

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**Form 10-Q**

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2023

COMMISSION FILE NUMBER 000-51254

**Parks! America, Inc.**

(Exact Name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of  
incorporation or organization)

91-0626756

(I.R.S. Employer  
Identification No.)

1300 Oak Grove Road  
Pine Mountain, GA 31822

(Address of principal executive offices) (Zip Code)

Issuer's telephone Number: (706) 663-8744

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of February 10, 2024, the issuer had 75,726,851 outstanding shares of Common Stock.

Securities registered pursuant to Section 12(g) of the Act:

Title of each class  
Common Stock

Trading Symbol(s)  
PRKA

Name of each exchange on which registered  
OTCPink

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**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
As of December 31, 2023 (UNAUDITED) and October 1, 2023

	December 31, 2023	October 1, 2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,595,974	\$ 4,098,387
Short-term investments	1,010,040	-
Accounts receivable	13,938	36,172
Inventory	431,546	419,149
Prepaid expenses	626,176	558,678
Total current assets	4,677,674	5,112,386
Property and equipment, net	14,900,272	14,910,097
Intangible assets, net	41,203	52,331
Other assets	20,909	20,909
<b>Total assets</b>	\$ 19,640,058	\$ 20,095,723
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Accounts payable	\$ 131,056	\$ 79,352
Other current liabilities	558,510	571,343
Current portion of long-term debt, net	773,383	767,675
Total current liabilities	1,462,949	1,418,370
Long-term debt, net	3,262,159	3,459,816
Deferred tax liability, net	232,329	232,329
<b>Total liabilities</b>	4,957,437	5,110,515
<b>Stockholders' equity</b>		
Common stock; 300,000,000 shares authorized, at \$.001 par value; 75,726,851 and 75,517,763 shares issued and outstanding, respectively	75,727	75,518
Capital in excess of par	5,168,930	5,102,471
Retained earnings	9,437,964	9,807,219
<b>Total stockholders' equity</b>	14,682,621	14,985,208
<b>Total liabilities and stockholders' equity</b>	\$ 19,640,058	\$ 20,095,723

The accompanying notes are an integral part of these consolidated financial statements.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
For the Three Months Ended December 31, 2023 and January 1, 2023

	For the three months ended	
	December 31, 2023	January 1, 2023
Park revenues	\$ 1,809,234	\$ 1,817,579
Sale of animals	88,391	43,800
<b>Total revenues</b>	<b>1,897,625</b>	<b>1,861,379</b>
Cost of sales	295,934	272,620
Selling, general and administrative	1,822,968	1,526,012
Depreciation and amortization	223,203	217,184
(Gain) loss on asset disposals, net	14,417	-
<b>Loss from operations</b>	<b>(458,897)</b>	<b>(154,437)</b>
Other income, net	35,887	29,613
Interest expense	(51,445)	(58,736)
<b>Loss before income taxes</b>	<b>(474,455)</b>	<b>(183,560)</b>
Income tax benefit	(105,200)	(30,600)
<b>Net loss</b>	<b>\$ (369,255)</b>	<b>\$ (152,960)</b>
<b>Loss per share - basic and diluted</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted average shares outstanding (in 000's) - basic and diluted</b>	<b>75,579</b>	<b>75,227</b>

The accompanying notes are an integral part of these consolidated financial statements.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)**  
For the Three Months Ended December 31, 2023 and January 1, 2023

	<u>Shares</u>	<u>Amount</u>	<u>Capital in Excess of Par</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at October 1, 2023	75,517,763	\$ 75,518	\$ 5,102,471	\$ 9,807,219	\$ 14,985,208
Issuance of common stock to Directors	209,088	209	57,290		57,499
Stock-based compensation			9,169		9,169
Net loss for the three months ended December 31, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>(369,255)</u>	<u>(369,255)</u>
Balance at December 31, 2023	<u>75,726,851</u>	<u>\$ 75,727</u>	<u>\$ 5,168,930</u>	<u>\$ 9,437,964</u>	<u>\$ 14,682,621</u>
	<u>Shares</u>	<u>Amount</u>	<u>Capital in Excess of Par</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at October 2, 2022	75,227,058	\$ 75,227	4,987,762	\$ 10,290,957	\$ 15,353,946
Net loss for the three months ended January 1, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>(152,960)</u>	<u>(152,960)</u>
Balance at January 1, 2023	<u>75,227,058</u>	<u>\$ 75,227</u>	<u>\$ 4,987,762</u>	<u>\$ 10,137,997</u>	<u>\$ 15,200,986</u>

The accompanying notes are an integral part of these consolidated financial statements.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
For the Three Months Ended December 31, 2023 and January 1, 2023

	For the three months ended	
	December 31, 2023	January 1, 2023
<b>OPERATING ACTIVITIES:</b>		
Net loss	\$ (369,255)	\$ (152,960)
Reconciliation of net loss to net cash used in operating activities:		
Depreciation and amortization expense	223,203	217,184
Interest expense - debt financing cost amortization	2,722	1,472
Stock-based compensation	66,668	-
Loss (gain) loss on asset disposals	14,417	-
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	22,234	1,070
(Increase) decrease in inventory	(12,397)	(161)
(Increase) decrease in prepaid expenses	(67,498)	(87,202)
Increase (decrease) in accounts payable	51,704	(191,906)
Increase (decrease) in other current liabilities	(12,833)	(168,717)
Net cash used in operating activities	(81,035)	(381,220)
<b>INVESTING ACTIVITIES:</b>		
Acquisition of property and equipment	(230,166)	(181,741)
Investment in intangible assets	-	(5,466)
Proceeds from the disposition of property and equipment	13,998	-
Net cash used in investing activities	(216,168)	(187,207)
<b>FINANCING ACTIVITIES:</b>		
Payments on 2020 Term Loan	(123,597)	(117,517)
Payments on 2021 Term Loan	(66,573)	(64,104)
Line-of-credit fees	(5,000)	-
Net cash used in financing activities	(195,170)	(181,621)
Net decrease in cash	(492,373)	(750,048)
Cash at beginning of period	4,098,387	5,472,036
Cash at end of period	\$ 3,606,014	\$ 4,721,988
<b>Supplemental Cash Flow Information:</b>		
Cash paid for interest	\$ 48,906	\$ 57,073
Cash paid for income taxes	\$ -	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 1. ORGANIZATION**

Parks! America, Inc. (“Parks!” or the “Company”) owns and operates through wholly owned subsidiaries three regional safari parks and is in the business of acquiring, developing and operating local and regional entertainment assets and attractions in the United States. The Company’s wholly owned subsidiaries are Wild Animal Safari, Inc. a Georgia corporation (“Wild Animal – Georgia”), Wild Animal, Inc., a Missouri corporation (“Wild Animal – Missouri”), and Aggieland-Parks, Inc., a Texas corporation (“Aggieland Wild Animal – Texas”). Wild Animal – Georgia owns and operates the Wild Animal Safari theme park in Pine Mountain, Georgia (the “Georgia Park”). Wild Animal – Missouri owns and operates the Wild Animal Safari theme park located in Strafford, Missouri (the “Missouri Park”). Aggieland Wild Animal – Texas owns and operates the Aggieland Wild Animal Safari theme park near Bryan/College Station, Texas (the “Texas Park”). The Company acquired the Georgia Park on June 13, 2005, the Missouri Park on March 5, 2008, and the Texas Park on April 27, 2020.

The Company was originally incorporated on July 30, 1954 as Painted Desert Uranium & Oil Co., Inc. in Washington State. On October 1, 2002, Painted Desert Uranium & Oil Co., Inc. changed its name to Royal Pacific Resources, Inc. and its corporate domicile to the State of Nevada. On December 19, 2003, Royal Pacific Resources, Inc. acquired the assets of Great Western Parks LLC pursuant to a Share Exchange Agreement that resulted in the Company assuming control and changing the corporate name to Great American Family Parks, Inc. The acquisition was accounted for as a reverse acquisition in which Great Western Parks was considered the acquirer of Royal Pacific Resources for reporting purposes. On June 11, 2008, the Company changed its name from Great American Family Parks, Inc. to Parks! America, Inc.

The Company’s Parks are open year-round, but experience increased seasonal attendance, typically beginning in the latter half of March through early September. Combined third and fourth quarter park revenues were 60.4% and 62.1% of annual park revenues for the Company’s 2023 and 2022 fiscal years, respectively.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation:** The accompanying unaudited condensed consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim information and with instructions to Form 10-Q and Article 10 of Regulation S-X. The Company believes that the disclosures made are adequate to make the information presented not misleading. The information reflects all adjustments that, in the opinion of management, are necessary for a fair presentation of the financial position and results of operations for the periods set forth herein. Interim results are not necessarily indicative of the results for a full fiscal year. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended October 1, 2023.

**Principles of Consolidation:** The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries (Wild Animal – Georgia, Wild Animal – Missouri and Aggieland Wild Animal – Texas). All material inter-company accounts and transactions have been eliminated in consolidation.

**Accounting Method:** The Company recognizes income and expenses based on the accrual method of accounting.

**Estimates and Assumptions:** Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

**Fiscal Year End:** The Company’s fiscal year-end is the Sunday closest to September 30, and its quarterly close dates are also determined by the Sunday closest to the end of each quarterly reporting period. For the 2024 fiscal year, September 29 will be the closest Sunday, and for the 2023 fiscal year, October 1 was the closest Sunday. This fiscal calendar aligns the Company’s fiscal periods closely with the seasonality of its business. The high season typically ends after the Labor Day holiday weekend. The period from October through early March is geared towards maintenance and preparation for the next busy season, which typically begins in the latter half of March through early September.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial and Concentrations Risk:** The Company does not have any significant concentrations.

**Fair Value:** Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, or an exit price. Inputs to valuation techniques used to measure fair value may be observable or unobservable, and valuation techniques used to measure fair value should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The fair value hierarchy consists of three broad levels based on the ranks of the quality and reliability of inputs used to determine the fair values. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities. Level 2 inputs consist of quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs which are derived principally from or corroborated by observable market data. Level 3 inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Assets and liabilities recognized or disclosed at fair value on a recurring basis include our term debt.

As of December 31, 2023 and October 1, 2023, the fair value of our long-term debt was \$3.68 million and \$3.83 million, respectively. The measurement of the fair value of long-term debt is based upon inquiries of the financial institutions holding the respective loans and is considered a Level 2 fair value measurement. The respective carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value because of the short maturity of these instruments.

**Cash and Cash Equivalents:** The Company maintains its cash and cash equivalents with high credit quality financial institutions. The Company considers all highly liquid financial instruments with maturities of three months or less to be cash equivalents. The Company maintains cash and cash equivalent in deposit accounts which may at times exceed federally insured limits. As of December 31, 2023 and October 1, 2023, cash and cash equivalents consisted of cash on deposit and a money market account.

**Short-term Investments:** The Company periodically invests in certificates of deposit and classifies its certificates of deposit as cash and cash equivalents or short-term investments and reassesses the appropriateness of the classification of its investments at the end of each reporting period. Certificates of deposit held for investment with an original maturity date greater than three months are carried at amortized cost and reported as short-term investments on the consolidated balance sheets. As of December 31, 2023, the Company had \$1.01 million in three certificates of deposit, including accrued interest, all classified as short-term investments. Two of these certificates of deposit secured lines of credit, as detailed in "NOTE 5: LINES OF CREDIT". The Company did not have any certificates of deposit as of October 1, 2023.

**Accounts Receivable:** The Company's safari parks are principally a payment upfront business; therefore, the Company generally carries limited accounts receivable. The Company had \$13,938 and \$36,172 of accounts receivable as of December 31, 2023 and October 1, 2023, respectively.

**Inventory:** Inventory consists of gift shop items, animal food, and concession and park supplies, and is stated at the lower of cost or net realizable value. Cost is determined based on the first-in, first-out method. The gross profit method is used to determine the change in gift shop inventory for interim periods. Inventories are reviewed and reconciled annually because inventory levels turn over rapidly. The Company had inventory of \$431,546 and \$419,149 as of December 31, 2023 and October 1, 2023, respectively.

**Prepaid Expenses:** The Company prepays certain expenses primarily due to legal or contractual requirements. The following is a breakdown of prepaid expenses:

	<u>December 31, 2023</u>	<u>October 1, 2023</u>
Prepaid income taxes	\$ 374,347	\$ 459,957
Prepaid insurance	250,296	86,921
Other prepaid expenses	<u>1,533</u>	<u>11,800</u>
Total prepaid expenses	<u>\$ 626,176</u>	<u>\$ 558,678</u>



**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment:** Property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which range from three to thirty-nine years. A summary is included below.

