individual or group for the reporting period and were open and operating during the entire reporting period. Any Launch Parks that were opened, sold, or transferred during the course of the 2025 fiscal year or were otherwise not open for the entire 2025 fiscal year were excluded from the disclosures in this Item 19. Additionally, eight (8) Trampoline Parks were excluded from the data in this Item 19 as this model is no longer offered or similar to the current offering. Please carefully read all of the information in this Item 19, including the introductory remarks and explanations prior to the charts, and the notes that follow each chart, along with the historical data in the charts.

A. <u>Annual Gross Revenue of Franchised Reporting Parks (2025)</u>

The historical financial data in Part A of this Item 19 shows the summary of performance for the subset of fourteen (14) franchised Launch Parks that include what we internally refer to as Adventure Parks (ten (10) of the fourteen (14)) and Family Entertainment Centers (four (4) of the fourteen (14)), all open and operating the full calendar year of 2025 by one continuous franchisee owner or ownership group (the “Reporting Locations”). The Family Entertainment Centers are generally larger in size and may involve higher investment levels and different operating characteristics. As a result, the characteristics of the Reporting Locations may differ materially from the franchise offered to you.

Gross Revenue information reported in this Item 19 was obtained from data we pulled directly from point-of-sale systems as submitted by the Reporting Locations. Franchisees may use different accounting methods and practices, and we have not independently audited or verified all reported information or point-of-sale data. For purposes of this Item 19, “Gross Revenue” is defined in the same manner as “Gross Receipts” under the Franchise Agreement.

The Reporting Parks were grouped based on annual Gross Revenue for the fiscal year ended December 31, 2025.

Metric	Average Gross Sales Top Quartile	Average Gross Sales Bottom Quartile	Median Gross Sales of Reporting Locations	Number of Reporting Locations at or above Median	Percentage of Reporting Locations at or above Median
Annual Gross Revenue	$3,565,993	$1,210,987	$2,080,000	7	50%

For purposes of this analysis, the Top Quartile consists of the three (3) highest-performing Reporting Locations, and the Bottom Quartile consists of the three (3) lowest-performing Reporting Locations. The lowest Gross Revenue of the Reporting Locations was $986,545, and the highest Gross Revenue of the Reporting Locations was $4,040,585. Results may vary significantly based on a variety of factors, including, but not limited to, park format, size, geographic location, market demographics, local competition and demand, pricing strategies, parties and events, offerings and amenities, and operator execution. This list is not exhaustive, and your individual financial results may materially differ from the historical performance presented above.

B. <u>Operating Cost</u>

The “Reported Operating Cost” in Part B of this Item 19 reflects summary operating results for a subset of ten (10) of the fourteen (14) Reporting Locations that provided operating cost information to Launch. The Reported Operating Cost is based solely on figures reported in profit and loss statements submitted by ten (10) of the fourteen (14) Reporting Locations (the “Self-Reporting Locations”). The remainder of the Reporting Locations did not provide complete profit and loss statements or complete information on operating costs. The Self-Reporting Locations include eight (8) Adventure Parks and two (2) Family Entertainment Centers.

The below chart in this Part B represents average cost categories expressed as a percentage of Gross Revenue for Reporting Locations during the 2025 fiscal year. The notes following the chart provide additional details and explanations.

Category	Average Percentage of Gross Revenue for Self-Reporting Locations	Minimum Percentage of Gross Revenue for Self-Reporting Locations	Maximum Percentage of Gross Revenue for Self-Reporting Locations
Cost of Goods Sold	17%	14%	23%
Labor	26%	18%	35%
Occupancy	17%	5%	24%
Insurance	6%	2%	10%
Marketing and Advertising	3%	1%	7%
Other Operating Expenses	9%	5%	12%

Notes to Part B Chart:

"Cost of Goods Sold" means the total direct costs associated with products and services sold at a Park, including, without limitation, franchise-related costs consisting of royalty fees. brand fund contributions, food and beverage costs, arcade redemption expenses, merchandise costs, and all other applicable costs of sale.

"**Labor**" means the salaries, benefits and taxes paid for employees. This includes the cost of a salaried General Manager who is in charge of day-to-day park operations. Labor costs do not include any owner compensation.

"**Occupancy**" means the base rent, taxes, utilities, building repairs, maintenance, and common area fees for the facility.

"**Insurance**" means the insurance premiums paid for commercial general liability, excess liability, workers' compensation, business property, and employment practice liability insurance policies.

