



# Investment Overview

Midwest Fund



Scooter's Developer  
of the Year - 2x



Scooter's Franchisee  
of the Year Finalist



Choice Hotels Gold  
Award Winner - 2x



Verizon SMB Agent  
Partner of the Year



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# Agenda

Investment Summary	1
Meet the Operator	4
Brand Highlights	11
Current Performance	18
Financial Projections	29
Additional Details	36

# Investment Summary

# Investment Summary

1. IRR and MOIC projections are calculated using all cash flows, including the initial investment of \$10,000,000 of offering proceeds, annual earnings before interest, depreciation and amortization ("EBITDA"), less estimated corporate taxes, and the sale of the entire portfolio at the end of the eighth year at 7x EBITDA.
2. Cash yield projections are calculated as the arithmetic mean (average) of five years of annual cash flows (including EBITDA, less estimated corporate taxes) divided by the initial investment of \$8,000,000 of offering proceeds.

Management's expectations are based upon the following assumptions:

- The development of 10 Hawaiian Bros restaurants and BraveHart's projections of company performance.
- The initial investment amount for each Hawaiian Bros franchise is based on BraveHart's goal of leveraging a build to suit development strategy whenever possible to minimize costs by avoiding land and construction costs.
- The portfolio is held for eight years and the entire portfolio is sold at 7x EBITDA at the time of sale.

Management's expectations are inherently uncertain and could vary significantly from the estimates set forth herein if any or all of the assumptions on which the estimates are based do not come to fruition. Actual results may differ materially from the estimates set forth herein, including those discussed in the section entitled "Risk Factors" and elsewhere in the private placement memorandum.

Now open to accredited investors

BraveHart Development is excited to present accredited investors with a unique opportunity to participate in this exclusive offering that encompasses the development and management of 10 locations within the award-winning Hawaiian Bros brand, developed and operated by our team with a proven track record of success. With a portfolio that spans multiple industries—from Scooter's Coffee and various hotel brands to Verizon—our track record is a testament to our ability to drive substantial investor returns. Notably, our existing Hawaiian Bros location has achieved profitability within a mere six months, underscoring our expertise and the brand's robust market appeal.

**23% - 24%<sup>(1)</sup>**

**Projected Net  
IRR**

**15% - 16%<sup>(2)</sup>**

**Target Net Cash  
Yield**

**615% - 621%<sup>(1)</sup>**

**Projected  
MOIC**

**\$10M**

**Offering Size**

**\$10,000**

**Minimum  
Investment**

**8 - 10 years**

**Target Hold**

# Our recipe for success: An award-winning brand, a proven team, and a profitable business

10

Number of locations in this fund

\$3.0M

Average Unit Volume of Hawaiian Bros restaurants per 2024 FDD

17%

Projected Average Unit EBITDA %

\$544K

Projected Average Unit EBITDA \$

\$1.2M\*

Projected cost to build a single Hawaiian Bros restaurant

## A management team with a proven track record

- 2x Scooter's Coffee Developer of the Year and Franchisee of the Year finalist with 2 records for the **fastest location to \$1M** in revenue and average revenues 16% higher than the system-wide average.
- Resurrected 7 Verizon locations, transforming them into powerhouses with a **22.3% annual return** while winning Verizon's 2023 SMB Agent Partner of the Year award.
- Crafted a 13-location hotel portfolio that generated average **total returns of 86.9%** with average **cash dividends of 46.7%** and average **equity appreciation of 232%**.

## An award-winning brand

- Hawaiian Bros is a rising star in the franchise world, known for its delicious food, healthy portions, simple menu, and industry-leading drive-thru times while being recognized by QSR Magazine and Fortune 5000 as one of the hottest startup fast casual chains.
- Hawaiian Bros AUV's are among the highest in the QSR and Fast Casual restaurant segments, offering a value-engineered free-standing drive-thru prototype designed for cost-efficiency and operations optimization

## A growing, profitable business

- "Hawaiian Bros Midwest Fund" currently has 1 out of an expected 10 locations running for 8 months, and is profitable.
- The current location broke a record for the most revenue in a single day and single week and is the second **fastest location to \$1M in revenue** in the system while maintaining a **4.9 rating from +1.4K Google reviews**.

\*BraveHart's projected costs to build a single Hawaiian Bros restaurant is \$1,200,000, based on BraveHart's goal of leveraging a build to suit development strategy whenever possible to minimize costs by avoiding land and construction costs.

# Meet the Operators

# Meet Your Operators: BraveHart Development

With over 55 years of combined experience, BraveHart Development has a track record of building profitable businesses from the ground up. We leverage our operational excellence alongside development expertise to unlock operational efficiency while maximizing investor returns.

**\$30M+**

Returned to investors

**\$130M+**

Revenue generated

**38**

Franchise locations  
launched

## Brands BraveHart has launched





# BraveHart Leadership



## David Pedelty

OPERATIONAL EXCELLENCE &  
REAL ESTATE DEVELOPMENT

David has extensive operational leadership experience from Fortune 500 to start-up organizations. During his illustrious career, he has had direct responsibility for \$500M+ in revenue and over 1,500 employees.



## Brandon Vonnahme

FINANCE & CAPITAL MARKETS

Brandon began his career in banking, starting as a bank examiner and ending as the COO of a regional bank. With a Master's in Finance, he brings a wealth of financial knowledge to the team, overseeing all finance and accounting functions.



