

FRANCHISE



INFORMATION PACKET

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Our Story



Our team has worked tirelessly at developing a sustainable business model that has allowed us to be successful, consistent, and profitable this year, but the real secret is the 35 years of trial, error, successes, failures, and overall experiences that our team has learned along the way. Now, we want to share our system with franchisees just like you and help you deliver the same consistent quality of food that people enjoy from MacQUE's BBQ.

Our training program will guide you through our processes and every other aspect and phases of opening your own franchise, giving you the necessary skills for success. The degree of your success, however, will depend on your willingness to learn and to communicate with your customers and with us. Your success is also a function of the amount of time and effort you are willing to devote to learning and executing each phase of the business.

It all started with a dream of serving the best BBQ and sauces for their *QUE*munity. In 1986, Mack and Charlie Thomas started out servicing walk-up customers with their smoker in the parking lot of industrial buildings in the Southside of Sacramento, California. They built and elevated their brand through catering the next few years, establishing MacQUE's BBQ as the premier catering company in the region.

Mack and Charlie responded to the demand of the community and opened up a storefront in 1991. MacQUE's BBQ quickly became a local favorite, providing quality smoked meats and handmade side dishes kept their success going for decades.

In August 2019, MacQue's BBQ opened their second location in Elk Grove, California with a successful launch and continued *QUE*munity support, has experienced continual growth. MacQUE's BBQ is now growing across the nation with franchising, to spread delicious eats and ownership opportunities to other *QUE*munities across the nation.

We share in your excitement about how great it is to convert each customer into a *QUE*munity member! We are a fast-casual BBQ concept that takes the quality and customer experience seriously, with tons of tasty menu items to satisfy every craving! We are extremely excited to have you as part of our growing *QUE*munity & family!

It is our goal to provide our support and these services to you with the highest level of honesty, integrity, and professionalism. We at MacQUE's BBQ take the relationship we form with each of our franchisees very seriously, as his relationship is the foundation of our success. Comprehensive training and ongoing support will keep you and your staff informed and competitive at start-up and beyond.

MacQUE's BBQ is a company that is positioned to do great things and we are absolutely ecstatic that you are interested in joining this journey with us! As a consistent and dependable fast-casual dining concept, MacQUE's BBQ has achieved notoriety, respect, and market share.

Our potential is limited only by the creativity of our management and the vision of our owners. Our future in this "growth" industry is flourishing, and we welcome you!

Sincerely,

Michael Thomas | Chief Executive Officer

OUR MISSION

Provide high quality, great tasting food, made with love at a reasonable price. We promise to provide a clean and friendly environment, while being a dedicated member of our local QUEmunities. MacQUE's BBQ is committed to our culture of family and inclusion.

OUR VISION

To be "simply the best" fast casual BBQ restaurant experience in the nation.

OUR BRAND PROMISE

At MacQUE's BBQ, we want to serve a purpose, give back to our local QUEmunities and become a delicious daily alternative to the corporate fast-food options. We also hope to serve a purpose to our franchisees with a profitable model that can provide them a comfortable lifestyle with their family. MacQUE's BBQ is not trying to compete with other BBQ chains, nor do we believe their food quality, experience and value lives up to ours. Our customers deserve better than that.

We promise our guests will prefer to spend time in a friendly, positive, warm, and inviting atmosphere founded on quality, comfort, consistency and attention to detail.



Pillars Of Our Business

CULTURE

Company culture is the foundation of our brand. We believe that staying positive, having faith, taking care of our employees, and guiding and mentoring them, as a good leader should, rubs off and shows through every guest interaction. Leading by example, maintaining a positive and inclusive work environment, is key to the success of every single location.

CONSISTENCY

We always want to provide nothing but the best quality ingredients within our restaurants, but also understand that without consistency, quality ingredients won't really mean anything. When we are offering something as soulful as BBQ, it's the attention to detail that stands out to our guests. We do our best to focus on the details of what make a meal great; from the way we bake our rolls fresh, to our own secret recipes, to how we cook our meats, each customer should have the same quality of food and consistency delivered on each plate.

