

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*



Giggles 'n' Hugs
Family Restaurant & Playspace

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.



Our first two locations are 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

westsidetoday.com

NEW YORK POST

THE WALL STREET JOURNAL.

Celebrity Clientele

Giggles 'N' Hugs
Children's Restaurant & Playspace



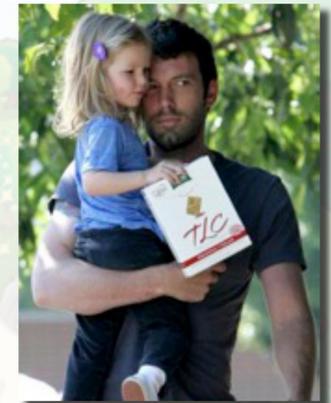
Jessica Alba and Cash Warren take their daughter, Honor to birthday party at **Giggles N' Hugs**, November 10



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.



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



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**

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.

“

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

MUP OF THE DAY - \$3.99
Mini fresh from scratch daily Cup \$4.99 or Bowl \$5.99

STUFFED MUSHROOMS - \$3.95
Crispy mushrooms filled with our house made mushroom sauce, mozzarella cheese, parmesan cheese, salt and Italian breadcrumbs.

CAPRESE - \$3.95
Our tomatoes, basil and fresh buffalo mozzarella drizzled with olive oil, balsamic glaze, salt and pepper.

HUMMUS - \$3.95
Our house made hummus served with whole wheat pita bread or carrot sticks.

BRUSCHETTA - \$3.95
Crispy topknots, sliced tomatoes, olive oil, aged balsamic vinegar, garlic, salt and pepper.

EDAMAME - \$3.95
Fresh edamame sprinkled with sea salt.

WHEAT QUESADILLA - \$3.95
Whole wheat tortilla with melted mozzarella and cheddar cheese, served with sour cream and salsa. Add chicken breast \$2.00.

CUCUMBER, CREAM CHEESE & WALNUT ROLL - \$3.95
Fresh sliced cucumbers, cream cheese and toasted candied walnuts, rolled into a whole wheat shell.

Garlic Bread \$1.99 / \$3.99
French Fries \$2.99
Sweet Potato Fries \$3.99

SALADS

All dressings are made fresh in house. Add to any salad. Chicken \$3.99, Salmon \$6.99, Teriyaki \$5.99

SPINELLI'S BEEF SALAD - \$10.95
Grilled beef, lettuce, tomato, onion and shredded walnuts on a house made BBQ sauce served on a bed of organic mixed greens, tomatoes, black beans, cucumber, corn and cheddar cheese tossed in honey BBQ ranch dressing.

CITRUS TUNA SALAD - \$10.95
Our deli cut tuna salad, made with citrus mayo, almonds, and organic mixed greens, tossed in balsamic vinaigrette.

BBQ CHICKEN SALAD - \$12.95
Seasoned chicken breast (grilled) and brushed with our house made BBQ sauce served on a bed of organic mixed greens, tomatoes, black beans, cucumber, corn and cheddar cheese tossed in honey BBQ ranch dressing.

NEW! GRILLED SALMON SALAD - \$14.95
Grilled salmon on a bed of organic baby kale, quinoa, cucumber, heirloom tomato and capers tossed in citrus vinaigrette.

ASIAN KALE SALAD - \$10.95
Organic baby kale, roasted peanuts, shredded organic bell peppers, carrots, tossed in peanut ginger dressing.

APPLE AND PEANUT SALAD - \$10.95

Giggles'N'HUGS

Family Restaurant & Playspace

MENU

PANINIS & SANDWICHES

All served with your choice of side.

Organic mixed green salad, lettuce, tomato, onion and shredded walnuts on a house made BBQ sauce served on a bed of organic mixed greens, tomatoes, black beans, cucumber, corn and cheddar cheese tossed in honey BBQ ranch dressing.