	December 31, 2023	October 1, 2023	Depreciable Lives
Land	\$ 6,389,470	\$ 6,389,470	not applicable
Mineral rights	276,000	276,000	25 years
Ground improvements	2,941,958	2,941,958	7-25 years
Buildings and structures	3,812,223	3,812,223	10-39 years
Animal shelters and habitats	3,498,692	3,428,620	10-39 years
Park animals	1,291,580	1,279,080	5-25 years
Equipment - concession and related	524,828	509,078	3-15 years
Equipment and vehicles - yard and field	780,707	817,809	3-15 years
Vehicles - buses and rental	299,206	299,206	3-5 years
Rides and entertainment	172,154	172,154	5-7 years
Furniture and fixtures	27,160	27,160	5-10 years
Projects in process	314,638	212,248	
Property and equipment, cost	20,328,616	20,165,006	
Less accumulated depreciation	(5,428,344)	(5,254,909)	
Property and equipment, net	<u>\$ 14,900,272</u>	<u>\$ 14,910,097</u>	

Depreciation expense for the three months ended December 31, 2023 and January 1, 2023 totaled \$220,200 and \$212,700, respectively.

**Intangible Assets:** Intangible assets consist primarily of a site master plan, website domains and tradename registrations, which are reported at cost and are being amortized over a period of three to ten years. Amortization expense for the three months ended December 31, 2023 and January 1, 2023 totaled \$3,003 and \$4,484, respectively.

**Impairment of Long-Lived Assets:** The Company reviews its major assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If an asset is considered impaired, then impairment will be recognized in an amount determined by the excess of the carrying amount of the asset over its fair value.

**Other Current Liabilities:** The following is a breakdown of other current liabilities:

	December 31, 2023	October 1, 2023
Deferred revenue	\$ 173,557	\$ 143,511
Accrued professional fees	145,232	59,638
Accrued compensation	92,119	177,868
Accrued sales taxes	35,458	46,718
Accrued property taxes	16,985	49,183
Other accrued liabilities	95,159	94,425
Other current liabilities	<u>\$ 558,510</u>	<u>\$ 571,343</u>

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition:** The Company recognizes revenues in accordance with ASC 606, *Revenues from Contracts with Customers*. Under ASC 606, the Company recognizes revenue when a customer obtains control of promised goods or services, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocation the transaction price to the performance obligation in the contract; and (5) recognize revenue when (or as) the Company satisfies the performance obligation. The Company only applies the five-step model to contracts when it is probable that it will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

Revenues from park admission fees are recognized at the point in time control transfers to the customer, which is generally when the customer accepts access to the park and the Company is entitled to payment. Park admission revenues for annual passes and memberships are deferred and recognized as revenue on a pro-rata basis over the term of the pass or membership. Park admission fee revenues from advance online ticket purchases are deferred until the customers' visit to the parks. Advance online tickets can generally be used anytime during the one year period from the date of purchase. Revenues from retail and concession sales are generally recognized upon the concurrent receipt of payment and delivery of goods to the customer. Sales taxes billed and collected are not included in revenue.

Deferred revenues from advance online admission tickets, and season passes and memberships were \$173,557 and \$143,511 as of December 31, 2023 and October 1, 2023, respectively, and is included within Other Current Liabilities in the accompanying consolidated balance sheets.

The Company periodically sells surplus animals created from the natural breeding process that occurs within the parks. Animal sales are reported as a separate revenue line item. Animal sales are recognized at a point in time when control transfers to the customer, which is generally determined when title, ownership and risk of loss pass to the customer, all of which generally occurs upon delivery of the animal. Based on the Company's assessment of control indicators, sales are recognized when animals are delivered to the customer.

The Company provides disaggregation of revenue based on geography in "NOTE 10: BUSINESS SEGMENTS", as it believes this best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

**Advertising and Marketing Costs:** The Company expenses advertising and marketing costs as incurred. Advertising and marketing expense for the three months ended December 31, 2023 and January 1, 2023 totaled \$241,826 and \$205,435, respectively.

**Stock Based Compensation:** The Company recognizes stock based compensation costs on a straight-line basis over the requisite service period associated with the grant. The Company awards shares to its Board of Directors for service on the Board. The shares issued to the Board are "restricted" and are not to be re-sold unless an exemption is available, such as the exemption afforded by Rule 144 promulgated under the Securities Act of 1933, as amended (the "Securities Act"). The Company recognizes the expense based on the fair market value at the time of the grant. The Company typically awards its annual Director compensation around the end of each calendar year.

A Stock Option and Award Plan (the "Plan") providing for incentive stock options and performance bonus awards for executives, employees, and directors was approved by the Company's Board of Directors on February 1, 2005, however, the Plan has not been submitted to the stockholders for approval. The Plan sets aside five million (5,000,000) shares for the award of stock options, including qualified incentive stock options and performance stock bonuses. To date, no grants or awards have been made pursuant to the Plan and the Company did not submit the Plan for consideration to the Company's stockholders at its last meeting of stockholders.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes:** The Company utilizes the asset and liability method of accounting for income taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting basis and the tax basis of the assets and liabilities, and are measured using the enacted tax rates and laws. Management periodically reviews the Company's deferred tax assets to determine whether their value can be realized based on available evidence. A valuation allowance is established when management believes it is more likely than not, that such tax benefits will not be realized. Changes in valuation allowances from period to period are included in the Company's income tax provision in the period of change.

The Company follows the guidance in FASB ASC 740 with respect to accounting for uncertainty in income taxes. A tax position is recognized as a benefit only if it is "more-likely-than-not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than fifty percent likely of being realized on examination. For tax positions not meeting the "more-likely-than-not" test, no tax benefit is recorded. The Company has no unrecognized tax benefits under guidance related to tax uncertainties. The Company does not anticipate the unrecognized tax benefits will significantly change in the next twelve months. Any tax penalties or interest expense will be recognized in income tax expense. No interest and penalties related to unrecognized tax benefits were accrued as of December 31, 2023 or October 1, 2023.

**Basic and Diluted Net Income (Loss) Per Share:** Basic net income (loss) per share amounts are computed based on the weighted average number of shares actually outstanding. Diluted net income (loss) per share amounts are computed using the weighted average number of common shares and common equivalent shares outstanding as if shares had been issued on the exercise any common share rights unless the exercise becomes anti-dilutive.

Basic and diluted net income (loss) per share is computed by dividing net income (loss) available to common stockholders by the applicable weighted average number of common shares outstanding in each period.

**Dividend Policy:** The Company has not yet adopted a policy regarding payment of dividends.

**Recent Accounting Pronouncements:**

Credit Losses – Financial Instruments

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments – Credit Losses (Topic 326)*, which significantly changes how entities measure credit losses for most financial assets, including accounts receivable and held-to-maturity marketable securities, replacing the "incurred loss" model with an "expected loss" model under which allowances are based on expected rather than incurred losses. ASU No. 2016-13 became for the Company in the three months ended December 31, 2023. The adoption of ASU No. 2016-13 had an immaterial impact on the Company.

Except as noted, the Company does not expect recently issued accounting standards or interpretations to have a material impact on the Company's financial position, results of operations, cash flows or financial statement disclosures.

**NOTE 3. TORNADO EXPENSES AND ASSET WRITE-OFFS**

During March 26-27, 2023, the Company's Georgia Park experienced extensive damage, caused by an EF-3 tornado and over nine inches of rain, resulting in more than 4,500 fallen trees and damage to many of the Park's animal enclosures, fencing and other infrastructure. The Walkabout Adventure Zoo ("Walkabout") portion of the property was particularly hard hit. The Georgia Park was closed for 20 days, including for most of its traditionally busy spring break period, which has historically comprised approximately 10%-15% of its annual revenue. The drive-through safari section of the Georgia Park reopened on April 15th. The Walkabout portion of the park has reopened in phases, with the first phase on May 6th and the second phase on July 2nd. Approximately one-quarter of the Walkabout remains closed.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 3. TORNADO EXPENSES AND ASSET WRITE-OFFS (CONTINUED)**

For the year ended October 1, 2023, the Company incurred \$780,941 of severe weather and tornado related expenses, primarily due to tree and other debris removal, repairing and replacing underground water pipes throughout the property, as well as general clean-up efforts. In addition, the Company recorded related asset write-offs of \$275,297, primarily associated with damage to various animal exhibits, several buildings, fencing and other infrastructure. No severe weather and tornado related expenses were recorded during the three months ended December 31, 2023 and January 1, 2023, respectively.

The Company has also made capital investments of \$615,000 through October 1, 2023 related to severe weather and tornado damage rebuilding projects. Approximately \$31,500 of capital investments during the three months ended December 31, 2023 are associated with ongoing severe weather and tornado damage rebuilding projects.

The Company has been working with its insurance providers regarding tornado damage related coverage and insurance proceeds totaling \$687,283 were received through October 1, 2023, factoring in deductibles and co-insurance. The Company expects to receive additional insurance proceeds of up to \$50,000. The Company continues to work with local, state, and federal agencies to explore options to assist with offsetting tornado related clean-up, repair and rebuilding costs.

**NOTE 4. LONG-TERM DEBT**

On June 18, 2021, the Company, through its wholly owned subsidiary Wild Animal – Georgia, completed a refinancing transaction (the “2021 Refinancing”) with Synovus Bank (“Synovus”). The 2021 Refinancing included a term loan in the original principal amount of \$1.95 million (the “2021 Term Loan”). The 2021 Term Loan bears interest at a rate of 3.75% per annum and is payable in monthly installments of approximately \$26,480, based on a seven-year amortization period. The 2021 Term Loan has a maturity date of June 18, 2028. The 2021 Term Loan is secured by a security deed on the assets of Wild Animal – Georgia. The Company paid a total of approximately \$1,514 in fees and expenses in connection with the 2021 Refinancing. The outstanding balance of the 2021 Term Loan was \$1.31 million as of December 31, 2023.

On April 27, 2020, the Company, through its wholly owned subsidiary Aggieland-Parks, Inc., acquired Aggieland Wild Animal – Texas. The purchase price of \$7.1 million was financed with a \$5.0 million loan (the “2020 Term Loan”) from First Financial Bank, N.A. (“First Financial”), a seller note with a face value of \$750,000 (the “Aggieland Seller Note”), and cash totaling \$1.38 million. The 2020 Term Loan is secured by substantially all the Aggieland Wild Animal – Texas assets, as well as guarantees from the Company and its subsidiaries. The 2020 Term Loan bears interest at a rate of 5.0% per annum, has a maturity date of April 27, 2031, and required interest only monthly payments through April 2021. The 2020 Term Loan requires monthly payments of \$53,213 beginning in May 2021. The Company paid a total of approximately \$62,375 in fees and expenses in connection with the 2020 Term Loan. On June 30, 2021, the Company used the \$903,222 of incremental proceeds of the 2021 Term Loan, combined with additional funds, to paydown \$1.0 million against the 2020 Term Loan, which had an outstanding balance of \$2.77 million as of December 31, 2023. The Company was in compliance with the liquidity covenant of the 2020 Term Loan as of October 1, 2023. For the year ended October 1, 2023, the Company was not in compliance with the annual debt service coverage ratio covenant of the 2020 Term Loan, due to the lost revenues, as well as net expenses and write-offs driven by the March 2023 severe weather and tornado damage at its Georgia Park. The Company requested and First Financial granted a waiver of this violation for the year ended October 1, 2023.

Interest expense of \$51,445 and \$58,736 for the three month periods ended December 31, 2023 and January 1, 2023, respectively, includes \$1,472 and \$1,472 of debt closing costs amortization, respectively.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
December 31, 2023

**NOTE 4. LONG-TERM DEBT (CONTINUED)**

The following table represents the aggregate of the Company's outstanding long-term debt:

	As of	
	December 31, 2023	October 1, 2023
Loan principal outstanding	\$ 4,081,349	\$ 4,271,521
Less: unamortized debt financing costs	(45,807)	(44,030)
Gross long-term debt	4,035,542	4,227,491
Less current portion of long-term debt, net of unamortized costs	(773,383)	(767,675)
Long-term debt	\$ 3,262,159	\$ 3,459,816

As of December 31, 2023, the scheduled future principal maturities of the Company's long-term debt by fiscal year are as follows:

2024	\$ 624,888
2025	810,136
2026	848,472
2027	888,654
2028	850,959
thereafter	58,240
Total	\$ 4,081,349

**NOTE 5. LINES OF CREDIT**

On October 19, 2023, the Company, through its wholly owned subsidiary Aggieland Wild Animal – Texas, entered a line of credit of up to \$350,000 with First Financial (the "2023 First Financial LOC"). The 2023 First Financial LOC is scheduled to mature on October 11, 2024 and carries an interest rate of 5.6% on any portion utilized. The 2023 First Financial LOC is secured by a \$350,000 certificate of deposit issued by First Financial, which also matures on October 11, 2024 and pays the Company an effective interest rate of 3.6%. The Company paid a \$500 origination fee for the 2023 First Financial LOC.