COMMUNICATION

Communication is key to a smooth operation. We at MacQUE's BBQ believe in treating and communicating with our team members with respect while providing a safe, fun and professional working environment. Every individual is given the same opportunity to grow within our organization, from hourly employees all the way up to multi-unit managers. We believe in diversity, in treating people with kindness, and understanding - all with an emphasis on a positive work environment.



CONTRIBUTION

We believe in giving back to our community. Each unit is committed to working closely with schools, community centers, places of worship, local hospitals, and many other charitable organizations. We also believe in leading by example and contributing to each other in a team environment. It doesn't matter whether you're a store owner, general manager, or a brand-new employee. Contributing to a team effort is the best way to run a successful business.

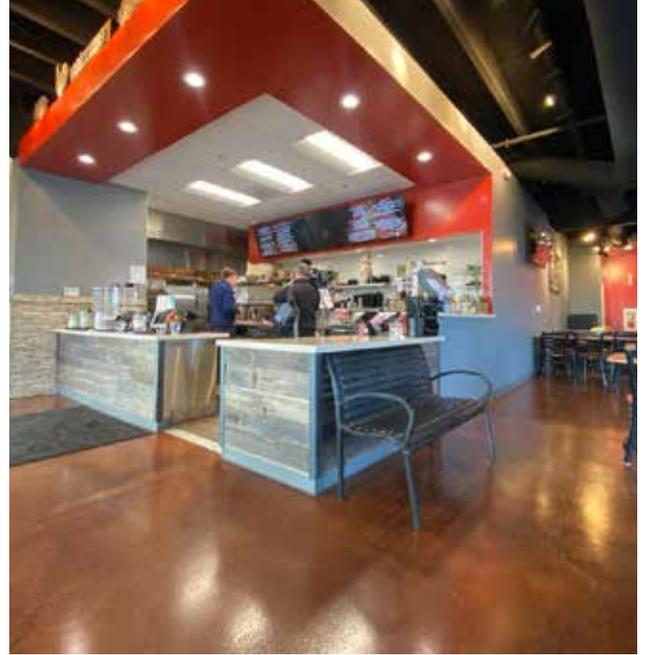
HONESTY & INTEGRITY

Our philosophy and our company's foundation have been built on honesty. We believe this begins with being honest with our team members. Our team members know exactly how they are performing based on constructive feedback - the purpose of which is to help them achieve their goals and create good work habits that they will carry throughout their lives. We treat our guests and vendors with honesty and a high level of integrity, as well as an equal measure of loyalty.

OUR LOCATIONS

MacQUE's BBQ locations range in size from 1,800 to 2,500 sq. feet. Regardless of unit size, MacQUE's BBQ locations are designed for existing developed or future developed retail shopping center complexes.

MacQUE's BBQ has high standards for excellence in design and functionality for each of their locations, however, we do recognize that each potential location must be analyzed on an individual basis and each may vary slightly but will stay within our strict guidelines.



THE PERFECT BUSINESS MODEL

Out of 10 owners, we expect, 4 will be husband/wife management teams, 3 will be manage-the-manager and 3 will be owner operated by individuals who, like us, have a passion for quality meals and friendly service that MacQUE's BBQ provides.

OWNER OPERATOR

This individual has unique and personal interests that create a real passion for work and derives enjoyment from providing a positive experience for others! This individual is dedicated to a fresher, tastier, and higher quality lifestyle. This individual will usually have the desire to work closely with our customers and staff throughout the life of the business. A salary, commission and bonus position can be enjoyed by this owner in addition to the profit beyond the monthly break-even point. He or she may also employ and work alongside a staff member to manage the business. This provides the flexibility to come and go from the business as desired, working from an office in the location.

MANAGE THE MANAGER

This individual prefers to manage the business; NOT operate the business. This managing process is defined as having an office positioned in the rear of the location or a home-based office, both of which give the owner the flexibility to managerially come and go create his/her own schedule. In addition, this individual can utilize his/her respective sales/marketing, operations, or administrative experience. This individual will often recruit a spouse, partner, family member, or in many cases prefer the traditional methods of assembling a team to grow the business. This form of ownership yields a strategic opportunity to manage multiple units and supplement or even replace your annual income.

