

	Provision	Section in Multi-Unit Development Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Sections 10.1, 10.2, 10.3, and 10.4	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, and post-termination obligations, subject to state law.
v.	Choice of forum	Section 10.5	Florida, subject to applicable state law.
w.	Choice of law	Section 10.5	Florida law applies, subject to applicable state law.

See the state addenda to this Franchise Disclosure Document, the Franchise Agreement and the Multi-Unit Development Agreement for special state disclosures.

ITEM 18: PUBLIC FIGURES

We do not currently use any public figures 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.

At the end of calendar year 2024, there were 63 franchised Escapology outlets and 12 Company-Owned outlets in the United States. The Statement of Gross Sales below have excluded 14 stores (3 company owned, 11 franchisee owned) that were not in operation for a full 12 months

Stand-Alone Franchised outlets are venues not located within Family Entertainment Centers such as a bowling facilities or other entertainment facilities that offer various products and services.

Company-Owned Units			
Statement of Gross Sales Company-Owned Units Year 2024 Gross Sales as Reported to the Company (9 mature stores with more than 12 months in operation)			
Gross Sales	Number of Stores	Percentage of Stores at each level	Average # of Game Rooms
Over \$2,000,000	1	11%	10
\$1,500,001 - \$2,000,000	1	11%	11
\$1,000,001 - \$1,500,000	3	33%	8

\$800,001 - \$1,000,000	2	22%	8
Less than \$800,000	2	22%	6
Total	9	100%	8

Average Gross Sales were \$1,234,824 for the twelve months ending December 31st, 2024, of which 4 Stores had sales above this average and 5 stores had sales below this average. The median sales for these 9 stores were \$1,204,876 for the twelve months ending December 31st, 2024.

Stand-Alone Franchised Units

Statement of Gross Sales Stand-Alone Franchised Units Year 2024 Gross Sales as Reported to the Company (43 mature stores with more than 12 months in operation)			
Gross Sales	Number of Stores	Percentage of Stores at each level	Average # of Game Rooms
Over \$1,000,000	8	19%	8
\$750,001 - \$1,000,000	11	26%	8
\$600,001 - \$750,000	7	16%	6
\$500,001 - \$600,000	2	5%	6
\$400,001 - \$500,000	5	12%	5
\$300,001 - \$400,000	4	9%	5
Less than \$300,000	6	14%	4
Total	43	100%	6

Average Gross Sales were \$707,671 for the twelve months ending December 31st, 2024, of which 20 Stores had sales above this average and 23 stores had sales below this average. The median sales for these 43 stores were \$682,427 for the twelve months ending December 31st, 2024.

Family Entertainment Center Franchised Units (FEC)

Statement of Gross Sales Family Entertainment Center Franchised Units Year 2024 Gross Sales as Reported to the Company (9 mature stores with more than 12 months in operation)			
Gross Sales	Number of Stores	Percentage of Stores at each level	Average # of Game Rooms
Over \$500,000	1	11%	6
\$400,001 - \$500,000	1	11%	6
\$300,001 - \$400,000	1	11%	7
\$200,001 - \$300,000	1	11%	5
\$150,001 - \$200,000	3	33%	4
Less than \$150,000	2	22%	3
Total	9	100%	5

Average Gross Sales were \$271,288 for the twelve months ending December 31st, 2024, of which 3 Stores had sales above this average and 6 stores had sales below this average. The median sales for these 9 stores were \$196,837 for the twelve months ending December 31st, 2024.

The data disclosed in this Item 19 has been compiled on a cash basis.

The following presents information of the 2024 annual gross sales and certain cost categories for the 9 Company-Owned Escapology units that were open for the full year of 2024. The following information excludes 3 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

Company-Owned Units							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
Average	\$1,234,824	\$316,050	\$212,610	\$104,774	\$98,891	\$37,045	\$465,454
Median	\$1,204,876	\$303,451	\$184,047	\$102,378	\$102,282	\$36,146	\$476,572
High	\$2,178,210	\$513,427	\$372,391	\$180,245	\$154,165	\$65,346	\$943,965
Low	\$702,320	\$192,834	\$77,959	\$62,174	\$74,073	\$21,070	\$268,261
Median % of Gross Sales		26%	17%	8%	8%	3%	38%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. Occupancy includes rent, pass-through expenses from the landlord, utilities, telephone & internet, and security.