On October 24, 2023, the Company, through its wholly owned subsidiary Wild Animal – Georgia, entered a line of credit of up to \$450,000 with Synovus (the "2023 Synovus LOC"). The 2023 Synovus LOC is scheduled to mature on October 24, 2024 and carries an interest rate of 7.75% on any portion utilized. The 2023 Synovus LOC is secured by a \$450,000 certificate of deposit issued by Synovus, which matures on November 13, 2024 and pays the Company an effective interest rate of 5.25%. The Company paid a \$4,500 origination fee for the 2023 First Financial LOC.

As of December 31, 2023, the Company had not made any borrowings against either of these lines of credit.

Interest expense for the three month periods ended December 31, 2023 and January 1, 2023, includes \$1,250 and \$0 of line of credit fee amortization, respectively.

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**NOTE 6. STOCKHOLDERS' EQUITY**

Shares of common stock issued for service to the Company are valued based on market price on the date of the award.

On December 4, 2023, the Company declared its annual compensation award to seven directors for their service on the Board of Directors. Seven directors were awarded \$10,000 each and three directors received a total of \$10,000 for serving as committee chairpersons and as a non-employee officer, with such compensation to be paid all in shares of the Company's common stock, all in cash or a combination thereof, at each director's election. Five directors elected to receive all shares and two directors elected all cash. Based on the closing stock price of \$0.275 per share on December 4, 2023, a total of 209,088 shares were issued on February 2, 2024. The total compensation award cost of \$79,999 was reported as an expense in the three month period ended December 31, 2023, comprised of \$57,499 in stock-based compensation and \$22,500 of cash payments.

On February 2, 2023, the Company declared its annual compensation award to seven directors for their service on the Board of Directors. Seven directors were awarded \$10,000 each and three directors received a total of \$10,000 for serving as committee chairpersons and as a non-employee officer, with such compensation to be paid all in shares of the Company's common stock, all in cash or a combination thereof, at each director's election. Five directors elected to receive all shares, one director elected to receive 60% in shares and 40% in cash, and one director elected all cash. Based on the closing stock price of \$0.40 per share on February 2, 2023, a total of 162,500 shares were issued on March 9, 2023. The total compensation award cost of \$80,000 was reported as an expense in the three month period ended April 2, 2023, comprised of \$65,000 in stock-based compensation and \$15,000 of cash payments.

Effective February 14, 2023, Lisa Brady the Company's President and Chief Executive Officer vested in 128,205 shares of the Company's common stock, in accordance with the terms of her employment agreement. The Company recorded compensation award cost of \$50,000 in the three month period ended April 2, 2023 and the shares were issued on May 23, 2023.

Officers, directors and their controlled entities own approximately 33.4% of the outstanding common stock of the Company as of December 31, 2023.

**NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES**

***Employment Agreements:***

Effective November 14, 2022, the Company and Ms. Brady, entered into an employment agreement (the "Brady Employment Agreement"). Pursuant to the Brady Employment Agreement, Ms. Brady receives an initial base annual compensation in the amount of \$175,000 per year, subject to annual review by the Board of Directors. Ms. Brady is entitled to receive an annual Performance Incentive of up to 25% of her base annual compensation, subject to performance milestones. Ms. Brady received a \$50,000 award of shares of Company stock, which vested on February 14, 2023, after her first ninety days of employment. The number of shares of this award totaled 128,205 based on the \$0.39 closing price of the Company's stock on November 14, 2022. Ms. Brady is also scheduled to receive share awards of the Company's common stock with a total value of \$50,000, \$60,000, \$70,000 and \$75,000 as of the last day of the Company's fiscal year from its 2023 fiscal year through its 2026 fiscal year, respectively. The number of shares awarded is to be based on the average price of the Company's stock on the date of the award. Each award will vest in one-third increments, with the first third vesting on the date of the award, the second third vesting on the first anniversary of the award and the final third vesting on the second anniversary of the award. The number of shares of the 2023 fiscal year award totaled 135,135 based on the \$0.37 closing price of the Company's stock on September 29, 2023, of which 45,045 vested as of that date. Ms. Brady also received a \$5,000 sign-on bonus. The Brady Employment Agreement has a term of five years and entitles Ms. Brady to participate in any deferred compensation plan the Company may adopt during the term of her employment with the Company. For the three month periods ended December 31, 2023 and January 1, 2023, the Company recorded stock-based compensation of \$9,169 and \$0, respectively, related to the Brady Employment Agreement.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
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**NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

Effective June 1, 2022, the Company and Dale Van Voorhis, the Company's Chairman of the Board, entered into an employment agreement (the "2022 Van Voorhis Employment Agreement"). Mr. Van Voorhis has been part of the Company's executive management since 2009, and served as the Company's Interim CEO from June 1, 2022 until Ms. Brady was hired in November 2022. Mr. Van Voorhis served as Special Advisor to the CEO from November 2022 through May 31, 2023. Pursuant to the 2022 Van Voorhis Employment Agreement, Mr. Van Voorhis received annual compensation in the amount of \$100,000 from June 1, 2022 through May 31, 2023 and annual compensation of \$50,000 from June 1, 2023 until May 31, 2024. Effective February 7, 2024, the Company's Board of Directors terminated the 2022 Van Voorhis Employment Agreement pursuant to its terms and removed Mr. Van Voorhis as the Company's Chairman of the Board. Additionally, Mr. Van Voorhis was removed from the Company's Strategic Growth and Audit Committees. Mr. Van Voorhis will continue to serve as a member of the Company's Board of Directors.

Effective as of January 1, 2024, the Company and Todd R. White, the Company's Chief Financial Officer, entered into an employment agreement (the "2024 White Employment Agreement"). Pursuant to the 2024 White Employment Agreement, Mr. White receives an initial base annual compensation in the amount of \$90,000 per year, which will increase to \$95,000 effective March 1, 2024, subject to annual review by the Board of Directors. The 2024 White Employment Agreement has a term of two years and entitles Mr. White to participate in any deferred compensation plan the Company may adopt during the term of his employment with the Company.

Each of the foregoing employment agreements contains provisions for severance compensation in the event an agreement is (i) terminated early by the Company without cause (\$245,833 in aggregate) or (ii) in the event of a change in control of the Company (\$335,833 in aggregate), as well as disability and death payment provisions (\$157,500 in aggregate). As of December 31, 2023, the Company has not adopted any deferred compensation plans.

**NOTE 8. INCOME TAXES**

For the three month period ended December 31, 2023, the Company reported a pre-tax loss of \$474,455 and recorded an income tax benefit of \$105,200, comprised of a federal benefit of \$97,500 and a net state benefit of \$7,700. For the three month period ended January 1, 2023, the Company reported income pre-tax loss of \$183,560, and recorded a tax benefit of \$30,600, comprised of a federal benefit of \$40,400 and a state expense of \$9,800.

**NOTE 9. COMMITMENTS AND CONTINGENCIES**

On December 16, 2022, the Company received notice that on August 10, 2022 a former employee of Aggieland Wild Animal – Texas, filed a Complaint in the 361st District Court of Brazos County, Texas (case no. 22-001839-CV-361), alleging the Company and Aggieland-Parks, Inc. committed several instances of employment discrimination. The Complaint seeks unspecified economic, compensatory and punitive damages, as well as attorney's fees and costs. The Company is defending this claim.

Except as noted above, the Company is not a party to any pending legal proceeding, nor is its property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of its business. None of the Company's directors, officers or affiliates is involved in a proceeding adverse to its business or has a material interest adverse to its business.

**PARKS! AMERICA, INC. and SUBSIDIARIES**  
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**NOTE 10. BUSINESS SEGMENTS**

The Company manages its operations on an individual location basis. Discrete financial information is maintained for each Park and provided to management for review and as a basis for decision-making. The primary performance measure used to allocate resources are Park earnings before interest, taxes, depreciation and amortization expenses.

The following tables present financial information regarding each of the Company's reportable segments:

	For the three months ended	
	December 31,	January 1, 2023
	2023	
<b>Total revenues:</b>		
Georgia	\$ 1,240,010	\$ 1,339,141
Missouri	241,721	219,765
Texas	415,894	302,473
<b>Consolidated</b>	<b>\$ 1,897,625</b>	<b>\$ 1,861,379</b>
<b>Income (loss) before income taxes:</b>		
Georgia	\$ 365,842	\$ 467,607
Missouri	(106,768)	(91,469)
Texas	(36,025)	(89,964)
Segment EBITDA	223,049	286,174
Corporate	(444,326)	(223,427)
Depreciation and amortization	223,203	217,184
(Gain) loss on asset disposals, net	14,417	-
Other income, net	35,887	29,613
Interest expense	(51,445)	(58,736)
<b>Consolidated</b>	<b>\$ (474,455)</b>	<b>\$ (183,560)</b>
	As of	
	December 31,	October 1, 2023
	2023	
<b>Total assets:</b>		
Georgia	\$ 7,801,055	\$ 8,519,619
Missouri	3,172,304	3,335,794
Texas	8,078,510	7,698,400
Corporate	588,189	541,910
<b>Consolidated</b>	<b>\$ 19,640,058</b>	<b>\$ 20,095,723</b>



**PARKS! AMERICA, INC. and SUBSIDIARIES**  
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**NOTE 11. SPECIAL MEETING OF SHAREHOLDERS AND CONTESTED PROXY**

On December 22, 2023, Focused Compounding Fund, LP (together with the participants in its solicitation, “Focused Compounding”) submitted documents to the Company purporting to provide qualifying notice (the “Purported Notice”) as to a demand that the Company hold a special meeting of stockholders (if held, including any adjournment, postponement or rescheduling thereof, the “Special Meeting”). Pursuant to the Purported Notice, the Special Meeting would be held for the purpose of asking stockholders to consider and vote upon a number of proposals, including a proposal for the removal of all directors currently serving on our Board and a proposal for the election of a new Board comprised entirely of Focused Compounding’s slate of three candidates. The Special Meeting is currently scheduled to be held on February 26, 2024. Stockholders of record at the close of business on February 8, 2024 are entitled to notice of and to vote at the Special Meeting.

In addition, the Company’s Board of Directors has called an annual meeting of stockholders to be held on June 6, 2024 (the “2024 Annual Meeting”). At the 2024 Annual Meeting, stockholders will have an opportunity to, among other things, vote on the election of directors to the Board. Stockholders who wish to present a proposal for inclusion in the Company’s proxy statement for the 2024 Annual Meeting must ensure that the proposal is received by the Secretary of the Company at its principal executive offices at 1300 Oak Grove Road, Pine Mountain, Georgia 31822 no later than February 25, 2024, which the Company has determined is a reasonable time before the Company begins to print and send its proxy materials in connection with the 2024 Annual Meeting. Such stockholder proposals must comply with the proxy rules relating to stockholder proposals, in particular Rule 14a-8 under the Exchange Act, in order to be eligible for inclusion in the Company’s proxy statement for the 2024 Annual Meeting. On January 26, 2024, the Company received purported notice from Focused Compounding stating its intention to nominate four candidates for election as directors at the 2024 Annual Meeting.

**NOTE 12. SUBSEQUENT EVENTS**

The Company has analyzed its operations subsequent to December 31, 2023 to the date these financial statements were issued and has determined, except for matters disclosed in “NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES” and “NOTE 11. SPECIAL MEETING OF SHAREHOLDERS AND CONTESTED PROXY” no material subsequent events have occurred from the date of these unaudited consolidated financial statements.

## ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Management’s discussion and analysis of results of operations and financial condition (“MD&A”) is a supplement to the accompanying unaudited consolidated financial statements and provides additional information on the our businesses, current developments, financial condition, cash flows and results of operations. The following discussion should be read in conjunction with our unaudited consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q (this “Quarterly Report”) and with our Annual Report on Form 10-K for the fiscal year ended October 1, 2023.

### Forward-Looking Statements

Except for the historical information contained herein, this Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements involve risks and uncertainties, including, among other things, statements concerning: our business strategy; liquidity and capital expenditures; future sources of revenues and anticipated costs and expenses; and trends in industry activity generally. Such forward-looking statements include, among others, those statements including the words such as “may,” “will,” “should,” “expect,” “plan,” “could,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential,” “goal,” or “continue” or similar language or by discussions of our outlook, plans, goals, strategy or intentions.