HUSBAND AND/OR WIFE MANAGEMENT TEAM

The husband/wife teams use complementary skills and share in a division of labor. Generally, one spouse will enjoy the sales and marketing components, working with advertising representatives and the center director in the duties of sales management. The other spouse will enjoy the operations and customer experience aspects of the business while having the flexibility to enjoy the social aspects of the clientele. Usually, both partners will collectively represent a unified management culture to the staff. Either the husband or the wife will have special interests in the accounting aspect of the business.

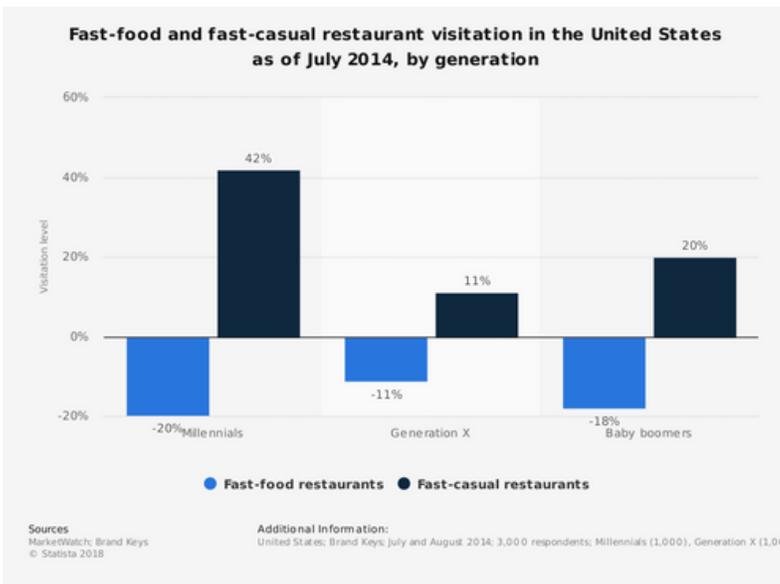
MULTI-UNIT OPERATOR

This type of operator may own and operate several businesses and may be looking to diversify and complement their portfolio. They are very well seasons restaurant operators and understand what it takes to be successful in business. Like the Manage-the-Manager, this individual prefers to manage the business. NOT operate the business on a local level.

CUSTOMER PROFILE

The typical MacQUE's BBQ customer demographic restaurant segments is:

- TRADE AREA DEMOGRAPHICS 5 MILES
- HOUSEHOLD INCOME: APPROXIMATELY \$80,000
- POPULATION: 55,000 +
- FAMILIES: 18,000 +
- AVERAGE AGE: 25-65
- EDUCATION: 60% WITH SOME COLLEGE



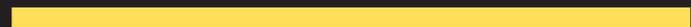


MARKETING STRATEGY

With the increase in popularity of the fast casual dining restaurant segment, MacQUE's BBQ has evolved its brand concept and positioning to better appeal to today's discerning casual dining customer. Because we already have a successful foundation and loyal following, it has been relatively easy to improve our brand for broader appeal while staying faithful to our origins.

Since the day we opened the first of our locations, we have always relied upon a community outreach and participation philosophy that customers understand as supportive of their personal lives and interests. Today, we are building on that legacy with even more focused programs to tie our customers into our brand. Family, friends, neighbors, schools, employers, congregations, service groups, social groups, non-profits and associations, fan/booster clubs and athletics all connect as groups with a shared, common interest in which the MacQUE's BBQ brand can participate and be engaged. Opportunities for sponsorship of local sporting teams, donations to charity events, participation in fundraisers for schools, religious organizations, and clubs are among the many marketing tactics that illustrate to a customer base what makes MacQUE's BBQ integrated into our QUEmunities and desirable for patrons to support.