"**Marketing and Advertising**" means all local and regional marketing, promotional, and advertising expenditures incurred by the franchisee in connection with the operation of the Park, including, without limitation, digital advertising, social media campaigns, community outreach, promotional events, print materials, sponsorships, and other customer acquisition or retention initiatives undertaken by franchisee at the local level. For purposes of this Financial Performance Representation, Marketing and Advertising Expenses are exclusive of, and in addition to, the required Brand Development Fund contributions and any other system-wide marketing or advertising fees paid by franchisee to Franchisor pursuant to the Franchise Agreement.

"**Other Operating Expenses**" means various miscellaneous operating expenses, professional fees, office and human resources expenses, and travel and entertainment expenses.

The employee costs and occupancy costs are reflective of the labor and real estate market in that area. Your labor, management, and occupancy costs may vary based on geography, demographics, state and local laws and regulations, and other market conditions. Consequently, it is critical that you carefully evaluate your potential market.

C. Reported EBITDA

The "Reported EBITDA" in Part C of this Item 19 reflects summary operating results for a subset of ten (10) of the fourteen (14) Reporting Locations that provided EBITDA (earnings before interest, taxes, depreciation, and amortization) information to Launch. The Reported EBITDA is based solely on EBITDA figures reported in profit and loss statements submitted by ten (10) of the fourteen (14) Reporting Locations (the "Self-Reporting Locations"). The remainder of the Reporting Locations did not provide complete profit and loss statements or complete information on Reported EBITDA. The Self-Reporting Locations include eight (8) Adventure Parks and two (2) Family Entertainment Centers.

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Metric	Average Percentage EBITDA for Self-Reporting Locations	Minimum Percentage of EBITDA for Self-Reporting Locations	Maximum Percentage of EBITDA for Self-Reporting Locations	Median Percentage of EBITDA for Self-Reporting Locations	Number of Self-Reporting Locations at or above Median	Percentage of Self-Reporting Locations at or above Median
Reported EBITDA	22%	10%	28%	23%	5	50%

The Reported EBITDA does not reflect debt service, depreciation, amortization, or owner compensation. Occupancy costs, capital structure, and local market conditions, among other factors stated in this Item 19 or otherwise, may significantly impact results. The factors listed in this Item 19 are not exhaustive. There is no assurance that a franchised park will achieve EBITDA within the Reported EBITDA ranges.

D. <u>Additional Notes:</u>

You are strongly advised to perform an independent investigation of this opportunity and to consult your attorney, accountant, and other professional advisors before entering into a Franchise Agreement. You should construct your own pro forma cash flow statement, balance sheet, and statement of operations, and make your own financial projections regarding sales, gross sales, costs, customer base, and business development for your own Launch Park.

Financial data in this Item 19 was prepared based on financial information and records provided to us by our franchisees. We did not verify that the information and records were prepared in accordance with generally accepted accounting principles. The information presented in this Item 19 has not been audited by us nor a certified public accountant. The financial information presented above is based on data reported by franchisees that provided complete and timely financial information for the applicable period. Certain franchised locations were excluded due to incomplete reporting or not being open for the full fiscal year.

The Reporting Locations include both the legacy Adventure Park format and the current Family Entertainment Center ("FEC") format, which may have different investment levels, operating characteristics, and performance profiles. Because the number of FEC format parks included in the Reporting Locations is limited, the financial performance data presented may not be indicative of the performance of FEC format parks as a separate category. Individual park performance is influenced by numerous factors, including, but not limited to, market conditions, competition, operator experience, and adherence to system standards.

The investment ranges disclosed in Item 7 reflect the current Family Entertainment Center (FEC) format being offered. Certain Reporting Parks included in this Item 19 are legacy Adventure-format parks, which were developed at different times and may have involved lower investment levels. As a result, the financial performance presented in this Item 19 may not be directly comparable to the investment ranges disclosed in Item 7, and prospective franchisees should carefully consider these differences when evaluating potential performance.

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

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than this Item 19 financial performance representation, Launch Franchising, LLC does 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 Mike Stout, Chief Development Officer, at 655 Main Street, East Greenwich, Rhode Island 02818 and (401)213-9006, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION
Table No. 1
Systemwide Outlet Summary
For years 2023, 2024, and 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	20	21	1
	2024	21	24	3
	2025	24	28	4
Company-Owned*	2023	5	6	1
	2024	6	2	-4
	2025	2	1	-1
Total Outlets	2023	25	27	2
	2024	27	26	-1
	2025	26	29	3

*The Company-Owned Outlets in the chart above are owned and operated by our Affiliates, as described in Item 1.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2023, 2024, and 2025

State	Year	Number of Transfers
Michigan	2023	0
	2024	0
	2025	1