

	Provision	Section in Multi-Unit Development Agreement	Summary
r.	Non-competition covenants after the franchise is terminated or expires	Section 8.3.2	For 18 months after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Escapology outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within 10 miles of your former Escapology outlet location or any other Escapology outlet location; do any act that could damage the goodwill of our trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Section 11.4	No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
t.	Integration/merger clause	Section 11.4	Only the terms of the Multi-Unit Development Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of Multi-Unit Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Multi-Unit Development Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
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.

The following presents information as of the end of calendar year 2023, December 31, 2023, in which there were 52 franchised Escapology outlets and 9 Company-Owned outlets in the United States. The Statement of Gross Sales below have exclude 8 stores (2 company owned, 6 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 2023 Gross Sales as Reported to the Company (7 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	14%	10
\$1,500,001 - \$2,000,000	1	14%	9
\$1,000,001 - \$1,500,000	2	29%	9
\$800,001 - \$1,000,000	3	43%	6
Less than \$800,000	0	n/a	n/a
Total	7	100%	8

Average Gross Sales were \$1,308,025 for the twelve months ending December 31st, 2023, of which 3 Stores had sales above this average and 4 stores had sales below this average. The median sales for these 7 stores were \$1,145,841 for the twelve months ending December 31st, 2023.

Stand-Alone Franchised Units			
Statement of Gross Sales Stand-Alone Franchised Units Year 2023 Gross Sales as Reported to the Company (37 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	9	24%	7
\$750,001 - \$1,000,000	6	16%	6
\$600,001 - \$750,000	6	16%	6

\$500,001 - \$600,000	4	11%	5
\$400,001 - \$500,000	4	11%	5
\$300,001 - \$400,000	4	11%	4
Less than \$300,000	4	11%	4
Total	37	100%	6

Average Gross Sales were \$694,864 for the twelve months ending December 31st, 2023, of which 15 Stores had sales above this average and 22 stores had sales below this average. The median sales for these 37 stores were \$680,634 for the twelve months ending December 31st, 2023.

Family Entertainment Center Franchised Units (FEC)

Statement of Gross Sales Family Entertainment Center Franchised Units Year 2023 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	2	22%	6
\$400,001 - \$500,000	0	n/a	n/a
\$300,001 - \$400,000	1	11%	5
\$200,001 - \$300,000	2	22%	5
\$150,001 - \$200,000	3	33%	3
Less than \$150,000	1	11%	3
Total	9	100%	4

Average Gross Sales were \$306,667 for the twelve months ending December 31st, 2023, 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 \$202,756 for the twelve months ending December 31st, 2023.

The data disclosed in this Item 19 has been compiled on a cash basis and has not been audited or verified in any manner by an independent certified public accountant. The cost data for the franchises has been provided voluntarily by the franchisees and we have not independently verified its accuracy.

The following presents information of the 2023 annual gross sales and certain cost categories for the 7 Company-Owned Escapology units that were open for the full year of 2023. The following information excludes 2 units that were opened in 2023 that were not operational for the full 12 months ending December 31st, 2023.

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	\$1,308,025	\$350,337	\$182,408	\$110,630	\$111,327	\$34,570	\$518,753
Median	\$1,145,841	\$342,706	\$151,782	\$97,655	\$108,301	\$31,380	\$414,016
High	\$2,324,966	\$563,477	\$379,214	\$191,985	\$136,622	\$58,999	\$1,028,978
Low	\$828,184	\$231,697	\$79,402	\$72,243	\$84,265	\$22,327	\$271,858
Median % of Gross Sales		30%	13%	9%	9%	3%	36%

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 2023 annual gross sales and certain cost categories for the 37 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2023. The following information excludes 6 units that were opened in 2023 that were not operational for the full 12 months ending December 31st, 2023.

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	\$694,864	\$206,525	\$112,558	\$61,577	\$48,350	\$20,846	\$245,007
Median	\$680,635	\$200,232	\$102,938	\$60,439	\$39,363	\$20,419	\$257,243
High	\$1,367,900	\$426,711	\$307,129	\$115,420	\$165,947	\$41,037	\$470,573
Low	\$164,687	\$76,728	\$28,465	\$19,163	\$6,303	\$4,941	\$91,142
Median % of Gross Sales		29%	15%	9%	6%	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. 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 2023 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 2023.

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

Family Entertainment Center Franchised Units (FEC)
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	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	\$306,667	\$70,701	n/a	\$30,521	\$7,341	\$9,200	\$188,904
Median	\$202,756	\$62,854	n/a	\$22,209	\$3,897	\$6,083	\$107,714
High	\$676,446	\$199,503	n/a	\$60,104	\$30,000	\$20,293	\$470,573
Low	\$128,362	\$12,623	n/a	\$16,257	-	\$3,851	\$91,142
Median % of Gross Sales		31%	n/a	11%	2%	3%	53%

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 2023 annual Profit After Core Expenses for the 37 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2023. The following information excludes 6 units that were opened in 2023 that were not operational for the full 12 months ending December 31st, 2023.

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	\$406,816	12	5	42%	\$393,013	\$495,997	\$337,590
Middle Third	\$244,234	12	7	58%	\$243,797	\$397,164	\$113,633
Bottom Third	\$113,402	13	5	38%	\$108,723	\$213,012	\$24,026
Total	\$250,995	37	18	49%	\$230,570	\$495,997	\$24,026

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 information, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 2021 to 2023

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	2021	40	40	0
	2022	40	46	+6
	2023	46	52	+6
Company – Owned*	2021	4	6	+2
	2022	6	7	+1
	2023	7	9	+2
Total Outlets	2021	44	46	+2
	2022	46	52	+6
	2023	52	61	+8