NEW! BBQ CHICKEN WRAP - \$12.95
All natural chicken breast (grilled) and brushed with our house made BBQ sauce wrapped in whole wheat tortilla with organic mixed greens, tomatoes, black beans, cucumber, corn and cheddar cheese tossed in honey BBQ ranch dressing.

TURKEY & BEEF PANINI - \$12.95
Crisped turkey, roasted beef, cheddar, mozzarella and organic arugula on fresh baked whole or whole wheat ciabatta.

NEW! GRILLED SALMON SANDWICH - \$14.95
Grilled salmon on ciabatta with organic baby kale, garlic aioli, fresh kale, cucumber and lime vinaigrette.

CHICKEN BREAST PANINI - \$10.95
Grilled chicken breast, parmesan cheese, sun-dried tomatoes and fresh garlic aioli on brushed ciabatta.

GOURMET GRILLED CHEESE & TOMATO BQWR - \$10.95
Melted mozzarella and cheddar on a brushed whole or whole wheat ciabatta with organic baby kale, garlic aioli, fresh kale, cucumber and lime vinaigrette.

SPECIALTY PIZZAS

Regular - 10 inch, Junior - 12 inch, Substitute whole wheat crust. Regular \$13.99 / Junior \$15.99

BBQ CHICKEN PIZZA
Chicken breast, organic jalapenos, mozzarella and our house made BBQ sauce. Regular \$13.99 / Junior \$15.99

VEGGIE PIZZA
Mushrooms, green peppers, eggplant, fresh basil, tomatoes and mozzarella. Regular \$13.99 / Junior \$15.99

GOURMET PIZZA
Sun-dried tomatoes, goat cheese, eggplant, fresh basil and mozzarella. Regular \$13.99 / Junior \$15.99

PESTO CHICKEN PIZZA
Our house made basil pesto sauce, grilled chicken, mozzarella, sun-dried tomatoes, onion, and brushed olive nuts. Regular \$13.99 / Junior \$15.99

NEW! SUPREME PIZZA
Pepperoni, ham, Italian sausage, onion, mushrooms, green peppers and extra cheese. Gourmet Pizza



ENTREES

CHICKEN BREAST PARMESAN - \$12.95
Grilled or broiled chicken breast topped with our house made marinara sauce, melted mozzarella and parmesan cheese, served with spaghetti/marinara.

NEW! EGGPLANT PARMESAN - \$12.95
Hand breaded, lightly pan-fried eggplant topped with our house made marinara, mozzarella and parmesan cheeses, served with spaghetti/marinara.

LEZBE'S CHICKEN BREAST - \$12.95
3 oz of natural chicken breast (grilled) and served with cleaned broccoli, carrots, and a side of our house made marinara sauce.

WILD ALASKAN SALMON - \$15.95
Grilled Alaskan Salmon topped with our house made honey ginger glaze, served with cleaned broccoli and garlic french fries.

MAIN MAIN - \$15.95
Pan-seared, hand-crusted light Main topped with roasted red pepper on a bed of organic mixed greens, tomatoes, black beans, cucumber, corn and cheddar cheese.

Healthy, delicious food!

That is why our produce is grown locally and we use organic ingredients when available. Our bread comes from grains that have no pesticides, herbicides, and we use our all-natural chicken. Bread is made fresh daily for local delivery. Whatever you do, we are dedicated to using the finest ingredients available.

Our cooks prepare all menu items from scratch daily to deliver the freshest meals possible, making all dressings, sauces and marinades in-house using fresh herbs and ingredients in all recipes. We cook only with fresh free-range oil and extra virgin olive oil when necessary. Our delicious desserts are also baked in-house.

www.gigglesnhugs.com
@gigglesnhugs

CLAMHOUSE - \$12.95
Crisped Clammy Bread and ham on brushed whole wheat bread with tomato chutney, arugula, Applesauce, caramelized onions, tomatoes and our classic aioli. Substitute turkey breast \$12.95

HEALTHY'S CHICKEN SANDWICH - \$12.95
Grilled chicken breast, melted Swiss cheese, spiced mushrooms, grilled onions and our house made honey mustard, served with organic baby kale, cucumber and garlic on a brushed whole or whole wheat bun.

