

HELL ON WHEELS FRANCHISE INFO



WELCOME TO HELL

HELL is a kiwi-owned brand selling premium food for takeaway and delivery, with 70 stores and 3 mobile caravan franchises. HELL is well known for innovation and constantly improving the business and its offering to customers. Recent results speak for themselves:

- * Four consecutive years of record sales (over 50% up from 2013)
- * Improved franchisee satisfaction over 91%
- * Recently awarded and recognised for community support
- * Most satisfied customers in NZ (Roy Morgan Research)
- * Consistently engaging our customers and the public with innovative marketing campaigns

... so there's never been a better time to go to HELL!

HELL Franchisees get:

- * Expert training, advice, and support
- * Group buying power
- * Powerful marketing campaigns with an instantly recognisable brand
- * Robust proven systems
- * Advanced IT systems
- * Loyal customer database
- * A business with attitude!

HELL ON WHEELS: BUSINESS MODEL OVERVIEW

The HELL on Wheels franchise is perfect for smaller towns or suburbs in larger centres that don't quite have the population to support a permanent HELL store. A HELL caravan will park in a permanent fixed site with high profile, and service the town with deliveries as well as being available for takeaway and pickup orders. The brand new state-of-the-art mobile units are equipped with fully functional online POS system, which allows customers to make orders through the HELL website or App.

Lower set-up fees and overheads, as well as reduced staffing cost, make a HELL caravan an extremely viable business opportunity for a motivated owner-operator. In addition to the owner-operator, the franchise would employ approximately 3-5 local staff to work in the business.

One of the great benefits of having a mobile kitchen is being able to take it to local events, which will significantly improve the prospects of the business as well as adding a fun and energetic element to day-to-day operations.

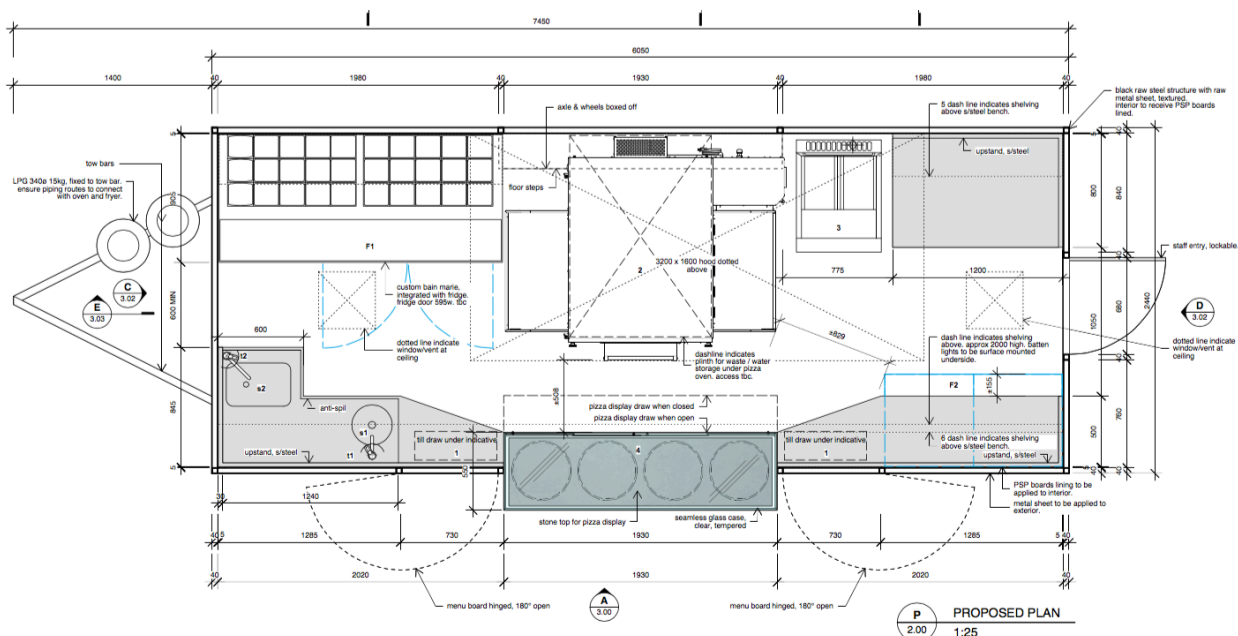
HELL caravan franchisees get the full benefit of the HELL support office, including initial training and then expert advice along the way with all aspects of their business.

CARAVAN INFORMATION

Our new spec triple-axle caravans are custom built for HELL in Waikato. They're 6.5m long x 2.5m wide.

- * Extremely professional high-quality build and fit-out
- * Head-turning new exterior treatment, including 'Mad Max' styling and special lighting effects
- * XLT-3240 commercial pizza oven, capable of cooking 80 double pizzas per hour
- * Deep fryer
- * Custom refrigerated pizza make bench
- * iPads connected to 4G modem, to connect with the HELL system and allow online orders
- * Fully functioning sink and hand basin, with hot water and separate waste water storage
- * Commercial extraction unit for oven and deep fryer
- * Heated delivery bag system for keeping delivered orders hot right to the customer's door
- * Bottled gas for running oven and deep fryer
- * Provision to either plug in power outlet or run with silenced generator (for events)
- * Exterior audio system, lighting, and tables for customers





Floor plan of new caravan design



Shots of the caravan interior

TOW VEHICLE

A black ute will need to be leased to tow the trailer and store extra supplies (3.5 tonne towing capacity). HELL has arranged preferential rates for Isuzu D-Max utes.

MENU

A wide range of HELL's favourite menu items will be offered – prepared exactly the same as you'd see in any other HELL store with fresh dough made daily. Menu items include:

- * Gourmet pizzas
- * Kids pizzas
- * Pasta meals
- * Sides (wedges, chicken tenders, garlic bread, chicken wings, and more)
- * Drinks & desserts
- * Gluten-free, vegetarian, and vegan options

MARKETING & PROMOTION

HELL caravans contribute to the national HELL marketing fund, and are supported with HELL's powerful marketing campaigns. This will typically include regular new product offerings and call-to-action promotions as well as branding campaigns, promoted through a wide range of media formats.

Locally, caravan franchisees will be expected to work hard in their local community – sponsoring clubs, fundraising for schools and other organisations, making business contacts, and conducting other local store marketing. They'll also need to contribute to HELL's national charitable support, for example the popular Kids Reading Challenge and Tourette's Fundraising Week.

FINANCIAL INFO

The total investment level for a standalone HELL on Wheels franchise is approx. \$190,000. This includes:

- * Full trailer build and fit-out
- * Equipment
- * Fit-out for small prep & storage kitchen
- * Initial franchise and training fees

The lowest turnover 'permanent' HELL store currently averages around \$12,300 per week in sales (including GST). That store has a population catchment of approx. 14,000 people.

The business model for HELL ON WHEELS is based on this small town model, using historical profit & loss information, but with the following changes:

- Lower weekly sales of \$9,000 per week including GST (conservative – will vary depending on location)
- Lower franchise & marketing fees
- Lower staff costs due to simplified operation and less operating hours
- Adjusted rent and operating costs to suit the mobile caravan model (eg adding vehicle lease)
- Weekly sales and rent are "guesstimates" and not relevant to any particular town or location

Based on this model we anticipate the weekly break-even point for this business to be as low as \$5,000 per week including GST. Please contact HELL for more info at franchise@hell.co.nz.

