

PREMIUM ICE CREAM BRAND WITH MULTIPLE LOCATIONS

Offering Memorandum

The owner of Ice Cream brand (hereafter referred to as the “Company”), has retained Pacific Restaurant Brokers on an exclusive basis to offer for sale in a single transaction the following:

1. The Company
2. All related assets

At the request of the purchaser, the active owner will be available as a consultant to assist in the ownership and management transition. Owner could be hired as I.C. for sales post close.

If you are interested in pursuing this strategic transaction, direct a written offer to Pacific Restaurant Brokers in which you detail:

1. Your preliminary valuation of the Company;
2. Your terms and conditions;
3. Any suggested deviation from the purchase of the Company and all related assets;
4. Those specific liabilities which you would assume; and
5. The operating role you expect to offer the Seller, including your preferred technique for compensation

You are reminded of your written undertaking to protect and preserve the confidentiality of this privileged communication. Under no circumstances may the Company’s owners, employees, competitors, customers or vendors be contacted directly. Pacific Restaurant Brokers is acting as the Company’s exclusive financial advisor in the proposed transaction.

All questions and inquiries should be directed to Pacific Restaurant Brokers:



Jerry Diza
17011 Beach Blvd. Suite 550
Huntington Beach CA 92647
(949) 427-0304
Email: Jerry@PacificRB.com
www.PacificRestaurantBrokers.com

OVERVIEW:

The Company, a southern California based company, has reinvented ice cream with it's innovative techniques and modern technology. The product wows it's customers through creating a flavorful dessert sensation.

It is most famously known for inventing a unique waffle cone which offers customers a unique taste experience. Made from a proprietary recipe consisting of sweet, egg-based batter, the product puffs up when cooled, forming little pockets that makes the cones social media worthy.

Customers are entertained with a liquid nitrogen "fog show" which provides a source of amazement and wonderment for it's faithful customers. By using liquid nitrogen, the brand is able to create their handmade ice cream, which is consistently creamy and full of flavor.

An immediate social media and internet sensation, the Brand continues to wow their customer by introducing new and innovative flavors each month.

The Brand was chosen as National Restaurant News breakout brand of the year and QSR brand to watch under 30 finalist. It has also garnered over 55 million views from videos alone on Facebook, not including YouTube or Instagram. Combined views approximately 70M+ views.

BRAND FACTS

FRANCHISED UNITS SOLD: 28

FDD REGISTERED AREAS:

USA - All exempt states, California, Florida, Texas

International - Middle East,

Europe (except France, Russia, Italy, Belgium, Lithuania, Romania, Spain, and Sweden)

Canada

FRANCHISE FEE: \$40,000

MINIMUM DEVELOPMENT: 3 Units

ROYALTIES: 6% of weekly gross sales

WORLDWIDE CREATIVE FUND: 2% of weekly gross sales

LOCAL STORE MARKETING: 1%

FOUNDED: 2015

SEGMENT: Fast Casual/QSR

SUB SEGMENT: Ice Cream

FOOTPRINT: 1,200 square feet

The information contained herein, or in any attached document has been compiled from information provided by the Seller to PRB. PRB and its agents, have not verified any of the information presented, and makes no warranties expressed or implied as to the accuracy of the information. Buyer is advised to consult with all appropriate professionals including attorney, CPA, financial planners, equipment inspectors and industry experts.

CURRENT UNITS SOLD AND LOCATIONS

There are 11 franchised stores currently open, plus 3 corporate owned stores. By the end of 2019, we are on track to have 16 franchised stores opened, with a total of 28 to be opened within 2 years. (assuming no other licenses are sold).

PROJECTED INCOME FROM ROYALTIES

INCOME:

28 unit royalty stream: \$840k

2 corporate stores: \$331k

Total projected yearly revenue: \$1.17M combined

- **NOTE: Franchise fee of \$40k/unit not included in revenue calculations which is additional revenue for franchisor.**

Current royalty stream is approximately \$30k/month NOT including the corporate stores which net about \$20k/month for a combined income of \$50k/month, \$600k/yr. and increasing as additional stores open.

Sales are strong in the winter, and summertime sales are typically 60% higher than winter sales. Most stores have not gone through a full summer as of Spring 2019.

EXPANSION POTENTIAL

The Brand is marketed exclusively through a well-known franchising company in the industry. It also has an international platform including Europe and the Middle East which enables the company to sell additional franchises globally.

MANAGEMENT AND PERSONNEL STAFFING

There are currently 5 members in the corporate team, including 2 founding members. All member are crossed trained and capable of working in various areas of the business.

The company was structured with systems to be franchisor/franchisee friendly since the beginning. New operator will be trained on how to handle the in-store operations and overall logistics.

The system is setup with vendors and distributors for all of the supplies and equipment. New operator will only need to learn how everything operates, with the entire transition taking 2-3 months.

Since it is not a full service restaurant, the operations are streamlined and consolidated to only a handful of vendors so the transition will be mainly focused on the flow of the operation. The corporate stores run themselves.

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TARGET FRANCHISEE

Prospective franchisees must have:

- o \$1 million net worth
- o \$500k liquid capital available to investment
- o Readiness to develop a minimum of 3 or more units

Videos/Media Appearances:

Food Network

Cooking Channel (TV appearance):

Thrillist:

Insider:

Tastemade:

Total views: 55+ million

Press Clippings:

Nation's Restaurant News

QSR Magazine

Cosmopolitan Magazine

People Magazine

Washington Post

Huffington Post

Insider:

LA Times

OC Register

Bustle

Yahoo News

Today.com

Buzzfeed

Eater

Daily Mail UK