LEGEND:
GLUTEN FREE V VEGETARIAN NO DAIRY

CUSTOM BURGERS
Beef, turkey or veggie patties or grilled chicken breast served with your choice of our toppings, sauce and cheese. \$12.95

CHOOSE YOUR TOPPING:
Sautéed Mushrooms, Turkey Bacon, Applesauce, Sautéed Bacon, Grilled Onions, Green Onions, Pineapple, Honey, Corn, Peppers, Sun-Dried Tomatoes, Caramelized Onions, Fresh Basil, Apples, Sausages. \$1.99

CHOOSE A CHEESE:
Cheddar, Swiss, Havarti, Swiss, Mozzarella, Provolone. \$1.99

CHOOSE A SAUCE:
Honey Mustard, BBQ Sauce, Ketchup, Aioli, BBQ, Pesto, Parmesan.

ELECTRIFYINGLY GOOD TIME

Organic & Nutritious Menus for Kids

BREAKFAST

GLUTEN FREE VEGAN NO DAIRY

KIDS UNDER 12 MENU

- NEW! HAPPY FACE PANCAKES - \$3.99**
A 6 1/2" pancake with fresh strawberries, eggs, whipped cream and a berries smile!
- NEW! BREAKFAST SAMPLER - \$3.99**
One egg cooked to order served with a buttermilk pancake and side of hash.
- SOPHISTICATED STRAWBERRY PANCAKES - \$3.99**
4 of our delicious buttermilk pancakes with fresh strawberries blended with milk and also served on top with a drizzle of powdered sugar.
- BUILD YOUR OWN PANCAKES - \$3.99**
Add chocolate chips, blueberries, strawberries or banana's to our delicious buttermilk pancakes.
- NEW! CINNAMON ALMOND CROISSANT FRENCH TOAST - \$3.99**
Toasted golden french and croissant with powdered sugar. Served with a side of french.




KID'S MENU

GLUTEN FREE VEGAN NO DAIRY

Available for children 12 and under. All items come with choice of fruit punch, lemonade, iced tea or soda. Substitute juice or milk for \$1.00. *All meals are cooked with love.

Mom's Tricky Treat Sauce

Secretly add a full serving of vegetables to your child's meal. We love fresh organic vegetables to add to your child's entrée in a way that they won't see or taste. Sneak... they'll never know the difference! Upgrade your meal to the Kid's Shack and take home a themed reusable plate and set of colored cutlery!

ENTREES PASTA

All items with your choice of side. Substitute whole wheat or gluten free pasta as available \$1.00.

BEVERAGES

SODA, JUICE & WATER	COFFEES & TEAS
DIET COKE, SODA, SMOOTHIES, ROOT BEER	COFFEE \$2.50
LEMONADE, FRUIT PUNCH	CAFE AU LAIT \$2.95
CRANBERRY JUICE	ICED TEA \$2.50
ORANGE JUICE	(Black, Sweet Green, Sweet Black, Raspberry)
APPLE JUICE	HOT TEA \$2.50
BOTTLED WATER \$2.00 / \$1	Assorted Selection
	TEA LATTE \$2.95
	Hot tea with steamed milk and vanilla
FRESH FRUIT SMOOTHIES	ESPRESSO DRINKS
Add fresh vanilla ice cream or low fat vanilla yogurt. \$0.95	ESPRESSO \$3.50
STRAWBERRY \$4.25	CAPPUCINO \$3.95
Fresh strawberries, organic milk, honey and vanilla	Latte with steamed milk and foam
STRAWBERRY BANANA \$4.25	CAFE LATTE \$3.50
Strawberries, bananas, organic milk, honey and vanilla	Espresso with steamed milk
BLUEBERRY BANANA \$4.25	
Blueberries, bananas, organic milk, honey and vanilla	
YOGURT \$4.25	
Fruit yogurt	



SIDES

Applesauce, French onion soup, turkey bacon, fresh mushrooms, fresh spinach, fresh green peppers, onions, fresh tomatoes, potatoes.

