FRANCHISE AND CO-OPERATION PROPOSAL

or

a real way to earn money from real-life quests
Open KOMNATA location and earn from 5 000 $ with us
WHAT ARE REAL-LIFE QUESTS?

This is a trendy and dynamic form of intellectual entertainment with elements of suspense.

A group of 2-4 people are locked in a mysterious room, an exit from which has to be found over 60 minutes.

The main task of participants is to sort out the story of the Room, its mystery. Guests are not just observers of the story’s progression; they take active part in it and influence the course of events.
FOR EXAMPLE, ST. ANGELO CASTLE
JOKER CAFÉ
“TRICK OR TREAT”
KHAKAINA LABYRINTHS
THE BOY-WHO-LIVED
CAPSULE HOTEL
ABOUT US:

Own locations:
3 of our own quests successfully operating in Kazan

Work with us under a franchise:
7 quests in New York
2 quests in Helsinki
2 quests in Munich
2 quests in Boston
2 quests in Florence
2 quests in Busan
25 quests in Kazan
57 quests in 20 other Russian cities
TERMS AND CONDITIONS

Franchise fee of 5,000 $
Royalty 10% from the turnover.

The franchise fee includes 1 completely elaborated location scenario, which is a key to success and to positive feedback from your visitors.

When you open a 2nd, 3rd and subsequent locations, you no longer need to pay the franchise fee; all you need is to pay per scenario, valued at 1,500 $ each.
The quest scenario will be the product that you offer to your guests.

Currently, we co-operate with several teams of experienced scenario writers and game experts to make sure that project participants have access to fresh and catchy scenarios able to sweep guests along and encourage them to visit other project locations.

Our scenario writers will prepare an individual scenario customized to your premises with regard to their unique structural features, advantages and subtleties. This will help you save a lot of time and get an interesting quest based on our extensive experience.

Another option — you may choose from a catalogue of ready-made scenarios that are fully developed and elaborated, and that have had successful runs showing in other cities. This will be the most reliable way to start promptly.
TRADEMARK

We have registered KOMNATA trademark in the EU and US.

This means that NONE of your possible competitors will be able to become your clone and encroach on your reputation.
WHAT YOU GET FOR A START

Consultations on the choice of premises, space arrangement;

Detailed instructions on repair and general preparation of a location;

Possibility to select a scenario in line with the peculiarities of your premises;

Individual scenario;

Elaborated, established corporate style — dummy layouts and templates of promotion products (posters, flyers, certificates, signs, banners, etc.);

On-stage consultation of each scenario’s practical implementation;

On-stage assistance and consultations on of scenario’s testing (test groups, scenario’s fine tuning, etc.) and staff training based on project’s locations in operation;

Detailed instructions on all aspects of Quest operation.
WE KNOW AND WE WILL EXPLAIN

What premises to choose? The ones that will promote the right climate right off the bat.

How to set up a team? Who, how and when to hire? How to train an ideal Room Keeper? How to create a system of Keepers’ management and control?

How to allocate funds in an efficient manner? How much to pay and for what? What is the cost of participation in a Quest? How much to pay to employees?

How to get a location going? How to maintain a proper service level so that guests bring their friends?

How to sell? How to get a location underway when there are or there are no competitors in your city? How to procure repeated sales? How to find partner events?
WHAT YOU REGULARLY GET

Page on komnataquest.ru with a ready-to-use booking system.

Consultations and assistance in all business-related matters.

Exchange of guest contact databases with other locations in your city, cross acquisition of guests.

Analytics on location’s operation, streamlining consultations.
WHAT WE NEED FROM YOU?

MONEY
5,000 $ – franchise
15-25 000 $ – for implementation of 1 scenario

TIME
1 month if a ready scenario is chosen
2 months if a new scenario is written

SPACE
55-80 sq.m – for 1 location
100-120 sq.m – for 2 locations
150-180 sq.m – for 3 locations
INVESTMENT ESTIMATE

5 000 $
franchise fee

15 000 - 25 000 $
quest implementation
# Expected Cash Flow

<table>
<thead>
<tr>
<th>Expenses</th>
<th>1 location (dollars)</th>
<th>2 locations (dollars)</th>
<th>3 locations (dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>1 000</td>
<td>1 500</td>
<td>2 000</td>
</tr>
<tr>
<td>Salaries</td>
<td>4 000</td>
<td>6 000</td>
<td>8 000</td>
</tr>
<tr>
<td>Royalty</td>
<td>840</td>
<td>1 680</td>
<td>2 520</td>
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<tr>
<td>Contingencies</td>
<td>500</td>
<td>700</td>
<td>900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6 340</strong></td>
<td><strong>9 880</strong></td>
<td><strong>13 420</strong></td>
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<tr>
<td>Income</td>
<td>8 400</td>
<td>16 800</td>
<td>25 200</td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td><strong>2 060</strong></td>
<td><strong>6 920</strong></td>
<td><strong>11 780</strong></td>
</tr>
</tbody>
</table>
PAYBACK SCHEDULE

Dollars

25 000

20 000

15 000

10 000

5 000

0

Month

1 2 3 4 5 6 7

Gross revenues

Expensis

Profit on an accrual basis

19
WHY IT IS BETTER TO BE A PART OF THE NETWORK

1. 80% of guests who have visited one location on the network also visited other locations.

2. Costs on elaboration of a corporate style and printing are incurred only once, while you can use all the results right away.

3. Promotion of a location positively affects the network as a whole.

4. Quest creation is a technically complicated thing to do. We have a host of specialists (radio hardware engineers, property makers, scenario writers) engaged when new locations are open.
MASTER FRANCHISE

We provide franchisees who open the first location in a new city with a possibility to work under the master franchise.

In this case, each new location opened in your city will yield a one-time bonus and steady passive income in the future.

Terms of master franchise operation are discussed on a case-by-case basis.
PROJECT FOUNDERS

Artem Kramin
- Strategic project development
- Experience of doing business since 2001
- Director of Ziferblat Free Space in Kazan
- Co-founder of Ziferblat in London

Xenia Vasis
- Teamwork and current project activities
- Administrative manager of Ziferblat in London 2013-2014

Stas Erofeev
- Franchise director
- Manager of 3 locations in Kazan
ACT RIGHT NOW

1. Contact us
   komnataquest@gmail.com
   and discuss terms

2. Sign the contract and
   pay the franchise fee

3. Get a full package of
   opening instructions
ASK OTHER QUESTIONS YOU MIGHT HAVE

Contact us by email:
komnataquest@gmail.com

Visit our website:
www.komnataquest.com

Visit our VKontakte group
www.vk.com/komnataquest

Visit our Facebook group
www.facebook.com/KomnataNYC