Our actual results may differ significantly from those projected in the forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including, but not limited to, the risks outlined under “RISK FACTORS” in this Quarterly Report, that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. For example, assumptions that could cause actual results to vary materially from future results include, but are not limited to: competition from other parks, inclement weather conditions during our primary tourist season, the price of animal feed and the price of gasoline. Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, we cannot guarantee future results, levels of activity, performance or achievements.

The forward-looking statements we make in this Quarterly Report are based on management’s current views and assumptions regarding future events and speak only as of the date of this report. We assume no obligation to update any of these forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting these forward-looking statements, except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission.

### Special Meeting of Shareholders and Contested Proxy

On December 22, 2023, Focused Compounding Fund, LP (together with the participants in its solicitation, “Focused Compounding”) submitted documents to us purporting to provide qualifying notice (the “Purported Notice”) as to a demand that we hold a special meeting of stockholders (if held, including any adjournment, postponement or rescheduling thereof, the “Special Meeting”). Pursuant to the Purported Notice, the Special Meeting would be held for the purpose of asking stockholders to consider and vote upon a number of proposals, including a proposal for the removal of all directors currently serving on our Board and a proposal for the election of a new Board comprised entirely of Focused Compounding’s slate of three candidates. The Special Meeting is currently scheduled to be held on February 26, 2024. Stockholders of record at the close of business on February 8, 2024 are entitled to notice of and to vote at the Special Meeting.

In addition, our Board has called an annual meeting of stockholders to be held on June 6, 2024 (the “2024 Annual Meeting”). At the 2024 Annual Meeting, stockholders will have an opportunity to, among other things, vote on the election of directors to the Board. Stockholders who wish to present a proposal for inclusion in the Company’s proxy statement for the 2024 Annual Meeting must ensure that the proposal is received by the Secretary of the Company at its principal executive offices at 1300 Oak Grove Road, Pine Mountain, Georgia 31822 no later than February 25, 2024, which we have determined is a reasonable time before the Company begins to print and send its proxy materials in connection with the 2024 Annual Meeting. Such stockholder proposals must comply with the proxy rules relating to stockholder proposals, in particular Rule 14a-8 under the Exchange Act, in order to be eligible for inclusion in the Company’s proxy statement for the 2024 Annual Meeting. On January 26, 2024, we received purported notice from Focused Compounding stating its intention to nominate four candidates for election as directors at the 2024 Annual Meeting.

## Overview

Through our wholly owned subsidiaries, we own and operate three regional theme parks and are in the business of acquiring, developing and operating local and regional theme parks and attractions in the United States. Our wholly owned subsidiaries are Wild Animal Safari, Inc., a Georgia corporation (“Wild Animal – Georgia”), Wild Animal, Inc., a Missouri corporation (“Wild Animal – Missouri”), and Aggieldand-Parks, Inc., a Texas corporation (“Aggieldand Wild Animal – Texas”). Wild Animal – Georgia owns and operates the Wild Animal Safari theme park in Pine Mountain, Georgia (the “Georgia Park”). Wild Animal – Missouri owns and operates the Wild Animal Safari theme park located in Strafford, Missouri (the “Missouri Park”). Aggieldand Wild Animal – Texas owns and operates the Aggieldand Wild Animal Safari theme park near Bryan/College Station, Texas (the “Texas Park”).

Our parks are open year round, but experience increased seasonal attendance, typically beginning in the latter half of March through early September. Combined third and fourth quarter park revenues were 60.4% and 62.1% of annual park revenues for our 2023 and 2022 fiscal years, respectively. Since the acquisition of our Texas Park, the combined third and fourth quarter concentration of our park revenues has been reduced.

During March 26-27, 2023, our Georgia Park experienced extensive damage, caused by an EF-3 tornado and over nine inches of rain, resulting in more than 4,500 fallen trees and damage to many of the Park’s animal enclosures, fencing and other infrastructure. The Walkabout Adventure Zoo (“Walkabout”) portion of the property was particularly hard hit. Our Georgia Park was closed for 20 days, including for most of its traditionally busy spring break period, which has historically comprised approximately 10%-15% of its annual revenue. The drive-through safari section of the Georgia Park reopened on April 15th. The Walkabout portion of the Park has reopened in phases, with the first phase on May 6th and the second phase on July 2nd. Approximately one-quarter of the Walkabout remains closed.

As a result of the near-term needs associated with the tornado recovery effort at our Georgia Park, we revised our 2023 fiscal year capital investment plan. Two significant new marketable attractions in our Georgia Park Walkabout, an enhanced ring-tailed lemur exhibit and new aviary, featuring macaws and a budgie parrot feeding experience, were not significantly impacted by the tornado event and opened on May 6, 2023. In addition, a new marquee otter exhibit opened in May 2023 at our Missouri Park Walkabout and a fourth drive-through pasture at our Texas Park opened in early March 2023, allowing guests to feed zebras and camels directly from their vehicles.

Our 2024 fiscal year capital plan reflects the further strategic rebuild of our Georgia Park following the March 2023 severe weather event and continues to set the stage for longer-term master planning and optimization at each of our parks. The centerpiece of our 2024 capital plan is a new restroom building and main entry plaza at our Georgia Park. The existing restroom building was near the end of its useful life, and the tornado damage rendered it beyond repair. We believe this investment is paramount in improving the overall guest experience and will pave the way for a new standard. The new main entry plaza will provide an improved arrival experience and a place for our guests to dwell, which we believe will positively impact our Georgia Park for decades to come.

Also in Georgia, our carnivore night house will be rebuilt, a capybara encounter area will be added, roadway infrastructure improved, and additional fencing and sidewalks repaired. We continue to take a strategic and measured approach to the rebuild at our Georgia Park, ensuring we put in place a product that will withstand the test of time and improve the guest, animal and staff experience, ultimately delivering higher revenue and profitability. At our Missouri Park, the 2024 capital plan is focused on activation of a guest-facing pond within the Walkabout featuring a nature trail and floating dock, the expansion of shade structures, additional rental vehicles, and equipment capital. Capital spending planned for 2024 at our Texas Park will be focused on key infrastructure needs, including hay storage, the completion of the keeper facility and general safety related improvements. We remain committed to our long-term vision for our parks, and we believe our 2024 capital plan balances additional needs from the Georgia Park tornado and deferred maintenance, along with the addition of guest facing improvements and amenities. Our 2024 fiscal year capital plan anticipates spending approximately \$1.4 million, which will again be fully funded from our existing cash and continues to demonstrate our commitment to building for long-term, sustainable growth.

We are committed to leveraging the strong operating model we have established at our Georgia Park at all three of our properties, with a focus on increasing attendance through enhanced marketing efforts and focused capital investments, as well as continuing to prudently increase the average revenue generated per guest visit via concession and gift shop revenues. In addition to rebuilding and improving our Georgia Park Walkabout, among our highest priorities over the next several years are the enhancement of the overall guest experience, streamlining and optimizing our systems, operating standards and practices, and increasing per capita revenue, through the introduction of new programming and more targeted marketing efforts. Our Texas Park opened to the public in May 2019 and we believe there remains long-term potential to increase attendance by increasing the local and regional awareness of this facility via advertising and promotion. We remain encouraged by the higher levels of attendance at our Missouri Park which began in the spring of 2020 and plan on prudently leveraging the increased exposure of this facility to continue to build on this success.

Our long-term business plan also includes adjacent expansion and expansion via the acquisition of additional local or regional entertainment assets and attractions. We believe adjacent development and acquisitions, if any, should not unnecessarily encumber the Company with additional debt that cannot be justified by current operations. We may also pursue contract management opportunities for attractions owned by third parties. By using a combination of equity, debt and other financing options, we intend to carefully monitor stockholder value in conjunction with the pursuit of growth.

Strong annual operating cash flow over the past several fiscal years has provided us with incremental operating margin, funded significant increases in capital investment, allowed us to paydown debt following the Aggieldand Safari acquisition in 2020, and quickly reopen after the significant damage and business interruption caused by the March 2023 severe weather event at our Georgia Park. However, our current size and operating model leaves us little room for error. Any future capital raised by us may result in dilution to existing stockholders. It is possible that the cash generated by, or available to, us may not be sufficient to fund our capital and liquidity needs for the near term.

We manage our operations on an individual location basis. Discrete financial information is maintained for each park and provided to our corporate management for review and as a basis for decision-making. The primary performance measure used to allocate resources are Park earnings before interest, taxes, depreciation and amortization expenses. We use this measure of operating profit to gauge segment performance because we believe this measure is the most indicative of performance trends and the overall earnings potential of each segment.

### Results of Operations for the Three Month Period Ended December 31, 2023 as Compared to Three Month Period Ended January 1, 2023

The following table shows our consolidated and segment operating results for the three month periods ended December 31, 2023 and January 1, 2023:

	Georgia Park		Missouri Park		Texas Park		Consolidated	
	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023
Total revenues	\$ 1,240,010	\$ 1,339,141	\$ 241,721	\$ 219,765	\$ 415,894	\$ 302,473	\$ 1,897,625	\$ 1,861,379
Segment income (loss) from operations	365,842	467,607	(106,768)	(91,469)	(36,025)	(89,964)	223,049	286,174
Segment operating margin %	29.5%	34.9%	-44.2%	-41.6%	-8.7%	-29.7%	11.8%	15.4%
Corporate expenses							(444,326)	(223,427)
Depreciation and amortization							223,203	217,184
(Gain) loss on asset disposals, net							14,417	-
Other income, net							35,887	29,613
Interest expense							(51,445)	(58,736)
Loss before income taxes							<u>\$ (474,455)</u>	<u>\$ (183,560)</u>

### ***Total Net Sales***

Our total revenues for the three month period ended December 31, 2023 were \$1.90 million, an increase of \$36,246, compared to the three month period ended January 1, 2023. Our combined park revenues were \$1.81 million, a decrease of \$8,345 or 0.5%, while animal sales were \$88,391, an increase of \$44,591.

Georgia park revenues were \$1.22 million, a decrease of \$79,170 or 6.1%, while animal sales were \$23,839, a decrease of \$19,961. Missouri park revenues increased by \$4,506 or 2.1%, to \$224,271, while animal sales increased by \$17,450. Texas park revenues increased by \$66,319 or 21.9%, to \$368,792, while animal sales increased by \$47,102.

For the three month period ended December 31, 2023, paid attendance at our Texas and Missouri Parks increased by approximately 29.0% and 18.1%, while attendance at our Georgia Park was flat. Our Texas and Missouri Parks benefited from the transition to a new ad agency, with an increased focus on digital marketing, in addition to favorable year-over-year weather. Our Georgia Park was negatively impacted by unfavorable weather, particularly during several key weekend and holiday periods. We are encouraged by the consumer response to our holiday annual membership promotion which drove a more than 9-fold increase in associated sales compared to the first quarter of 2023. Annual membership park revenues are recognized ratably over the 12-month period applicable to the pass.

### ***Segment Operating Margin***

Our segment income from operations was \$223,049 for the three month period ended December 31, 2023, a decrease of \$63,125, compared to a segment income from operations of \$286,174 for the three month period ended January 1, 2023. Our Georgia Park generated segment operating income of \$365,842, a decrease of \$101,765, primarily attributable lower park revenues, lower animal sales and higher general operating expenses, partially offset by lower compensation and advertising expenses. Our Missouri Park generated a segment operating loss of \$106,768, an increase of \$15,299, primarily attributable to higher animal feed and advertising expenses, partially offset by higher animal sales and park revenues. Our Texas Park generated a segment operating loss of \$36,025, a decrease of \$53,939, as higher park revenues and animal sales, were partially offset by higher advertising and animal feed costs.

### ***Corporate Expenses***

Corporate expenses increased by \$220,899 to \$444,326 during the three month period ended December 31, 2023, primarily due to higher professional fees driven by the activist investor matter that emerged in the latter half of December 2023, the timing of Directors fees, which were declared in the three month ended April 2, 2023, partially offset by lower compensation expense.

### ***Depreciation and Amortization Expense***

Depreciation and amortization expense for the three month period ended December 31, 2023 increased by \$6,019, to \$223,203, primarily attributable to higher depreciation expense for our Georgia and Texas Parks, partially offset by lower depreciation expense for our Missouri Park.

### ***(Gain) Loss on Asset Disposals, Net***

Our net loss on asset disposals for the three month period ended December 31, 2023 was \$14,417, primarily attributable to animal deaths prior to the end of their estimated life expectancy.