Note 3. Continuing franchise fees include 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

The following presents information of the 2024 annual gross sales and certain cost categories for the 43 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2024. The following information excludes 11 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

Stand-Alone Franchised units are venues not located within Family Entertainment Centers such as a bowling facilities or other entertainment facilities that offer various products and services.

Operating costs incurred by franchisees are self-reported and unaudited by the franchisor but are reviewed for reasonableness.

Stand-Alone Franchised Units							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
Average	\$707,671	\$197,503	\$120,972	\$62,602	\$57,102	\$21,230	\$248,262
Median	\$682,427	\$188,265	\$106,675	\$60,582	\$56,043	\$20,473	\$250,390
High	\$1,645,354	\$383,244	\$324,909	\$137,616	\$160,624	\$49,361	\$449,491
Low	\$209,894	\$32,006	\$24,658	\$22,780	\$7,000	\$6,297	\$66,154
Median % of Gross Sales		28%	17%	9%	8%	3%	35%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. Occupancy includes rent, pass-through expenses from the landlord, utilities, telephone & internet, and security. In the event a franchisee owns the building and no rent is owed, an estimate for rent has been included for comparability.

Note 3. Continuing franchise fees reflect the current 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee. Actual fees paid by each individual franchisee varied.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

The following presents information of the 2024 annual gross sales and certain cost categories for the 9 franchised FEC Escapology units in the USA that were open for the full year of 2024.

Operating costs incurred by franchisees are self-reported and unaudited by the franchisor but are reviewed for reasonableness.

Family Entertainment Center Franchised Units (FEC)							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
Average	\$271,288	\$68,296	n/a	\$27,691	\$11,859	\$8,139	\$155,303
Median	\$196,837	\$72,877	n/a	\$21,735	\$7,873	\$5,905	\$88,446
High	\$630,789	\$159,368	n/a	\$56,451	\$30,000	\$18,924	\$449,491
Low	\$120,578	\$13,000	n/a	\$15,634	\$3,300	\$3,617	\$66,154
Median % of Gross Sales		25%	n/a	10%	4%	3%	57%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. An estimate of occupancy costs are not provided by FEC franchised units as the Escapology is in a shared facility.

Note 3. Continuing franchise fees reflect the current 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee. Actual fees paid by each individual franchisee varied.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs specifically identified by an FEC attributable to Escapology. Marketing for the entire Family Entertainment Center in which Escapology benefits may not be included in figures above.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; occupancy costs, per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

The following presents information of the 2024 annual Profit After Core Expenses for the 43 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2024. The following information excludes 11 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

Stand-Alone Franchised Units							
Top, Middle, and Low Thirds							
	Profit After Core Expenses (Note 1)	Number of Units	Number at/or Above	Percentage at/or Above	Median	Highest	Lowest
Top Third	\$436,897	14	6	43%	\$ 421,515	\$857,956	\$236,100
Middle Third	\$225,203	14	8	57%	\$233,592	\$316,339	\$132,906
Bottom Third	\$110,890	15	7	47%	\$92,674	\$197,740	\$23,619
Total	254,250	43	21	49%	\$228,940	\$857,956	\$23,619

Profit After Core Expenses is gross sales less staffing and benefits, occupancy costs, continuing franchise fees, marketing costs, and credit card processing. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

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

Written substantiation for this Financial Performance Representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Escapology, 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 Adam Doktor at 11951 International Drive, Suite 2A1, Orlando, Florida 32821, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	40	46	+6
	2023	46	52	+6
	2024	52	63	+11
Company – Owned*	2022	6	7	+1
	2023	7	9	+2
	2024	9	12	+3
Total Outlets	2022	46	53	+7
	2023	53	61	+8
	2024	61	75	+14

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Florida	2022	0
	2023	1
	2024	0
Michigan	2022	0
	2023	0
	2024	1
Total	2022	0
	2023	1
	2024	1

Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Alabama	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2