- Applesauce \$3.99
- Turkey Bacon Strips (6) \$3.99 or (12) \$3.99
- Fresh Fruit Bowl \$3.99
- Breakfast Potatoes \$3.99
- Arrozado \$3.99

ENTREES

- FRUIT PLATE - \$4.95**
Fresh seasonal fruits.
- CARROTS & CELERY WITH RANCH DRESSING - \$3.95**
- APPLE & CREAMY PEANUT BUTTER - \$4.95**
- YOGURT TANGOS - \$3.95**
Seasonal fresh fruit and vanilla flavored yogurt of low fat vanilla yogurt, topped with toasted almonds. Add granola \$0.50
- NOVELTY PANINI - \$3.95**
Creamy cheddar, fresh hand-cut calamita.

cheese and choice of (1) topping.

They make it, WE BAKE IT! - \$8.95
Add Tilly Treat Sauce \$1.95
Each Additional Topping \$1.00

- CHEESE PIZZA - \$10.95
- Add Tilly Treat Sauce \$1.95
- PEPPERONI PIZZA - \$10.95
- Add Tilly Treat Sauce \$1.95

Protein Smoothies, Smoothies, Smoothies, Smoothies \$3.99 or sweetener.

Accented with organic, locally sourced, fresh seasonal fruits.

- Smoothie \$3.99
- Smoothie \$3.99
- Smoothie \$3.99

BEER

- Coors Light \$2.95
- Blue Moon \$2.95
- Corona \$2.95
- Sierra Nevada \$2.95

Century City 10750 Santa Monica Blvd. #100 Los Angeles, CA 90024 (310) 503-1425 (4847)

Topanga 8660 Topanga Canyon Boulevard #1000 Canoga Park, CA 91304 (818) 610-1425 (4847)

Glendale 12000 Hollywood Blvd. #1000 Glendale, CA 91201 (818) 966-1425 (4847)

ELECTRIFYINGLY GOOD TIME

Proven Ability to Drive Foot Traffic

Mall owners love Giggles N Hugs

Westfield

GGP

SIMON™

MACERICH®

- ✓ 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 Store Economics

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
- ✓ 4,000-6,000 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



Average Payback in less than 2.5 Years (in thousands)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4
Revenue	\$1,400	\$1,470	\$1,544	\$1,621
SSS Growth	n/a	5%	5%	5%
Costs	(\$1,070)	(\$1,126)	(\$1,185)	(\$1,247)
Store Net Profit	\$330	\$344	\$359	\$374
Corporate Op. Costs	(\$50)	(\$50)	(\$50)	(\$50)
EBITDA	\$280	\$294	\$309	\$324
EBITDA %	20%	20%	20%	20%

Menu updates expected to drive cost and EBITDA improvements

- Current locations each generate **\$1.5+ million (ave.)** revenue annually
- New locations in markets with more inclement weather will drive increased revenue and profit



Experienced Senior Leadership

Joey Parsi
Founder

Philip Gay, CPA
CEO

John Kaufman
Advisory Board Member

Sean Richards
Chief Operating Officer

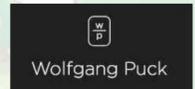
Greg Schroepel
Master Chef

- ✓ 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

3222 Galleria Way
Los Angeles, CA 91210
Tel (310) 553-4847
info@gigglesnhugs.com



Joey Parsi, Founder/Chairman
Philip Gay, CEO
Sean Richards COO
Giggles N' Hugs

joey@gigglesnhugs.com
Philip.gay@gigglesnhugs.com