### ***Other Income, Net***

Other income, net for the three month period ended December 31, 2023 increased by \$6,274, to \$35,887, attributable to higher interest income, partially offset by lower mineral rights royalty income from our Texas Park property.

### ***Interest Expense***

Interest expense for the three month period ended December 31, 2023 decreased by \$7,291, to \$51,445, primarily attributable to a reduction in term loan interest.

### ***Income Taxes***

For the three month period ended December 31, 2023, we reported a pre-tax loss of \$474,455. Based on a year-to-date blend of federal and State of Georgia pre-tax losses, we recorded an income tax benefit of \$105,200 for the three month period ended December 31, 2023.

### ***Net Income (Loss) and Income (Loss) Per Share***

For the three month period ended December 31, 2023, we reported a net loss of \$369,255 or \$0.00 per basic share and per fully diluted share, compared to a net loss of \$152,960 or \$0.00 per basic share and per fully diluted share, for the three month period ended January 1, 2023, resulting in an increase of \$216,295. This increase is primarily attributable to a \$220,899 increase in Corporate expenses, a \$101,765 decrease in segment income for our Georgia Park, a \$15,299 increase in the segment loss for our Missouri Park, and a \$20,436 combined increase in depreciation and amortization expense and loss on asset disposals, partially offset by a \$53,939 reduction in the segment loss for our Texas Park, a \$6,274 increase in other income, a \$7,291 decrease in interest expense and a \$74,600 increase in our seasonal income tax benefit.

### **Financial Condition, Liquidity and Capital Resources**

#### ***Financial Condition and Liquidity***

Our primary sources of liquidity are cash generated by operations and borrowings under our loan agreements. Historically, our slow season starts after Labor Day in September and runs until Spring Break, which typically begins toward the middle to end of March. The first and second quarters of our fiscal year have historically generated negative cash flow, requiring us to use cash generated from prior fiscal years, as well as borrowing on a seasonal basis, to fund operations and prepare our Parks for the busy season during the third and fourth quarters of our fiscal year.

In October 2023, we established two 12-month lines of credit totaling \$800,000, primarily to provide seasonal borrowing capacity for our 2024 fiscal year, each secured by a certificate of deposit. As a result of our improved cash position, during our 2023 fiscal year we did not utilize any seasonal borrowing, nor have we used any seasonal borrowing during our 2024 fiscal year through the date of this report.

Our working capital was \$3.21 million as of December 31, 2023, compared to \$3.69 million as of October 1, 2023. The decrease in working capital primarily reflects cash used for capital investments, scheduled term loan payments and net cash used in operating activities during the three month period ended December 31, 2023.

Total loan debt, including current maturities, as of December 31, 2023 was \$4.04 million compared to \$4.23 million as of October 1, 2023. The decrease in total loan debt is the result of scheduled term loan payments during the three month period ended December 31, 2023.

As of December 31, 2023, we had equity of \$14.68 million and total loan debt of \$4.04 million, resulting in a debt to equity ratio of 0.27 to 1.0, compared to 0.28 to 1.0 as of October 1, 2023.

### ***Operating Activities***

Net cash used in operating activities was \$81,035 for the three month period ended December 31, 2023, compared to \$381,220 for the three month period ended January 1, 2023, resulting in a net decrease of \$300,185, as our higher net loss was more than offset by lower cash used for working capital.

### ***Investing Activities***

Net cash used in investing activities was \$216,168 for the three month period ended December 31, 2023, compared to \$187,207 for the three month period ended January 1, 2023, resulting in an increase of \$28,961. Our capital spending for the three month period ended December 31, 2023 was \$230,166, compared to \$181,741 for the three month period ended January 1, 2023.

### ***Financing Activities***

Net cash used in financing activities was \$195,170 for the three month period ended December 31, 2023, compared to \$181,621 for the three month period ended January 1, 2023, resulting in an increase of \$13,549.

### **Subsequent Events**

See in “NOTE 7. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES” and “NOTE 11. SPECIAL MEETING OF SHAREHOLDERS AND CONTESTED PROXY” of the Notes to the Consolidated Financial Statements (Unaudited) included in this Quarterly Report

### **Off Balance Sheet Arrangements**

We do not have any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity or capital expenditures.

### **Critical Accounting Policies and Estimates**

The preceding discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements included elsewhere in this Quarterly Report. Our significant accounting policies are set forth in “NOTE 2. SIGNIFICANT ACCOUNTING POLICIES” of the Notes to the Consolidated Financial Statements (Unaudited) included in this Quarterly Report, which should be reviewed as they are integral to understanding results of operations and financial position. The Parks! America, Inc. Annual Report on Form 10-K for the fiscal year ended October 1, 2023 includes additional information about us, and our operations, financial condition, critical accounting policies and accounting estimates, and should be read in conjunction with this Quarterly Report.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable

### **ITEM 4. CONTROLS AND PROCEDURES**

Parks! America, Inc. (the “Registrant”) maintains “controls and procedures,” as such term is defined under the Securities Exchange Act of 1934, as amended (“the Exchange Act”) in Rule 13a-15(e) promulgated thereunder, that are designed to ensure that information required to be disclosed in the Registrant’s Exchange Act filings is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, the Registrant’s management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, the Registrant’s management was necessarily required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

With the participation of its principal executive officer and principal financial officer of the Registrant, the Registrant's management has evaluated the effectiveness of the Registrant's disclosure controls and procedures (as defined in Rule 13a-15(e) promulgated under the Exchange Act) as of the end of the fiscal quarter covered by this Quarterly Report. Based upon the evaluation, the Registrant's principal executive officer and principal financial officer have concluded that the Registrant's disclosure controls and procedures were effective at a reasonable assurance level.

In addition, there were no changes in the Registrant's internal control over financial reporting (as defined in Rule 13a-15(e) promulgated under the Exchange Act) that occurred during the Registrant's fiscal quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

## PART II

### ITEM 1. LEGAL PROCEEDINGS

On December 16, 2022, we received notice that on August 10, 2022 a former employee of Aggieldand Wild Animal – Texas, filed a Complaint in the 361st District Court of Brazos County, Texas (case no. 22-001839-CV-361), alleging the Company and Aggieldand-Parks, Inc. committed several instances of employment discrimination. The Complaint seeks unspecified economic, compensatory and punitive damages, as well as attorney's fees and costs. We are vigorously defending this claim.

Except as noted above, we are not a party to any pending legal proceeding, nor are any of our properties the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of its business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

### ITEM 1A. RISK FACTORS

You should read the MD&A together with our unaudited consolidated financial statements and related notes, each included elsewhere in this Quarterly Report, in conjunction with the Parks! America, Inc. Annual Report on Form 10-K for the fiscal year ended October 1, 2023. Some of the information contained in the MD&A or set forth elsewhere in this Quarterly Report, including information with respect to our plans and strategies for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "RISK FACTORS" below for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this report. If any of the following risks actually occur, our business, financial condition and results of operations could be adversely affected.

#### **Risk Factors Relating to Our Business:**

*Conditions beyond our control, including natural disasters or extreme weather, could damage our properties and could adversely impact attendance at our parks and result in decreased revenues.*

Natural disasters, public health crises, epidemics, pandemics, such as the outbreak of COVID-19, power outages, terrorist activities or other events outside our control could disrupt our operations, impair critical systems, damage our properties or reduce attendance at our parks or require temporary park closures. Damage to our properties could take a long time to repair and there is no guarantee that we would have adequate insurance to cover the costs of repair or the expense of the interruption to our business. Furthermore, natural disasters such as tornados, fires, hurricanes, earthquakes, or extreme weather events linked to climate change, may interrupt or impede access to our affected properties or require evacuations and may cause attendance at our affected properties to decrease for an indefinite period.



For example, during March 26-27, 2023, our Georgia Park experienced extensive damage, caused by an EF-3 tornado and over nine inches of rain, resulting in more than 4,500 fallen trees and damage to many of the Park's animal enclosures, fencing and other infrastructure. Our Georgia park was subsequently closed for 20 days, including for most of its traditionally busy spring break period, which has historically comprised approximately 10%-15% of its annual revenue. Also, during February 2021 our Texas Park was closed for several weeks, experienced power outages and sustained property damage associated with several severe winter storms.

The occurrence of such events could have a material adverse effect on our business, financial condition and results of operations. We cannot predict the frequency, duration or severity of these activities and the effect that they may have on our business, financial condition or results of operations.

***General economic conditions may have an adverse impact on our business, financial condition or results of operations.***

Our business and operating results can be impacted by several macroeconomic factors, including but not limited to consumer confidence and spending levels, tax rates, unemployment, consumer credit availability, raw materials costs, pandemics (such as the COVID-19 pandemic) and natural disasters, fuel and energy costs (including oil prices), and credit market conditions. A general economic slowdown or recession resulting in a decrease in discretionary spending could adversely affect the frequency with which guests choose to visit our parks and the amount that our guests spend when they visit. Our ability to source supplies, materials and services at reasonable costs and in a timely manner could be impacted by adverse economic conditions in the U.S. and abroad. For example, our ability to obtain gift shop merchandise was adversely impacted by supply chain distributions at least in part attributed to collateral impacts from COVID-19. Similarly, our plans to open a new giraffe exhibit at our Georgia Park during our 2022 fiscal year experienced delays and have been suspended, in large part due to building material price increases and labor shortages in the construction industry.

***The Theme Park Industry is highly competitive, and we may be unable to compete effectively.***

The theme park industry is highly competitive, highly fragmented, rapidly evolving, and subject to technological change and intense marketing by providers with similar products. One of our competitors for attracting general recreation dollars, Callaway Gardens, is located within five miles of our Georgia Park. Within approximately 90 minutes east of Atlanta, one new safari-themed attraction opened in the Spring of 2023, and another has announced plans to open in 2024. In May 2018, Great Wolf Resorts opened an expansive lodge and indoor waterpark within 10 miles of our Georgia Park. In September 2017, the founder of Bass Pro Shops opened "Johnny Morris' Wonders of Wildlife National Museum and Aquarium", approximately 12 miles from our Missouri Park in Springfield, Missouri. Branson, Missouri is located just 45 minutes from our Missouri Park. There are a variety of animal attractions throughout southeastern Texas; the nearest is Franklin Drive Thru Safari, within a 35-40 minute drive of our Texas Park. Many of our current competitors are significantly larger and have substantially greater market presence as well as greater financial, technical, operational, marketing and other resources and experience than we have. In the event that a competitor expends significant sales and marketing resources in one or several markets we may not be able to compete successfully in such markets. We believe that competition will continue to increase, potentially placing downward pressure on prices. Such pressure could adversely affect our gross margins if we are not able to reduce costs commensurate with such price reductions. In addition, the pace of technological change makes it impossible for us to predict whether we will face new competitors using different technologies to provide the same or similar products offered or proposed to be offered by us. If our competitors were to provide better and more cost effective products, our business could be materially and adversely affected.

***We face strong competition from numerous entertainment alternatives.***

In addition to competing with other themed and amusement parks, our venues compete with other types of recreational venues and entertainment alternatives, including but not limited to movies, sports attractions, vacation travel and video games. There can be no assurance that we will successfully differentiate ourselves from these entertainment alternatives or that consumers will consider our entertainment offerings to be more appealing than those of our competitors. The increasing availability and quality of technology-based entertainment has provided families with a wider selection of entertainment alternatives in their homes, including home entertainment units, in-home and online gaming, as well as on-demand streaming video and related access to various forms of entertainment. In addition, traditional theme parks have been able to reduce the cost and increase the variety of their attractions by implementing technologies that cannot be readily incorporated by wild animal attractions such as our Parks.

***The suspension or termination of any of our business licenses may have a negative impact on our business.***

We maintain a variety of business licenses issued by federal, state and local government agencies that are required to be renewed periodically. We cannot guarantee that we will be successful in renewing all our licenses on a periodic basis. The suspension, termination or expiration of one or more of these licenses could have a significant adverse effect on our revenues and profits. In addition, any changes to the requirements for any of our licenses could affect our ability to maintain the licenses.

***Our insurance coverage may not be adequate to cover all possible losses that we could suffer, and our insurance costs may increase.***

Companies engaged in the theme park business may be sued for substantial damages in the event of an actual or alleged accident. An accident occurring at our Parks or at competing parks may reduce attendance, increase insurance premiums, and negatively impact our operating results. Our properties contain drive-through, safari style animal parks, and there are inherent risks associated with allowing the public to interact with animals. Although we carry liability insurance to cover this risk, there can be no assurance that our coverage will be adequate to cover liabilities, or that we will be able to afford or obtain adequate coverage should a catastrophic incident occur.