Social media is a large component of the MacQUE's BBQ marketing strategy. We gain active recommendations and reviews, as well as implied endorsements, when customers share and interact with us on social media outlets. Incentivizing customers to take photographs and post them on social media outlets, as well as participate in social media conversations about MacQUE's BBQ further expands our reach into the QUEmunity.



MACQUE'S BBQ



GRAND OPENING

We believe that a successful store starts with a Grand Opening Event. We recommend a well-publicized day (or even days) in which a customer base is encouraged to make their first visit to a MacQUE'S BBQ location. A mandatory Grand Opening Training is required. Grand Opening Day activities and communications should be planned so that they attract several important customer types. Discounts available over a specified range of time also encourage trial by all potential customers.

A grand opening should be announced via a variety of outreach efforts, including but not limited to:

- Advertisements in local and regional print and/or electronic newspapers
- Interviews with business editors of local and regional newspapers
- Advertisements in local and school newspapers
- Flyer distribution at local events: school, religious, festivals, mixers
- Flyer distribution to employees and customers of surrounding businesses
- Saturation direct mail to all households within a specified radius of the store
- Social Media

FREQUENTLY ASKED QUESTIONS

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| What is the cost of opening a MacQUE's BBQ franchise? | Basic Costs: total investment range \$227,000 to \$530,500, which includes the initial franchise fee of \$37,500 |
| How much income will the store generate? How long is the ROI? | In accordance with FTC franchise law, we are unable to provide this information or any kind of assumption on this matter. |
| How long does it take for an application to be approved? | The approval process usually takes one to three business days for our team to review and verify information to return a decision, once we receive a fully completed confidential application. |
| If we do not have a location, will you get one for us? | Though we make no guarantees on locations, MacQUE's BBQ has a team of experienced real estate professionals that will assist you throughout the location selection process. They will help you select the site as well as negotiate the lease. |
| What is the recommended location size? | 1,800 to 2,500 square feet. |
| Do you franchise out of state? | Yes. |
| Do you franchise out of the U.S.? | We are currently focused on expanding throughout the U.S & Canada, but serious offers will be entertained. |
| Do we have to buy all supplies from you? | Supplies are purchased from us as well as MacQUE's BBQ approved vendors. |
| How long will it take to open a store? | Once a location is secured and the construction permit has been issued, construction usually takes 12 – 16 weeks depending on your contractor's performance. |
| Do you provide training? | Yes, MacQUE's BBQ will provide initial training, ongoing training, and ongoing support determined as needed. |
| What about a website to support my store? | You will benefit from the MacQUE's BBQ consumer website as part of your monthly marketing and technology fund fee, which will contain franchisee support. The purpose of the national consumer website is to establish and promote the MacQUE's BBQ brand to attract retail business for our franchisees. Visitors to the website will encounter the franchise location finder, allowing them to find the MacQUE's BBQ nearest to them. |
| What other marketing support is available? | You will have password access to our media manager containing downloadable print and digital marketing materials and programs, and the ability to order television and radio ads and bulk advertising materials as made available by us from time to time. Through the media manager you will also have access to our approved advertising and graphic design provider to request the development of advertising materials on your behalf for your store location. You must pay the provider directly for materials created on your behalf and they must be approved by MacQUE's BBQ prior to being ordered. |
| Are there any MacQUE's BBQ locations already in the U.S.? | The first MacQUE's BBQ was opening in 1991 in Sacramento, CA. Our second location was opened in Elk Grove, CA. Please contact us to arrange a visit at your convenience to see our concept first-hand and understand why we're such an exciting and profitable concept. |

CAPITAL REQUIREMENTS

WHAT AMOUNT OF CAPITAL WILL BE REQUIRED TO OPEN MY LOCATION?

