

Giggles'N'HUGS

Children's Restaurant & Playspace



Award-winning, family-friendly restaurant, where you can relax and enjoy outstanding food while your kids play to their hearts' content

Forward-Looking Statement Disclaimer

This presentation contains forward-looking statements. These statements relate to future events or expectations regarding our future financial performance. These statements are only predictions and involve risks and uncertainties, including, but not limited to the ability to open the new location, fulfill the terms and obligations of the lease, and any other difficulties related to risks and effects of legal and administrative proceedings and governmental regulation, future financial and operational results, competition, general economic conditions, and the ability to manage and continue growth.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this news release include market conditions and those set forth in reports or documents we file from time to time with the SEC. We undertake no obligation to revise or update such statements to reflect current events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

PROVEN CONCEPT





30% MARGINS*

*based on Glendale, CA location performance for fiscal year 2017



FAVORABLE LANDLORD CONCESSIONS *RENT & TENANT ALLOWANCES*



Who We Are

Award-winning solution to family dining and entertainment. Parents get to eat and relax, while kids frolic in a supervised play area.

- ✓ Unique, family destination with giant kid-friendly play area in a true restaurant environment
- ✓ Delicious, nutritious, organic menu catered to young children (1-10) and accommodative to parents
- ✓ To keep kids entertained and engaged, we offer activities every half hour including arts and crafts, games, karaoke, character appearances, dance parties and more, as well as puppet shows & themed nights
- ✓ Trained aides assist with children's enjoyment while parents relax
- ✓ Child drop-off service (while parents shop)
 - *First and only restaurant to offer this service in LA*

Where playtime,
healthy food, and
happy families
converge.



Award-Winning



- ✓ Voted “#1 Family Restaurant” by Yelp!



- ✓ Voted the “#1 *Birthday Party Place*” and “*Best Pizza in Los Angeles*” by Nickelodeon



- ✓ Rated among “*Best Family & Kid-Friendly Restaurants*” by CitySearch and GoCityKids



- ✓ Voted “*Best Indoor Play-space*” by Red Tricycle



Extensive Local & National Media Coverage

**Bloomberg
Businessweek**

Los Angeles Times

PEREZ HILTON

Entrepreneur

SAN
FERNANDO
VALLEY
BUSINESS
JOURNAL

People

The New York Times

eXaminer.com

NEW YORK

Us WEEKLY

OK!

Forbes

RADAR ONLINE

AC
ASSOCIATED CONTENT

westside today.com

NEW YORK POST

THE WALL STREET JOURNAL.

Celebrity Clientele

Giggles N' Hugs
Children's Restaurant & Playspace



Jessica Alba and Cash Warren take their daughter, Honor to birthday party at **Giggles N' Hugs**, November 10



Sarah Michelle Gellar and daughter Charlotte love **Giggles N' Hugs**



Gwen Stefani and Gavin Rossdale take their boys, Kingston and Zuma to **Giggles N' Hugs** in LA on Sunday, March 6.



Jennifer Hudson and son David played at **Giggles N' Hugs** in LA before going on to have an early dinner together.



Victoria Beckham and Harper at **Giggles N' Hugs**



Halle Berry and Nahla at **Giggles N' Hugs** in LA



Adam and Sadie Sandler at **Giggles N' Hugs**



Ben Affleck taking Violet to **Giggles N' Hugs**

Prior Celebrity Brand Ambassadors & Super Fans



Jillian Michaels

World's leading fitness expert and a renowned life coach with an international community of followers 100 million + strong.

Trusted public figure on health and wellness recommendations with engaged active fan base.



Tia Mowry-Hardict

Two decades of success in entertainment, just wrapped third season of successful Cooking Channel series and released first cookbook, an Amazon #1 seller.

Large fan-base (100 million +) across social platforms and TV.

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Treat your children like the stars they are with red-carpet-worthy fun.

Giggles ‘N’ Hugs, Tinseltown’s favorite tot hotspot, is where playtime, healthy food, and happy families converge.