We currently have \$6.0 million of liability insurance per occurrence, which is capped at \$10.0 million in aggregate. We will continue to use reasonable commercial efforts to maintain policies of liability, fire and casualty insurance sufficient to provide reasonable coverage for risks arising from accidents, fire, weather, other acts of God, and other potential casualties. There can be no assurance that we will be able to obtain adequate levels of insurance to protect against suits and judgments in connection with accidents or other disasters that may occur in our Parks.

***We may not identify or complete acquisitions in a timely, cost-effective manner, if at all.***

Our business plan includes expansion via the acquisition of additional local or regional theme parks and attractions. There can be no assurance that we will be successful in acquiring and operating additional local or regional theme parks and attractions. Competition for acquisition opportunities in the theme park industry is intense as there are a limited number of parks within the United States that could reasonably qualify as acquisition targets for us. Our acquisition strategy is dependent upon, among other things, our ability to: identify acquisition opportunities; obtain debt and equity financing; and obtain necessary regulatory approvals. Our ability to pursue our acquisition strategy may be hindered if we are not able to successfully identify acquisition targets or obtain the necessary financing or regulatory approvals, including but not limited to those arising under federal and state antitrust and environmental laws.

***Significant amounts of additional financing may be necessary for the implementation of our Business Plan.***

The Company may require additional debt and equity financing to pursue its business plan. There can be no assurance that we will be successful in obtaining additional financing. Lack of additional funding could force us to substantially curtail our expansion plans. Furthermore, the issuance by the Company of any additional securities would dilute the ownership of existing stockholders and may affect the price of our common stock.

***Our ownership of real property subjects us to environmental regulation, which creates uncertainty regarding future environmental expenditures and liabilities.***

We may be required to incur costs to comply with environmental requirements, such as those relating to discharges to air, water and land; the handling and disposal of solid and hazardous waste; and the cleanup of properties affected by hazardous substances. Under these and other environmental requirements we may be required to investigate and clean up hazardous or toxic substances or chemical releases at one of our properties. As an owner or operator, we could also be held responsible to a governmental entity or third party for property damage, personal injury and investigation and cleanup costs incurred by them in connection with any contamination. Environmental laws typically impose cleanup responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. The liability under environmental laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility. The costs of investigation, remediation or removal of those substances may be substantial, and the presence of those substances, or the failure to remediate a property properly, may impair our ability to use our property. We are not currently aware of any material environmental risks regarding our properties. However, we may be required to incur costs to remediate potential environmental hazards or to mitigate environmental risks in the future.

***We are dependent upon the services of our Executive Officers, key personnel and consultants.***

Our success is heavily dependent on the continued active participation of our executive officers. Loss of the services of one or more of these officers could have a material adverse effect upon our business, financial condition or results of operations. Further, our success and achievement of our growth plans depend on our ability to recruit, hire, train and retain other highly qualified technical and managerial personnel. Competition for qualified employees among companies in the theme park industry is intense, and the loss of any such persons, or an inability to attract, retain and motivate any additional highly skilled employees required for the expansion of the Company's activities, could have a materially adverse effect on the Company. The inability of the Company to attract and retain the necessary personnel, and consultants and advisors could have a material adverse effect on the Company's business, financial condition or results of operations.

***Increased labor and employee benefit costs may negatively impact our results of operations. We also depend on a seasonal workforce, many of whom are paid at or near minimum wage.***

Labor is a primary component in the cost of operating our business. Our ability to control labor costs is subject to numerous external factors, including market pressures with respect to prevailing wage rates, unemployment levels, and health, workers compensation and other insurance costs, as well as the impact of legislation or regulations governing labor relations, minimum wage, and healthcare benefits. Furthermore, our operations are dependent in part on a seasonal workforce, many of whom are paid at or near minimum wage. We seek to manage seasonal wages and the timing of the hiring process to ensure the appropriate workforce is in place for peak and low seasons; however, we may be unable to recruit and hire sufficient personnel to meet our business needs. In addition, we cannot guarantee that material increases in the cost of securing our workforce will not occur in the future. Increased state or federal minimum wage requirements, general wages or an inadequate workforce could have an adverse impact on our results of operations. We anticipate that the recent upward pressures on general wage rates may increase our salary, wage and benefit expenses in our 2023 fiscal year and beyond, and further legislative changes or competitive wage rates could continue to increase these expenses in the future.

***Data privacy regulation and our ability to comply could harm our business.***

We (or third parties on our behalf) collect, store and use personal information and other customer data we receive through online ticket sales, marketing, mailing lists, and guest reservations. There are multiple federal, state and local laws regarding privacy and protection of personal information and data, and these laws and regulations continue to evolve. For example, many states have passed laws requiring notification to customers when there is a security breach involving their personal data and multiple jurisdictions are considering legislation that may impose liability if a business fails to properly safeguard personal information of its customers. Maintaining compliance with applicable security and privacy regulations may increase our operating costs. While we believe our cybersecurity measures are adequate, if we were to experience a data breach, we could be subject to fines, penalties and/or costly litigation.

## **Risk Factors Relating to Our Common Stock:**

***Our Common Stock is subject to the “penny stock” rules of the SEC and the trading market in our Common Stock is limited, which makes transactions in our Common Stock cumbersome and may reduce the value of an investment in our Common Stock.***

Our common stock is considered a “penny stock” and the sale of our stock by you will be subject to the “penny stock rules” of the SEC. The penny stock rules require broker-dealers to take steps before making any penny stock trades in customer accounts. As a result, the market for our shares could be illiquid and there could be delays in the trading of our stock, which would negatively affect your ability to sell your shares and could negatively affect the trading price of your shares.

***We do not expect to pay dividends for some time, if at all.***

As of the date of this report, no cash dividends have been paid on our common stock. We expect that any income from operations will be devoted to our future operations and growth, as well as to service our debt. We do not expect to pay cash dividends in the near future. Any future determination as to the payment of dividends on our common stock will be at the discretion of our Board of Directors and will depend on our earnings, operating and financial condition, capital requirements and other factors deemed relevant by our Board of Directors. The provisions of credit agreements, which we may enter from time to time, may also restrict the declaration of dividends on our common stock.

***Actions of activist stockholders, including the actions currently being taken by Focused Compounding, could materially and adversely affect our business, results of operations and share price.***

Activist stockholders may from time to time engage in proxy solicitations, advance stockholder proposals or otherwise attempt to effect changes or acquire control over us. While we value constructive input from investors and regularly engage in dialogue with our stockholders, and we welcome their views and opinions, we may be subject to actions or proposals from activist stockholders that may not align with our business strategy or with the interests of our stockholders. Because our Board and management team are committed to acting in the best interests of all of our stockholders, there is no assurance that the actions taken by the Board and management in seeking to maintain constructive engagement with certain stockholders will be successful in preventing the occurrence of stockholder activist campaigns.

Campaigns by activist stockholders to effect changes at publicly traded companies often demand that companies undertake or pursue financial restructuring, increase debt, issue special dividends, repurchase shares, or undertake sales of assets or other transactions, including strategic transactions. Campaigns may also be initiated by activist stockholders advocating for particular social causes. Activist stockholders who disagree with the composition of a publicly traded company’s board of directors, or with its strategy or management team often seek to involve themselves in the governance and strategic direction of a company through various activities that range from private engagement to publicity campaigns, proxy contests, efforts to force transactions not supported by the company’s board, and in some instances, litigation.

We have been and may in the future be subject to activities initiated by activist stockholders. On December 22, 2023, Focused Compounding submitted the Purported Notice to the Company, which purported to provide qualifying notice as to a demand that we hold the Special Meeting. According to the Purported Notice, the Special Meeting would be held for the purpose of asking stockholders to consider and vote upon a number of proposals, including a proposal for the removal of all directors currently serving on our Board and a proposal for the election of a new Board comprised entirely of Focused Compounding’s slate of three candidates. The Special Meeting is currently scheduled to be held on February 26, 2024. Stockholders of record at the close of business on February 8, 2024 are entitled to notice of and to vote at the Special Meeting.

Additionally, on January 26, 2024, we received purported notice from Focused Compounding stating its intention to nominate four candidates for election as directors at the 2024 Annual Meeting. We value input from all of our stockholders and remain open to ongoing engagement with Focused Compounding. We do not believe that the candidates proposed by Focused Compounding for consideration by stockholders at the Special Meeting nor the candidates proposed by Focused Compounding for consideration by stockholders at the 2024 Annual Meeting are qualified to oversee our business, and we do not believe that their appointment would be in the best interests of the Company or its stockholders.

Responding to these potential proxy contests, and any other actions by activist stockholders, will be costly and time-consuming and will divert the attention of our Board, management team and employees from the management of our operations and the pursuit of our business strategies. Further, actions of activist stockholders may cause fluctuations in our stock price based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business. Perceived uncertainties as to our future direction, strategy or leadership created as a consequence of activist stockholder initiatives may result in the loss of potential business opportunities and make it more difficult to attract and retain investors, customers, employees, qualified directors and officers and business partners. Also, we will be required to incur significant expenses related to any activist stockholder matters (including legal fees, fees for financial advisors, fees for public relation advisors and proxy solicitation expenses). If individuals with a specific agenda are elected or appointed to our Board, it may adversely affect our ability to effectively and timely implement our strategic plan and maximize value for our stockholders. Furthermore, if individuals are elected or appointed to our Board who do not agree with our strategic plan, the ability of our Board to function effectively could be adversely affected. As a result, activist stockholder campaigns could adversely affect our business, results of operations, financial condition and share price.

In connection with any activist campaign, we may choose to initiate, or may become subject to, litigation, which would serve as a further distraction to our Board, management and employees and would require us to incur significant additional costs.

We cannot predict, and no assurances can be given, as to the outcome or timing of any matters relating to the foregoing actions by stockholders and our responses thereto or the ultimate impact on our business, liquidity, financial condition or results of operations.

***Our rights plan may discourage potential acquirers of the Company.***

On January 19, 2024, we adopted a rights plan (the “Rights Plan”), which provides, among other things, that when specified events occur, our stockholders will be entitled to purchase additional shares of our common stock. The Rights Plan will expire on January 18, 2025, unless earlier redeemed, exchanged or extended. The preferred stock purchase rights are triggered ten days after the date of a public announcement that a person or group has acquired, or obtained the right to acquire, beneficial ownership of 10% or more of our outstanding shares of common stock. The rights would cause significant dilution to a person or group that attempts to acquire the Company on terms that are not approved by the Board. These provisions, either alone or in combination with each other, give the Board an ability to influence the outcome of a proposed acquisition of the Company and could have the effect of discouraging, delaying or preventing a change in control over us. These provisions would apply even if an acquisition or other significant corporate transaction was considered beneficial by some, but not all, of our stockholders. The Rights Plan is similar to plans adopted by other public companies and is designed to ensure that all of the Company’s stockholders have the opportunity to realize the long-term value of their investment in the Company. The Rights Plan is intended to position the Board to fulfill its duties by ensuring the Board has sufficient time to make informed judgments that are in the best interests of the Company and its stockholders.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable

**ITEM 5. OTHER INFORMATION**

None

## ITEM 6. EXHIBITS

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
10.1	Employment Agreement with Todd R. White dated January 1, 2024
14.2	Parks! America, Inc. Policy on Insider Trading
31.1	Certification by Chief Executive Officer, required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, promulgated pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by Chief Financial Officer, required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, promulgated pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by Chief Executive Officer, required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, promulgated pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.  Certification by Chief Financial Officer, required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, promulgated pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PARKS! AMERICA, INC.

February 13, 2024

By: /s/ Lisa Brady

Lisa Brady  
Chief Executive Officer  
(Principal Executive Officer)



**PARKS! AMERICA, INC.  
EMPLOYMENT AGREEMENT**

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This Employment Agreement (this “Agreement”) is entered into and made effective as of the 1st day of January, 2024, by and between Parks America, Inc., a Nevada Corporation, with its principal place of business located at 1300 Oak Grove Road, Pine Mountain, Georgia 31822 (the “Company”), and Todd R. White of 16600 N Thompson Peak Pkwy, Unit 1069, Scottsdale, AZ 85260 (“White”).

RECITALS

1. The Company is engaged in the business of developing and operating theme parks and related service enterprises and desires to hire and retain qualified, experienced leadership in this endeavor.

2. White has been an officer and Director of the Company since 2014, and has considerable experience and high qualifications as a corporate financial officer.

3. In view of his effective service in the operation and financial management of the Company, the Company desires to continue the employment of White as Chief Financial Officer of the Company and as a member of its Board of Directors according to the terms and conditions as set forth below.

