Meals of Hope

Communities coming together to end hunger!

Franchise Information Report

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What is a Meals of Hope Franchise?

Meal packing franchise gives entrepreneurs the ability to do good in business by doing good in their community

Meals of Hope was never intended to be a franchise. In fact, Meals of Hope was founded as a nonprofit in 2007 with the simple mission of sending food to Haiti, one of the most impoverished countries on our planet..

Like so many great ideas, Meals of Hope came from a mom. In this case, it was President and CEO Steve Popper's mother who convinced her son to figure out a way to meet the need and give back. At the time, Steve was operating a lumber-wholesaling company and was shipping containers all over the world - but he never shipped food. He decided that the best way to help out was to organize a meal packing event through his local Rotary club and put out a call for volunteers. He would supply the ingredients for the volunteers to pack up, and help with the logistics of getting the food where it needed to go. All he needed was for people to show up.

On the day of the event, over 500 people showed up and in the span of just a few hours, they had packed over 135,000 meals.

"The turnout was incredible, and I thought, let's see if we can pack a million meals in a year," Steve says. "It took us less than a year to reach that goal. I decided to keep going and to really focus on meeting the need in my local community of Southwest Florida. Meals of Hope was becoming so successful that in 2012 I sold my partnership share of the lumber business to pursue this full time. Since then, we've done remarkable things. We've packed over 80 million meals. We've started 15 food pantries that feed over 10,000 people a week (about 4,000 families). And now, we decided that the best way to expand our ability to fight the hunger crisis is to franchise our model and



expand across the country. We're so excited to be in a position to help entrepreneurs own businesses that have tremendous profit-potential while also making such a tremendous difference in people's lives."

How does our business model work?

Meals of Hope is an incredibly unique business model because our parent company is a certified nonprofit that is focused on solving the hunger crisis and helping communities become food secure. As a franchise system, our mission is to



support our franchise owners as they grow businesses that seek to end hunger in their communities.

This is why our business model is as straightforward as it gets. Meals of Hope franchise owners spend their time building relationships with organizations, such as charities, businesses, universities, and houses of worship to sponsor meal packing events. The sponsors of the event supply the venue, provide the volunteers, and the site to hold the event, to ensure that the event is successful. The parent company of Meals of Hope supplies the ingredients to be packed for each event - and once the event is over, the food is picked up by the local food bank.

All our franchise owners have to do is find a sponsor for every event, and ensure that the events are fun, safe, and memorable experiences for all involved. Meals of Hope franchise owners get paid a percentage for every meal that is packed at their events, and our events can pack anywhere from 10,000 meals to over 1 million.

"This is a business that's all about building relationships," Steve says. "Our franchise owners are going to be spending their time networking in their communities and forming relationships that are based on a shared commitment to give back. We've discovered that there's no shortage of organizations, charities, businesses, houses of worship, and colleges and universities who want to host an event. When they hear the impact that one event can have, it becomes a common sense decision to host it. The more events our



25% of Adults Volunteer to make a difference

- Nonprofit Sourcez

franchise owners can organize, the more successful they become in business - and more importantly, the more people they're able to help."

We only have 64 territories available

Meals of Hope isn't in business to sell hundreds of franchise locations. We're in business to send millions of meals to the people who need them most every year. We're in business to end hunger, plain and simple.

Because of this, we've decided that in order for our franchise owners to have the strongest growth potential and ability to forge the relationships necessary to put on dozens of events every year, our territories need to be large, protected and exclusive.

This is why we only have 64 territories available across the country. Our territories consist of about four million people, and cover large geographic areas. In some cases, territories are entire states, and in others, territories are determined by population density and geographical area.

"Now is the time to invest in a Meals of Hope franchise," says Jack Day, Director of Franchise Development. "We only have 64 territories available, which means, once they're gone, they're gone. This is an incredible opportunity for entrepreneurs

who are ready to leverage their leadership skills, their relationship building skills, and desire to help make the place where they live more food secure. This is a vitally important issue, and we've proven that this business model can have an enormous impact. We're excited to partner with entrepreneurs who share our commitment to fighting the hunger crisis."