L. Souris Hong-Porretta, Editor



Organic & Nutritious Menus for Adults

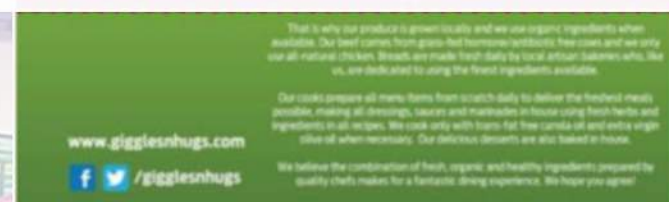
BEGINNERS	SALADS
<p>SOUP OF THE DAY Made fresh from scratch daily. Cup \$4.95 or Bowl \$5.95</p> <p>STUFFED MUSHROOMS - \$5.95 Mushrooms stuffed with our house made marinara sauce, mozzarella cheese, parmesan cheese, basil and Italian bread crumbs.</p> <p>CAPRISE - \$5.95 New tomatoes, basil and fresh buffalo mozzarella drizzled with olive oil, balsamic glaze, salt and pepper.</p> <p>HUMMUS - \$4.95 Our fresh house made hummus served with whole wheat pita bread or pita chips.</p> <p>BRUSCHETTA - \$5.95 Toasted baguette, sliced tomatoes, olive oil, aged balsamic, vinegar, garlic, salt and pepper.</p> <p>EDAMAME - \$4.95 Fresh edamame seasoned with sea salt.</p> <p>WHEAT QUESADILLA - \$5.95 Whole wheat tortilla with melted mozzarella and cheddar cheese, served with our cream and salsa. Add guacamole \$1.95.</p> <p>CUCUMBER, CREAM CHEESE & WALNUT ROLL - \$4.95 Fresh sliced cucumbers, cream cheese and walnuts rolled in a whole wheat dough.</p> <p>Garlic Bread \$3.95 / \$5.95 French Fries \$2.95 Sweet Potato Fries \$3.95</p>	<p>All dressings are made fresh in house. (Add to any salad) Chicken \$3.95, Salmon \$4.95, Beefsteak \$5.95</p> <p>SPINACH & BEEF SALAD - \$5.95 Spinach, beefsteak, sliced cheese, and marinated almonds on a bed of organic mixed greens tossed in balsamic vinaigrette.</p> <p>CITRUS TUNA SALAD - \$5.95 Our delicious tuna salad, made with citrus, almonds, and organic mixed greens, served over a bed of organic mixed greens, tossed in honey BBQ ranch dressing.</p> <p>BBQ CHICKEN SALAD - \$5.95 Grilled chicken breast, BBQ sauce, and organic mixed greens, tossed in honey BBQ ranch dressing.</p> <p>NEW! GRILLED SALMON SALAD - \$4.95 Grilled salmon on a bed of organic mixed greens, tossed in honey BBQ ranch dressing.</p> <p>ASIAN KALE SALAD - \$4.95 Organic kale, roasted peanuts, shredded organic chicken, carrots, and organic mixed greens, tossed in sesame ginger dressing.</p> <p>APPLE AND PEANUT SALAD - \$4.95 Organic kale, roasted peanuts, shredded organic chicken, carrots, and organic mixed greens, tossed in sesame ginger dressing.</p>



PANINIS & SANDWICHES	SPECIALTY PIZZAS
<p>Organic mixed green salad - \$3.95 Substitute whole wheat bread - \$1.95</p> <p>Clubhouse - \$12.95 Grilled chicken breast, marinated sauce, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>HEATHER'S CHICKEN SANDWICH - \$12.95 Grilled chicken breast, marinated sauce, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>CHICKEN BREAST PANINI - \$12.95 Grilled chicken breast, marinated sauce, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>GOURMET GRILLED CHEESE & TOMATO BISQUE - \$12.95 Grilled chicken breast, marinated sauce, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p>	<p>Regular - 11 inch, Junior - 14 inch, Substituted whole wheat crust - Regular \$13.95, Junior \$15.95</p> <p>BBQ CHICKEN PIZZA Chicken breast, BBQ sauce, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>VEGGIE PIZZA Mushrooms, green peppers, eggplant, fresh basil, tomatoes, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>GOURMET PIZZA Sun-dried tomatoes, goat cheese, eggplant, fresh basil, and organic mixed greens, served over a bed of organic mixed greens, topped with balsamic vinaigrette.</p> <p>PESTO CHICKEN PIZZA Our house made pesto sauce, grilled chicken, mozzarella, sun-dried tomatoes, basil, and toasted pine nuts.</p> <p>NEW! SUPREME PIZZA Pepperoni, ham, Italian sausage, onions, mushrooms, green peppers, and black olives.</p>



ENTREES
<p>WILD ALASKAN SALMON - \$15.95 Grilled sockeye salmon topped with our own house made ginger glaze, served with steamed broccoli and garlic french fries.</p> <p>MAHI MAHI - \$15.95 Pan-seared, fresh caught Mahi Mahi topped with marinated sauce, served with steamed broccoli and garlic french fries.</p> <p>CHICKEN BREAST PARMESAN - \$15.95 Grilled or breaded chicken breast topped with our house made marinara sauce, melted mozzarella and parmesan cheese. Served with spaghetti and marinara.</p> <p>NEW! EGGPLANT PARMESAN - \$12.95 Hand-breaded, lightly pan-fried eggplant topped with our house made marinara, mozzarella and parmesan cheese. Served with spaghetti and marinara.</p> <p>LIZZY'S CHICKEN BREAST - \$12.95 Butt of organic chicken breast grilled and served with steamed broccoli, carrots and a side of our house made marinara sauce.</p>



LEGEND
<p>GLUTEN FREE V VEGETARIAN NO DAIRY</p>





FRUIT PLATE - \$3.95
Fresh seasonal fruits.

CARROTS & CELERY WITH RANCH DRESSING - \$3.95

APPLE & CREAMY PEANUT BUTTER - \$4.95

YOGURT TANGERS - \$3.95
Seasonal fresh fruit nestled between layers of low fat vanilla yogurt, topped with toasted almonds. Add granola **\$1.25**

CELERY & PEANUT - \$3.95
Creamy Nutella filled toasted celeriac.

