Escape Hunt plc (AIM: ESC)

("Escape Hunt", the "Company" or the "Group")

Trading Update

and

Impact of COVID 19

Trading in the period from 1 January 2020 to 29 February 2020 continued the strong trend experienced in December 2019, with revenues and site performance in the UK comfortably ahead of expectations and franchise activity trading in line. In the first two weeks of March, sales in the UK business held up remarkably well with almost no discernible impact from COVID-19.

Our new US master franchisee has converted an existing site to the new format which was received well giving them confidence that the business model can be scaled out across the US as planned.

However, COVID-19 will prove to be a huge challenge for us all. In the past few days, countries around the world have been adopting increasingly stringent measures to curb the spread of the virus, in many cases leading to the forced closure of all non-essential retail and leisure facilities. In this environment, we fully expect franchise income will progressively decline or cease.

The UK Government's advice that citizens should avoid unnecessary social contact, referencing bars and restaurants, has been felt this week with a pronounced increase in customers seeking to re-schedule or cancel bookings. At a site level, we have implemented a more stringent cleaning regime and have taken other steps to protect staff and customers and for the moment, sites remain open for business. However, we anticipate further sales reductions and it is possible that the UK Government will follow other European countries and force the closure of all leisure facilities, which would directly impact Escape Hunt.

For this reason, the Board is taking immediate action to dramatically reduce costs, ceasing all development expenditure and exploring every avenue to conserve cash with a view effectively to putting the business into hibernation as and when necessary. Whilst the excellent trading performance of the UK sites has proven the model and given us confidence to roll-out more, new openings of owner-operated venues in the UK have now been put on hold pending greater clarity of the situation.

The recent budget and Tuesday's announcement of direct aid to the sector by the Chancellor of the Exchequer provides some welcome relief, although the extent to which the Company will be able to benefit is not yet known, nor is the depth or duration of the impact of COVID-19 on trading.

As at close of business on 17 March 2020, the Company had approximately £1.8m cash in the bank. A level of expenditure will need to be maintained throughout any hibernation period to enable the business to re-open as conditions permit, but the measures being taken are expected to be sufficient to sustain the business for several months. Given the unknown duration of the impact of COVID-19,

the Board will continue to monitor the Group's funding requirements closely and will proactively explore all options available.

Further announcements will be made in due course.

The information contained within this announcement is deemed by the Group to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014.

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About Escape Hunt plc

The Escape Hunt Group is a global leader in providing live escape-the-room experiences with a network of owner-operated sites in the UK and a global network of franchised outlets in six continents. The Company was re-admitted to AIM in May 2017 and has a strategy of creating high quality premium games and experiences, which incorporates branded IP content.