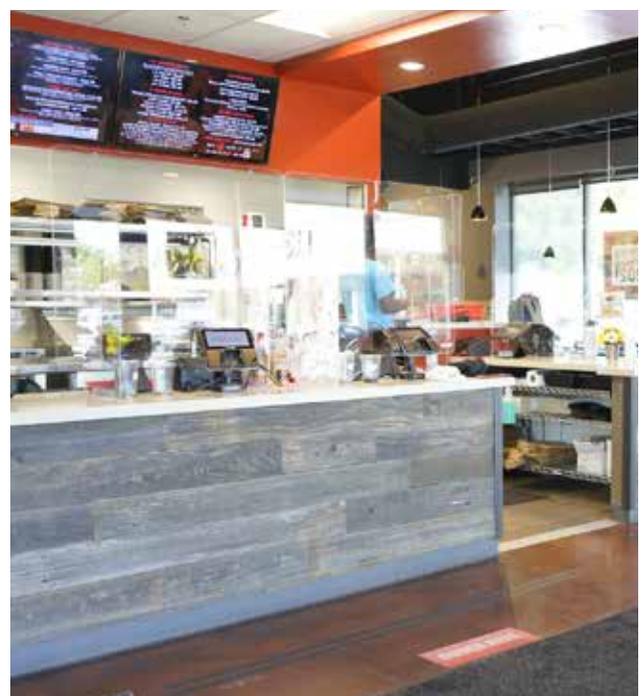
Including the initial fee of \$37,500 your total investment can range from a low of \$227,000 to \$530,500 (which includes multi-unit franchise locations), providing you negotiate within the startup recommendations. Area Development is available with the initial franchise fee for the first restaurant at \$37,500, the fee for two restaurants is \$56,000, and the fee for three is \$75,000. Each restaurant after the third is at the price of \$15,000 each. The maximum number of franchise restaurants permitted under the Area Development Agreement is negotiated and dependent upon the territory requested.

WHAT AMOUNT OF CAPITAL WILL BE REQUIRED TO OPEN MY LOCATION?

We charge a 6% "on-going licensing fee" plus a 1% marketing and technology fee, based on gross sales revenues.

WHAT WILL BE MY MONTHLY OVERHEAD?

Each owner differs monthly to market, rent, salaries, advertising, loan repayment and personal business choices. Your goal is to oversee a low monthly budget and accelerate your break-even point.



Discovery Day



Three steps to own your own business:

Step 1

Investing in yourself is an exciting change, especially when it means becoming your own boss. You have completed step one by requesting this information in order to learn about MacQUE's BBQ, its philosophy, programs and services.

Step 2

Complete a Request for Consideration Form and email it to your consultant or to our corporate headquarters. We will not enter a business relationship until we get the opportunity to know one another better. Therefore, we require the completion of a pre-ownership business plan, as well as participation in Discovery Day, to see if your business goals match those of MacQUE's BBQ. We are excited to expand our network with eager, qualified entrepreneurs.

Step 3 | Discovery Day

- Yesterday - Today - Tomorrow: Corporate Representative offers insights into industry; brand development from first unit to model location, strategic growth and long-term planning. Discuss what needs lead to the creation of MacQUE's BBQ as a brand.
- Firsthand Experience: Evaluate customers, compare between locations, employee type and architectural design.
- Marketing and Operations: In-depth discussion of your market and operational questions.
- National Brand Development: Discuss the growth and development of a concept to soon become a Nationally Recognized Brand
- Lunch: Time to enjoy simply the best BBQ!
- The System: A complete guide to your start-up costs & review of your pre-ownership business plan.
- Company Culture: OPTIONAL/TIME PERMITTING - Spend some time with team members and discuss company culture and any questions you may have regarding employee and customer satisfaction.
- Working Relationship: MacQUE's BBQ Franchisees enjoy the right to customize their business to service the special needs of the local community. Refer to website for local community engagement.

At MacQUE's BBQ, we believe in passion, purpose, and commitment to exceeding our guests' expectations for quality food, a warm and inviting setting, and a valuable dining experience.

MacQUE's BBQ is poised to capitalize and profit from the burgeoning fast casual dining segment of the restaurant industry. If you are serious, passionate and in search of a truly rewarding experience, we invite you to take action and be your own boss.

Thank you for your interest,


Michael Thomas | Chief Executive Officer