We are with you every step of the way

Franchising with Meals of Hope means that you're joining a family of entrepreneurs who all committed to making a difference. Our franchise owners receive world class training and ongoing support, including marketing, professional development, and ongoing mentoring and coaching from the very people who built this business into what it is today.

Our leadership team is incredibly hands-on, and will be there to support you in every aspect of your business. We know that if you're successful, the entire Meals of Hope franchise family will be successful. And this is why we're committed to helping you every step of the way.

"We don't call our owners franchisees, we call them Packing Partners, because they are truly partners of Meals of Hope," Steve says. "They are a part



We've packed over **80 MILLION MEALS**

of a family that's committed to doing whatever we can to help them grow and thrive. Nothing about our end is done with financial gain in mind. Even our franchise fee goes to support the food pantries that feed 1,000 people a week. The more successful our franchise owners are, the more people we all get to help together."

How Big is the Demand?

Meals of Hope franchise owners are helping communities become more food secure one event at a time

According to The USDA, there are more than 38 million people, including 12 million children, that are food insecure right now.

And in the wake of the global pandemic, the expiration of pandemic-era government

subsidies, and rising inflation, these numbers are only getting worse. In fact, according to the Food Research & Action Center, food insecurity is up 9% from where it was in 2019. To put that into perspective, one out of every eight people in America faces food insecurity.

Food insecurity is a far more serious measure of need than hunger. According to Hunger and Health, <u>"The U.S. Department of</u> <u>Agriculture (USDA) defines food insecurity</u> as a lack of consistent access to enough food for an active, healthy life."¹

The fact that so many people are facing this issue in America is startling and troubling - and food insecurity isn't limited to one area. In the United States, food insecurity impacts every corner of our country. From wealthy suburbs to inner cities, from New York City to California and everywhere in between, the crisis is reaching devastating levels.

Meeting this demand is exactly why Meals of Hope was founded.

How do we fight food insecurity?

Meals of Hope is a meal packing franchise that is entirely focused on combating the food insecurity crisis. Our franchise owners organize meal packing events that are capable of delivering anywhere from 10,000 to more than 1 million meals to the people who need it most.

Driven by a passion to make a difference, our franchise owners build relationships with like- minded organizations to host the events. We've worked with houses of worship,, colleges and universities, nonprofit organizations, corporations, small businesses, and more to hold events over the last 15 years. And in that time, we've shipped over 80 million meals.

"There's no shortage of organizations that want to help," says Steve Popper, President and CEO. "Many businesses today have developed a corporate social responsibility strategy, and they are always looking for ways to give back. Houses of worship and faith-based charities are always looking for ways to live their values. We've worked with every type of organization, and the results are always phenomenal. Everyone who participates leaves feeling great. From our franchise owners, to their sponsors, to the volunteers who show up, it's a win-win-win for all involved."

We have high standards for our franchise owners

Because Meals of Hope only has 64 territories available, we're going to be extremely selective in who we choose to bring into our franchise family.

Meals of Hope is looking for entrepreneurs who are driven by more than money. This is an executive-level business where our franchise owners are spending the majority of their time networking and building relationships in order to find sponsors to hold their events. They have to be more than passionate - they have to be the hunger experts in their community.

This level of passion for the cause is not something that we will waiver on. Because this franchise family will always be small, every one of our franchise owners have to be extraordinary.





"We're looking for people who want to do good and make money, which is very different from making money and do good," Steve says. "We know that this is a business, but if it's all about the money, this is not going to be a good fit. This is about service, giving back, and getting meals to people who desperately need them. This is far bigger than making money." But Meals of Hope has built a franchise structure which allows our Packing Partners to do good while building a strong business and earning a good living.

How Much Does it Cost?

Meals of Hope is one of the most affordable mission-driven franchise opportunities

If you're exploring the Meals of Hope franchise opportunity, you want to own a mission-driven business that is committed to making a difference, strengthening communities, and helping people who need it most.