4. White desires to continue to be employed by the Company as its Chief Financial Officer and to serve as a member of its Board of Directors.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants, promises, terms and conditions hereinafter set forth, the parties hereto agree as follows:

I. EMPLOYMENT

The Company hereby employs, engages and hires White, on a part-time basis, as its CFO on the terms and conditions hereinafter set forth, and White hereby accepts such employment and agrees to perform such services and duties and to carry out such responsibilities as hereinafter set forth.

II. TERM OF EMPLOYMENT

The term of employment under this Agreement shall be for a period of two (2) years commencing as of January 1, 2024 and terminating on December 31, 2025, subject, however, to prior termination as hereinafter provided.

III. SERVICES, DUTIES AND RESPONSIBILITIES

1. White will faithfully and to the best of his ability serve the Company on a part-time basis in his capacity as CFO, subject to the supervision of the Chief Executive Officer and the policy direction of the Board of Directors of the Company. White shall perform such services and duties as are customarily performed by one holding the position of CFO of a publicly traded corporation.

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2. As CFO, White shall be responsible for the overall financial management of the Company's business. White will devote his energy and skill, on a part-time basis, to his employment with the Company. Such duties shall be rendered where White elects, and at such other place as the Company shall require or as interests, needs or business or opportunity of the Company shall require, subject to the part-time nature of his employment.

3. White shall be responsible for reporting to the Chief Executive Officer of the Company on a regular basis and to the Company's Board of Directors.

4. White shall not directly or indirectly represent or be engaged by or be an employee of any other person, firm or corporation or be engaged for his services as an officer, general manager or consultant in any other business or enterprise in competition with the Company, without the prior written consent of the Board of Directors to do so. It is understood, however, that the foregoing in no way prevents White from owning stock or having an economic interest in other businesses or enterprises. Furthermore, White may serve on the board of directors of other companies so long as such service does not conflict with his interest in and duties to the Company and he may be an officer, director, and/or shareholder in any family or personal investment business so long as it does not conflict with his interest and duties to the Company.

#### IV. COMPENSATION

1. Base Salary. Commencing as of January 1, 2024 through February 29, 2024, the Company shall pay White an annual base salary of Ninety Thousand Dollars (\$90,000) to be paid in monthly installments, payable in accordance with the Company's normal payroll procedures. Effective as of March 1, 2024, the Company shall pay White an annual base salary of Ninety-Five Thousand Dollars (\$95,000) to be prorated and paid in equal installments, payable in accordance with the Company's normal payroll procedures. Said salary payments will be subject to withholding taxes, e.g., Federal Income Tax, FICA, and State and/or Local Withholding Taxes. Whereas such salary shall not be decreased during the term of this Agreement without the consent of White, it shall be subject to increase by the Company's Board of Directors, at their sole discretion.

2. Additional Benefits. During the term of this Agreement, White shall be entitled to participate in any employee benefit plans and arrangements, either existing as of the date of this Agreement or which may hereafter be established, that are generally applicable to senior management of the Company, including but not limited to, all life, medical, disability, insurance, retirement, deferred compensation, stock option or other employee benefit plan that may be adopted from time to time. White acknowledges that that no such benefit plans or arrangements are in effect as of the date of this Agreement and nothing herein shall require the Company to adopt any such plans.

3. Bonus Compensation. The Board of Directors may, from time to time and in its sole discretion, cause the Company to award to White bonus compensation based upon the operating results of the Company. White acknowledges that any bonus compensation so awarded is entirely discretionary and nothing herein shall require the Company to grant any such compensation.

#### V. BUSINESS FACILITIES AND EQUIPMENT

The Company shall provide White, or shall pay for, suitable work facilities and adequate business accommodations, office equipment and devices as may be reasonably necessary for White to perform his services and carry out his responsibilities and duties to the Company.

#### VI. DIRECTORS AND OFFICERS INSURANCE.

The Company shall purchase and maintain Directors' and Officers' liability insurance, including coverage for White, in an amount of not less than \$3,000,000 (three million dollars).

#### VII. INDEMNIFICATION.

The Company shall defend and indemnify White, his heirs, executors, administrators and assigns, against all expenses, including, but not limited to, amounts of judgments, reasonable settlement of suits, attorney fees and related costs of litigation, reasonably incurred by him or the Company in connection with or arising out of any action, suit or cause of action against the Company and/or against White as a result of his having been, an officer and/or director of the Company, or, at its request, of any other corporation which the Company owns, whether or not he continues to be such officer or director at the time of incurring said expenses.

Nothing in this section regarding indemnification shall be construed to require or authorize the Company to defend or indemnify White against any liability to which he would, but for settlement or compromise of such action, suit or proceeding, be otherwise subject by reason of his gross negligence or intentional misconduct in the performance of his duties as an officer and/or director of the Company.

The foregoing right of indemnification shall not be exclusive of other rights to which White may be entitled.

#### VIII. BUSINESS EXPENSE REIMBURSEMENT

The Company shall reimburse White for all reasonable business expenses incurred by him in the performance of his services, duties and responsibilities, including but not limited to, transportation, travel expenses, board and room, entertainment, and other business expenses incurred within the scope of his employment, subject to the presentation to the Company by White of an itemized accounting of said expenses substantiated by account books, receipts, bills and other documentation where applicable. If reimbursement, advances or allowances are based on permitted mileage or per diem rates, then White shall submit specification of relevant mileage, destination, dates and other supporting information required for tax purposes.

#### IX. RESERVED

#### X. TERMINATION OF EMPLOYMENT

1. Termination. This Agreement may be terminated by either party, at any time and for any reason upon 30 days prior written notice to the other party.

2. Severance. In the event of any early termination of this Agreement by the Company, except by reason of death or disability (which is covered in paragraph 5 below) or a change-in-control (which is covered in paragraph 4 below), the Company agrees to pay White a one-time payment of \$50,000 in exchange for a full release of any and all claims White may have, or believe he has, against the Company as further provided in paragraph 3 below.

3. Conditions to Severance. The payment to White of severance compensation hereunder shall be in full satisfaction and complete discharge of the Company's obligations to White pursuant to this Agreement, except as provided in paragraphs 4 and 5 below. The severance payment is subject to, conditioned on and provides valuable consideration for the following:

- a. A valid mutual general release, to be drafted by the Company and executed by both parties releasing all claims each party may have against the other in connection with this Agreement, however the parties to this Agreement acknowledge and agree that the obligations of White arising under Section XI of this Agreement shall not be released.
- b. The resignation by White from any and all positions he holds with the Company at the time of the termination, including but not limited to, White's resignation from the Company's Board of Directors.

4. Sale/Take-Over Termination Bonus (Change-In-Control). In the event the employment of White is terminated (or there is a deemed termination as a result of a material change in White's responsibilities or employment circumstances) following the sale of the business, including any sale of the Company, (either asset or stock sale), merger, consolidation, or change-in-control as a result of a "takeover" by an outside entity or group acquiring voting control of the Company, then in lieu of the \$50,000 payment contemplated in paragraph 2 above, White shall be entitled to a termination payment of \$95,000 and no release in favor of the Company shall be required.

5. Death or Disability. In the event White's employment is terminated by death or upon medical certification of total disability ("disability"), then the following will apply in that respective event:

(a) In the event of White's death, the Company shall:

- Pay to White's estate an amount equal to White's base salary for a 6 (six) month period next following his death;
- Pay to White's estate his deferred compensation vested at the time of death;
- Grant to White's estate the next ISO due to White under Section IV.2 herein following the date of his death;
- The Company shall continue providing medical and dental benefits set forth in Section IV to White's survivors (if any) for a period of one year.

(b) In the Event of White's disability, the Company shall:

- Pay to White an amount equal to White's base salary for a six (6) month period next following disability;
- Pay to White his deferred compensation vested at the time of termination;
- The Company shall pay to White an amount equal to the bonus White would have received for the next two quarters following disability;
- The Company shall continue providing the medical and dental benefits set forth in Section IV.2 to White for a period of two years following disability.

The payment of \$50,000 contemplated in paragraph 2 above shall not be applicable if termination occurs for the reasons specified in this paragraph 5.

#### XI. RESTRICTIVE COVENANTS.

1. Confidential Information. White covenants not to disclose the following specified confidential information to competitors or to others outside of the scope of reasonably prudent business disclosure, at any time during or after the termination of his employment by the Company.

- a. Customers lists, contracts, and other sales and marketing information;
- b. Financial information, cost data;
- c. Formulas, trade secrets, processes and devices related to the operation of the theme parks;
- d. Supply sources, contracts;
- e. Business opportunities relating to developing new business for the Company; and
- f. Proprietary plans, procedures, models and other proprietary information of the Company.

2. Affirmative Duty to Disclose. White shall promptly communicate and disclose to the Company all observations made, information received, and data maintained relating to the business of the Company obtained by him as a consequence of his employment by the Company. All written material, possessed during his employment with the Company concerning business affairs of the Company or any of its affiliates, are the sole property of the Company and its affiliates, and White is obligated to make reasonably prompt disclosures of such information and documents to the Company, and, further, upon termination of this Agreement, or upon request of the Company, White shall promptly deliver the same to the Company or its affiliates, and shall not retain any copies of same.

3. Covenant Not to Compete. For a period of two (2) years following the termination of his employment with the Company, White shall not work, directly or indirectly for a competitor of the Company, nor shall he himself establish a competitive business. This restrictive covenant shall be limited to businesses that compete in the theme park business in market areas within 150 miles of Company parks.

4. Material Harm Upon Breach. The parties acknowledge the unique and secret nature of the Company's procedures for acquisition of theme parks and related businesses and of related proprietary information, and that material irreparable harm occurs to the Company if these restrictive covenants are breached. Further, the parties hereto acknowledge and agree that injunctive relief is not an exclusive remedy and that an election on the part of the Company to obtain an injunction does not preclude other remedies available to the Company.

5. Arbitration. Any controversy, claims, or matter in dispute occurring among the parties and arising out of or relating to this Agreement shall be submitted by either or both of the parties to arbitration administered by the American Arbitration Association or its successor and said arbitration shall be final, absolute and non-appealable. The Commercial Arbitration Rules of the American Arbitration Association shall apply subject to the following modifications:

- a. The venue for said arbitration shall be Pine Mountain, Georgia, and the laws of the State of Georgia relating to arbitration shall apply to said arbitration.
- b. The decision of the arbitration panel may be entered as a judgment in any court of general jurisdiction in any state of the United States or elsewhere.

## XII. OTHER AGREEMENTS

In connection with this Agreement, White agrees to accept appointment to the Company's Board of Directors, to serve until his earlier resignation or removal.

## XIII. NOTICE

Except as otherwise provided herein, all notices required by this Agreement as well as any other notice to any party hereto shall be given by certified mail (or equivalent), to the respective parties as required under this Agreement or otherwise, to the following addresses indicated below or to any change of address given by a party to the others pursuant to the written notice.

COMPANY:       Parks! America  
                  1300 Oak Grove Road  
                  Pine Mountain, Georgia 31822

WHITE:         Todd R. White  
                  16600 N Thompson Peak Pkwy, Unit 1069  
                  Scottsdale, Arizona 85260

## XIV. GENERAL PROVISIONS

1. Entire Agreement. This Agreement constitutes and is the entire Agreement of the parties and supersedes all other prior understandings and/or Agreements between the parties regarding the matters herein contained, whether verbal or written.

2. Amendments. This Agreement may be amended only in writing signed by both parties.

3. Assignment. No party of this Agreement shall be entitled to assign his or its interest herein without the prior written approval of the other party.

4. Execution of Other Documents. Each of the parties agrees to execute any other documents reasonably required to fully perform the intentions of this Agreement.

5. Binding Effect. This Agreement shall inure to and be binding upon the parties hereto, their agents, employees, heirs, personal representatives, successors and assigns.

6. No Waiver of Future Breach. The failure of one party to insist upon strict performance or observation of this Agreement shall not be a waiver of any future breach or of any terms or conditions of this Agreement.

7. Execution of Multiple Originals. Two (2) original counterparts of this Agreement shall be executed by these parties.

8. Governing Law. This Agreement shall be governed and interpreted by the laws of the State of Georgia.

9. Severability. In the event any provision or section of this Agreement conflicts with the applicable law, such conflict shall not affect the provisions of the Agreement, which can be given effect without the conflicting provisions.

IN WITNESS WHEREFOF, this Agreement is hereby executed and made effective the day and year first above written,

PARKS! AMERICA, INC.