Flint City 10290 Santa Monica Blvd., #755 Los Angeles, CA 90067 (310) 521-4635 • HJCS (4847)	Topanga 6660 Topanga Canyon Boulevard, #200 Topanga, CA 91365 (818) 650-1435 • HJCS (4847)	Glendale 1700 W. Hollywood Blvd., #100 Glendale, CA 91201 (818) 956-1435 • HJCS (4847)
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ELECTRIFYINGLY GOOD TIME

Proven Ability to Drive Foot Traffic

Mall owners love Giggles N Hugs

The Westfield logo is written in a red, cursive script font.

- ✓ GIGL drives family traffic to mall properties:
 - Turns malls into major family destinations
 - Increased high-value family foot traffic
 - Creates Vitality and Vibrancy within the mall
- ✓ Mall owners/operators offer significant concessions & allowances:
 - Discount on rent
 - \$500K-\$700K up-front cash (covers 50% of build-out)
- ✓ Strong interest from major mall operators
 - Westfield Group (55 US properties)
 - Macerich Group (62 US properties)
 - General Growth Properties (135 US properties)
 - Simon Properties (300+ properties)
- ✓ Todd Star, former Westfield senior executive, spearheads negotiations with mall operators
 - Negotiates deals on per-location basis
 - Pursuing primary and secondary space opportunities

Attractive Single-Store Economics

Average Payback in 2.5 Years
(in thousands)



Site Selection Strategy

- ✓ Targeting:
 - High-traffic, upscale retail centers & shopping malls
 - Lifestyle/entertainment centers
 - Areas with children under 10
 - Markets with less favorable weather
- ✓ Empirical site selection model
- ✓ Rigorous ROI review
- ✓ 4,500-5,000 sq. ft.
 - Smaller footprint provides better unit economics

Typical Costs to Launch New Store

Build-Out	+\$960,000
Pre-Opening Expenses	+\$240,000
Initial Investment (gross)	\$1,200,000
Tenant Improvement Funds	-\$600,000
Total Company Cost	\$600,000

	YEAR 1	YEAR 2	YEAR 3	YEAR 4
Revenue	1,500	1,650	1,815	1,997
SSS Growth	n/a	10%	10%	10%
Costs	(1,150)	(1,205)	(1,259)	(1,351)
Store Net Profit	350	445	556	646
Corporate Op. Costs	(50)	(49)	(48)	(47)
EBITDA	300	396	508	599
EBITDA %	20%	24%	28%	30%

Menu updates expected to drive cost and EBITDA improvements

➤ **Currently generating approx. \$2.6 million revenue annually**



Experienced Senior Leadership

Joey Parsi
Founder

Philip Gay, CPA
CEO

John Kaufman
Advisory Board Member

Sean Richards
Chief Operating Officer

Greg Schroepel
Master Chef

- ✓ 20+ year career on Wall Street
 - *Sutro & Co., Lehman Brothers, & TD Waterhouse (managed \$350M+ in assets)*
- ✓ Founded Giggles N' Hugs in 2007
- ✓ Former president & CEO - Grill Concepts, Inc.
- ✓ Former CFO - California Pizza Kitchen & Wolfgang Puck Food
- ✓ Former CEO & COO - Diversified Food Group
- ✓ Former CEO - Color Me Mine
- ✓ Managing Director of Triple Enterprises
- ✓ 30 years of restaurant industry experience
- ✓ Former COO of California Pizza Kitchen
 - *Grew from two locations to 70+*
- ✓ Former President/COO of Koo Koo Roo
- ✓ 33 years of restaurant industry experience
- ✓ 20+ Years of operations management experience
 - *Regional Director at Hootwinc, LLC (7 Hooters restaurants, 1 casino & 2 bars)*
 - *General Manager, Viper Room, Pink Taco, House of Blues, Planet Hollywood & Hard Rock Café*
- ✓ Joined Giggles N' Hugs in 2010
- ✓ 25+ Years in restaurant industry
 - *Wolfgang Puck, Granita, Eureka, Chinois on Main, Rustica, Eclipse*
- ✓ R&D chef with Prospective Consulting; developed dishes for:
 - *A&W, Applebee's, KFC, Arby's, Arco AM/PM, Frito Lay, Vons, La Salsa, Shoprite, HEB, and others*
- ✓ Executive Chef at Paragon, a boutique catering company
 - *Serviced high-profile events such as Sony E3, Independent Spirit Awards, post and pre Emmy parties, Oscars, Super Bowl, and more*



What Our Customers Say

"The entire experience was amazing, from the booking and planning with Marielle to the day-of food service and entertainment." –
7/28/17

"The food was great, service was fast despite being extremely busy...and everyone at Giggles N' Hugs was very friendly!
We will definitely be coming back!" – 9/11/17

"As a parent are you tired of always feeling forgotten, forced to eat "kids" not so flavorful pizzas or dinosaur shaped chicken nuggets? Well, **Giggles N Hugs is an awesome answer to some of your problems.**" – 10/10/16





Giggles'N'Hugs

Children's Restaurant & Playspace

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info@gigglesnhugs.com



Joey Parsi, Founder/Chairman
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