This is why the costs of owning a Meals of Hope franchise are affordable by design. We want to attract entrepreneurs who share our mission to fight hunger and have a drive to go out and fulfill this mission in their communities.

The total costs to own a Meals of Hope franchise ranges from \$61,050 to \$71,925. This includes the initial franchise fee of \$40,000 and the cost of the first event of \$11,500. Remaining costs are associated with general business startup. The ongoing costs of owning a Meals of Hope franchise are also kept low, because you don't need an office, you can get started with no employees, and you don't need to carry inventory. Your only ongoing expenses are contributing to the brand/marketing fund and the costs associated with networking with potential clients..

Overhead costs are low to the Packing Partner because Meals of Hope handles all

of the inventory carrying costs, warehousing, transportation and logistics costs. No employees are required, and the Packing Partner can work from home (WFH/WFA). The sponsor organizations pay for the food ingredients, provide the venue, and secure the volunteers you need to make every event a success.

"We're all in the business of feeding people - and that mission comes first," says Jack Day, Director of Franchise Development. "But from a business perspective, Meals of Hope is designed to be affordable and profitable for our franchise owners. Our model keeps the ongoing costs of doing business low - the ongoing marketing costs and customer acquisition costs are minimal and the costs of the events are covered by the sponsors. Our franchise owners get the chance to build a strong business while giving back, the sponsors get to support their local communities, and the volunteers get to participate in an exciting, fun and rewarding event that makes a difference where they live. It's a win-win-win."

Can I finance my Meals of Hope business?

Absolutely. While Meals of Hope doesn't offer direct access to financing, we do have relationships with third-party lenders who can help you secure the capital needed to launch your business. To learn more about financing options, please fill out an inquiry form on this website and start a conversation.

Want a deeper dive into the costs and fees?

For a comprehensive overview of the costs and fees associated with owning a Meals of Hope franchise, please review Item 7 from our most recent franchise disclosure document below:



| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is Made |
|--|-------------------------|----------------------|--|---|
| Initial Franchise Fee ¹ | \$40,000 | Lump sum | At signing of Franchise Agreement | Us |
| Lease, utility & security deposits ² | \$0 - \$375 | Lump sum | As incurred | Third-party suppliers |
| Initial Inventory/ Initial Packing Event ³ (This is a tax- deductible donation) | \$11,500 | As agreed | First 30 Days of Operating | Meals of Hope, Inc. |
| Mobile Phone, Computer Equipment and Software⁴ | \$0 - \$1,000 | As agreed | Before opening | Third-party suppliers |
| Furniture and Fixtures⁵ | \$50 - \$850 | As agreed | Before opening | Third-party suppliers |
| Vehicle ⁶ | \$0 - \$1,500 | As agreed | Before opening | Third-party suppliers |
| Pallet Jack | \$400 | As agreed | Prior to first event | Third-party suppliers |
| Licenses and Professional Services ⁷ | \$1,100 to \$2,300 | As agreed | Prior to first event | Governmental authorities; services Providers |
| Prepaid Insurance Premium ⁶ | \$2,500 to \$3,000 | Lump sum | Before opening | Insurance carrier or agent |
| Training Expenses [®] | \$500 to \$1,000 | As agreed | As incurred | Hotels, restaurants, services providers |
| Additional Funds (3 months) ⁹ | \$5,000 to \$10,000 | As agreed | Before opening and during the first 3 months of operation | Various |
| Total | \$61,050 to \$71,925 | | | |

Where Are We Growing?

Meals of Hope has a limited number of large, protected territory available across the nation

One of the most compelling reasons to invest in a Meals of Hope franchise is the fact that we only have 64 territories available to purchase.

That's right. Meals of Hope has limited the number of territories we have available for the specific reason that we want our franchise owners to have unlimited scalability, to build a business that has tremendous profitpotential, and most importantly, to make the biggest impact possible.