By: /s/ Lisa Brady

\_\_\_\_\_  
Lisa Brady, Chief Executive Officer

/s/ Todd R. White

\_\_\_\_\_  
Todd R. White

**PARKS! AMERICA, INC. POLICY ON INSIDER TRADING**

This Insider Trading Policy describes the standards of Parks! America, Inc. and its subsidiaries (the “**Company**”) on trading, and causing the trading of, the Company’s securities or securities of certain other publicly traded companies while in possession of confidential information. This Policy is divided into two parts: the first part prohibits trading in certain circumstances and applies to all directors, officers, and employees and their respective immediate family members of the Company and the second part imposes special additional trading restrictions and applies to all (i) directors of the Company, (ii) executive officers of the Company (together with the directors, “**Company Insiders**”), (iii) the employees listed on Appendix A (collectively, “**Covered Persons**”). and (iv) certain other employees that the Company may designate from time to time as “Covered Persons” because of their position, responsibilities or their actual or potential access to material information.

One of the principal purposes of the federal securities laws is to prohibit so-called “insider trading.” Simply stated, insider trading occurs when a person uses material nonpublic information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company’s securities or the securities of certain other companies or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is “material” and “nonpublic.” These terms are defined in this Policy under Part I, Section 3 below. The prohibitions would apply to any director, officer or employee who buys or sells securities on the basis of material nonpublic information that he or she obtained about the Company, its customers, suppliers, partners, competitors or other companies with which the Company has contractual relationships or may be negotiating transactions.

**PART I****1. Applicability; Individual Responsibility.**

This Policy applies to all trading or other transactions in (i) the Company’s securities, including common stock, options and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company’s securities, whether or not issued by the Company and (ii) the securities of certain other companies, including common stock, options and other securities issued by those companies as well as derivative securities relating to any of those companies’ securities. This Policy applies to all employees of the Company, all officers of the Company and all members of the Company’s board of directors and their respective family members.

EVERY OFFICER, DIRECTOR AND EMPLOYEE, HAS THE INDIVIDUAL RESPONSIBILITY TO COMPLY WITH THIS POLICY, AND THE APPLICABLE LAWS OF THEIR JURISDICTION. YOU MAY, FROM TIME TO TIME, HAVE TO FOREGO A PROPOSED TRANSACTION IN THE COMPANY’S SECURITIES EVEN IF YOU PLANNED TO MAKE THE TRANSACTION BEFORE LEARNING OF THE MATERIAL NONPUBLIC INFORMATION AND EVEN THOUGH YOU MAY SUFFER AN ECONOMIC LOSS OR FOREGO ANTICIPATED PROFIT BY WAITING. TRADING IN THE COMPANY’S SECURITIES DURING THE TRADING WINDOW DESCRIBED HEREIN SHOULD NOT BE CONSIDERED A “SAFE HARBOR,” AND YOU SHOULD USE GOOD JUDGMENT AT ALL TIMES

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## **2. General Policy: No Trading or Causing Trading While in Possession of Material Nonpublic Information.**

(a) No director, officer or employee or any of their immediate family members may purchase or sell, or offer to purchase or sell, any Company security, whether or not issued by the Company, while in possession of material nonpublic information about the Company. (The terms “material” and “nonpublic” are defined in Part I, Section 3(a) and (b) below.)

(b) No director, officer or employee or any of their immediate family members who knows of any material nonpublic information about the Company may communicate that information to (“tip”) any other person, including family members and friends, or otherwise disclose such information without the Company’s authorization.

(c) No director, officer or employee or any of their immediate family members may purchase or sell any security of any other publicly-traded company while in possession of material nonpublic information that was obtained in the course of his or her involvement with the Company. No director, officer or employee or any of their immediate family member who knows of any such material nonpublic information may communicate that information to, or tip, any other person, including family members and friends, or otherwise disclose such information without the Company’s authorization.

(d) For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and nonpublic unless you first consult with, and obtain the advance approval of, the Compliance Officer (which is defined in Part I, Section 3(c) below).

(e) Covered Persons must “pre-clear” all trading in securities of the Company in accordance with the procedures set forth in Part II, Section 3 below.

## **3. Definitions.**

(a) **Material.** Insider trading restrictions come into play only if the information you possess is “material.” Materiality, however, involves a relatively low threshold. Information is generally regarded as “material” if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Examples of material information include (but are not limited to) information about corporate earnings or earnings forecasts; possible mergers, acquisitions, tender offers or dispositions; important business developments, such as entry into or loss of significant contracts; management or control changes; significant financing developments including pending public sales or offerings of debt or equity securities; defaults on borrowings; bankruptcies; and significant litigation or regulatory actions. Moreover, material information does not have to be related to a company’s business. For example, the contents of a forthcoming newspaper column that is expected to affect the market price of a security can be material. When in doubt about whether particular nonpublic information is material, you should presume it is material. **If you are unsure whether information is material, you should either consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates or assume that the information is material.**

**(b) Nonpublic.** Insider trading prohibitions come into play only when you possess information that is material and “nonpublic.” The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be “public” the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Nonpublic information may include: information available to a select group of analysts or brokers or institutional investors; undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two trading days).

**As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Compliance Officer or assume that the information is nonpublic and treat it as confidential.**

**(c) Compliance Officer.** The Company has appointed the Chief Financial Officer as the Compliance Officer for this Policy. The duties of the Compliance Officer include, but are not limited to, the following: assisting with implementation and enforcement of this Policy; circulating this Policy to all employees and ensuring that this Policy is amended as necessary to remain up-to-date with insider trading laws; pre-clearing all trading in securities of the Company by Covered Persons in accordance with the procedures set forth in Part II, Section 3 below; providing approval of any Rule 10b5-1 plans under Part II, Section 1(c) below and any prohibited transactions under Part II, Section 4 below. providing a reporting system with an effective whistleblower protection mechanism.

#### **4. Exceptions.**

The trading restrictions of this Policy do not apply to the following:

**(a) 401(k) Plan.** Investing 401(k) plan contributions in a Company stock fund in accordance with the terms of the Company’s 401(k) plan, if any. However, any changes in your investment election regarding the Company’s stock are subject to trading restrictions under this Policy.

**(b) Options.** Exercising stock options granted under the Company’s under the Company’s Stock Option Plan for cash or the delivery of previously owned Company stock. However, the sale of any shares issued on the exercise of Company-granted stock options and any cashless exercise of Company-granted stock options are subject to trading restrictions under this Policy.

**(c) Gifts.** *Bona fide* gifts of the Company’s securities.

#### **5. Violations of Insider Trading Laws.**

Penalties for trading on or communicating material nonpublic information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

**(a) Legal Penalties.** A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material nonpublic information can be sentenced to a substantial jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided. In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed material nonpublic information. Tippers can be subject to the same penalties and sanctions as the tippees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction.

The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to the Company and/or management and supervisory personnel. These control persons may be held liable for up to the greater of \$1 million or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek penalties from a company and/or its management and supervisory personnel as control persons.

**(b) Company-Imposed Penalties.** Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place.

## **6. Inquiries.**

If you have any questions regarding any of the provisions of this Policy, please contact the Compliance Officer at Todd White at [todd.white@animalsafari.com](mailto:todd.white@animalsafari.com).

## **PART II**

### **1. Blackout Periods.**

All Covered Persons are prohibited from trading in the Company's securities during blackout periods as defined below.

**(a) Quarterly Blackout Periods.** Trading in the Company's securities is prohibited during the period beginning at the close of the market on two weeks before the end of each fiscal quarter and ending at the close of business on the second trading day following the date the Company's financial results are publicly disclosed and Form 10-Q or Form 10-K is filed. During these periods, Covered Persons generally possess or are presumed to possess material nonpublic information about the Company's financial results.

**(b) Other Blackout Periods.** From time to time, other types of material nonpublic information regarding the Company (such as negotiation of mergers, acquisitions or dispositions, investigation and assessment of cybersecurity incidents or new product developments) may be pending and not be publicly disclosed. While such material nonpublic information is pending, the Company may impose special blackout periods during which Covered Persons are prohibited from trading in the Company's securities. If the Company imposes a special blackout period, it will notify the Covered Persons affected.

**(c) Exception.** These trading restrictions do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 under the Securities Exchange Act of 1934 (an "**Approved 10b5-1 Plan**") that:

(i) has been reviewed and approved at least one month in advance of any trades thereunder by the Compliance Officer (or, if revised or amended, such revisions or amendments have been reviewed and approved by the Compliance Officer at least one month in advance of any subsequent trades);

(ii) was entered into in good faith by the Covered Person at a time when the Covered Person was not in possession of material nonpublic information about the Company; and

(iii) gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material nonpublic information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions.

## **2. Trading Window.**

Covered Persons are permitted to trade in the Company's securities when no blackout period is in effect. Generally, this means that Covered Persons can trade during the period beginning on the close of business on the second trading day following the date the Company's financial results are publicly disclosed and Form 10-Q or Form 10-K is filed and ending on the close of the market on two weeks before the end of each fiscal quarter. However, even during this trading window, a Covered Person who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material. In addition, the Company may close this trading window if a special blackout period under Part II, Section 1(b) above is imposed and will re-open the trading window once the special blackout period has ended.

## **3. Pre-Clearance of Securities Transactions.**

(a) Because Company Insiders are likely to obtain material nonpublic information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 2 above, without first pre-clearing all transactions in the Company's securities.

(b) Subject to the exemption in subsection (d) below, no Company Insider may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.

(c) The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.

(d) Pre-clearance is not required for purchases and sales of securities under an Approved 10b5-1 Plan. With respect to any purchase or sale under an Approved 10b5-1 Plan, the third party effecting transactions on behalf of the Company Insider should be instructed to send duplicate confirmations of all such transactions to the Compliance Officer.

## **4. Prohibited Transactions.**

(a) Company Insiders are prohibited from trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company, during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

**(b)** Covered Persons, including any person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, are prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Compliance Officer:

**(i) Short-term trading.** Company Insiders who purchase Company securities may not sell any Company securities of the same class for at least six months after the purchase;

**(ii) Short sales.** Company Insiders and Covered Persons may not sell the Company's securities short;

**(iii) Options trading.** Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities;

**(iv) Trading on margin or pledging.** Covered Persons may not hold Company securities in a margin account or pledge Company securities as collateral for a loan; and

**(v) Hedging.** Covered Persons may not enter into hedging or monetization transactions or similar arrangements with respect to Company securities.

**5. Limitation of Liability.**

None of the Company, the Compliance Officer or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a 10b5-1 trading plan submitted pursuant to this Policy or a request for pre-clearance submitted pursuant to Part II, Section 3 of this Policy. Notwithstanding any review of a 10b5-1 trading plan or pre-clearance of a transaction pursuant to Section Part II, Section 3 of this Policy, none of the Company, the Compliance Officer or the Company's other employees assumes any liability for the legality or consequences of such 10b5-1 trading plan or transaction to the person engaging in or adopting such 10b5-1 trading plan or transaction

**6. Acknowledgment and Certification.**

All Covered Persons are required to sign the attached acknowledgment and certification.

**ACKNOWLEDGMENT AND CERTIFICATION**

The undersigned does hereby acknowledge receipt of the Company's Insider Trading Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy at all times in connection with the purchase and sale of securities and the confidentiality of nonpublic information.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Please print name)

Date: \_\_\_\_\_

**APPENDIX A**

Lisa Brady

Todd White

Mark Whitfield

All Park General Managers and Assistant General Managers

All Board Members

President and CEO

CFO

VP - Operations

CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO RULES 13a-14(a)/15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Lisa Brady, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Parks! America, Inc. (the “registrant”) for the quarter ended December 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 13, 2024

/s/ Lisa Brady

Lisa Brady  
Chief Executive Officer  
(Principal Executive Officer)  
Parks! America, Inc.

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CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO RULES 13a-14(a)/15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Todd R. White, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Parks! America, Inc. (the “registrant”) for the quarter ended December 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 13, 2024

/s/ Todd R. White

Todd R. White  
Chief Financial Officer  
(Principal Financial Officer)  
Parks! America, Inc.

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CERTIFICATION  
PURSUANT TO 18 U.S.C SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Parks! America, Inc. (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended December 31, 2023 (the “Form 10-Q”) of the Company fully complies with the requirement of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 13, 2024

*/s/ Lisa Brady*

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Lisa Brady  
Chief Executive Officer  
(Principal Executive Officer)  
Parks! America, Inc.

Dated: February 13, 2024

*/s/ Todd R. White*

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Todd R. White  
Chief Financial Officer  
(Principal Financial Officer)  
Parks! America, Inc.

A signed original of this written statement required by Section 906 has been provided to Parks! America, Inc. and will be retained by Parks! America, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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