Our large, protected territories contain a population of about four million people. We've designed our territories based on our own experience in Florida, where we've been operating for over 15 years. By keeping territories large, our franchise owners can draw on a far greater number of people and organizations to sponsor their events, and in turn, help the people in the places where they live and work.

"When we were building out our territory map, we spoke to franchise consultants who told us we should have 200 territories - and we said,

'No, we want territories that truly benefit our franchise owners," says Jack Day, Director of Franchise Development. "We've proven that by operating in a large area you can reach a large number of people. Our nonprofit location in southwest Florida delivers over three million meals a year, and we believe that because the demand for Meals of Hope is so strong across the country, having a large territory allows our franchise owners to become ingrained in their communities. We want them to be known as the hunger experts, and to focus on building relationships and hosting events. Having a large territory allows them to do that."



Having only 64, exclusive territories also allow us to be highly selective in who we choose to bring on as a franchise owner.

"We want to franchise with people who share our values," Jack says. "We want people who are strong leaders, who are going to be out in their communities and building relationships. We want people who believe in what we're doing. We take the vetting process very seriously, as we want our franchise system to be home to like minded, passionate and highly intelligent entrepreneurs who are focused on doing good."

Meals of Hope Franchise Reviews

Owner of the Meals of Hope franchise in Tennessee opens up about why he got into the business of feeding people

Meals of Hope is home to entrepreneurs who are truly committed to making a real, lasting difference in the lives of others. The fact that Meals of Hope franchise owners can yield strong personal and financial rewards is equally important as the difference that they can make in their communities, in individual families, and in the lives of people who desperately need a helping hand.

This is what Meals of Hope franchise owners do day in and day out. As owners, they primarily focus on making connections and bringing people together to sponsor the Meals of Hope meal packing events. These events take place in churches, in event halls, in corporate spaces, and bring together hundreds of volunteers. A typical event is 50,000 meals, and can be completed in two hours with 100-120 volunteers!! The impact that every event has is phenomenal, and by putting these events on, our franchise owners become pillars of their communities.

This is exactly why Aaron Cox, owner of the Meals of Hope franchise in Central/ Western Tennessee, got into the business. Prior to franchising with us, Aaron worked in several management positions that revealed that climbing the corporate ladder isn't all that it's cracked up to be. Aaron chose to franchise with Meals of Hope because he wanted something he could build with his wife, and together they could create a



business that made a tangible impact in the lives of others.

"The idea that we could own a business that provides for us while providing for others really appealed to us," Aaron says. "We wanted a business that would offer us flexibility and work/life balance, while also allowing us to build something bigger than ourselves. The need for our events is stronger than ever, and the desire to help is even stronger. We provide the sponsors of our events and the volunteers who attend the opportunity to give back - and in the process we all get to make our community a better place. If you're looking for a business that has its heart in the right place, Meals of Hope is the franchise for you."

Next Steps

Ready to become a Meals of Hope franchise owner?

Thank you for your interest in the Meals of Hope franchise opportunity. We're excited to grow our brand with passionate entrepreneurs who share our mission to help fight hunger and strengthen communities.

Shortly after you receive the report, a member of our team will reach out to you for a brief, introductory call. We want to make sure that we're a good fit for each other, and we'll ask you questions about your goals, your values, and give you an opportunity to ask questions of us, too.

From there, we'll determine if you're financially qualified. Once we do so, we'll send a copy

of our Franchise Disclosure Document to review, and we'll schedule a time for you to speak with our franchise owners. You'll be able to have an unfiltered, open and honest conversation about what life is like for Meals of Hope franchise owners, their experience with the brand, and much, much more.

We'll then invite you to our headquarters in Naples, Florida for a Discovery Day. You'll meet the executive team, and get an opportunity to explore the Meals of Hope opportunity in detail. You'll be able to get any questions you may have from the people who will be supporting you every step of the way of growing your business.

At the end of Discovery Day, the Review Committee will meet to discuss the application. If approved, you'll sign a Franchise Agreement - and congratulations! You're now a member of the Meals of Hope franchise family, and you're well on your way to owning a business that makes a real, lasting impact.