## Troy Hart

INVESTOR RELATIONS & STRATEGY

Troy has over 25 years in the hospitality industry. He leads an award-winning hotel management company and has developed, owned, and operated 13 hotels in the last 15 years. Troy leads BraveHart's Board of Directors and manages investor relations.

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### OUR EXPERTISE:

Site selection

Brand selection

Construction management

Financing

Due diligence

Operational efficiency

Recruitment & staffing

Team training & development

# Previous Performance: Hotels

## Market-beating investor returns

**31.26%**  
Annualized  
Dividends

**152%**  
Equity  
Appreciation

**67%**  
Total  
IRR

Over the last 15 years, the team at BraveHart has developed and operated 16 individual hotels across multiple brands, predominantly in the Midwest. The team handled the entire process from site selection to development and ongoing operations, and this has resulted in investors seeing an average annual cash yield of 31.26%, equity appreciation of over 152%, and a total return of 67%.

BraveHart's prowess in site selection, development, and operational efficiency contributed to keeping development costs as much as 35% lower than competitors, operational costs constrained, and revenue profitably growing, which has resulted in total IRR figures above 60%.

 **CHOICE**  
HOTELS®



**avid**



**WYNDHAM**  
HOTELS & RESORTS

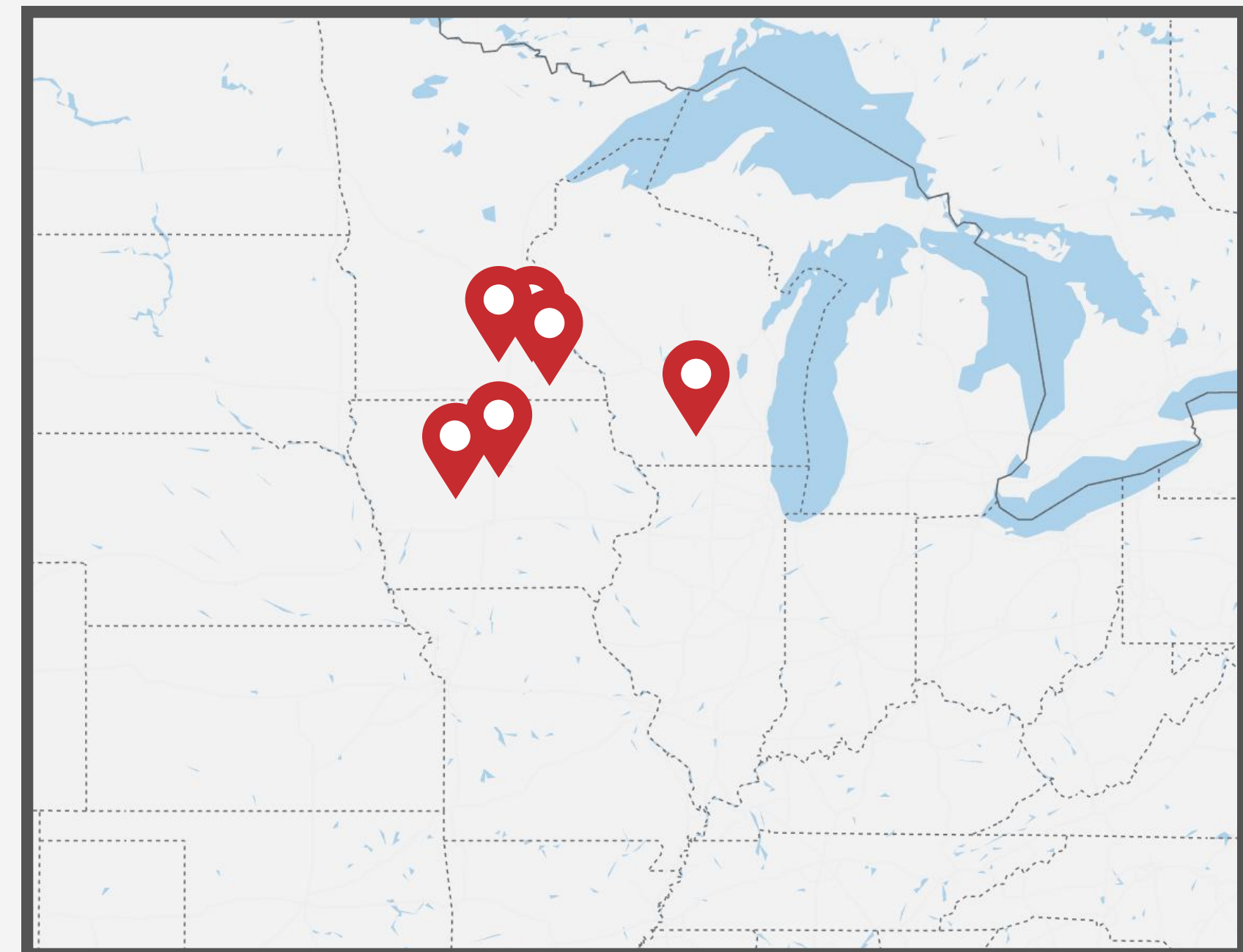


# Previous Performance: Verizon

## Turning around underperforming stores

**7**  
Owned  
Locations

**22.3%**  
Current Annual  
Returns



The BraveHart team, along with a group of investors, acquired 7 Verizon locations in various spots throughout Iowa. At the time, the brand was saddled with debt, stores were underperforming, and bankruptcy was looming. Within 3 years, the team had achieved a remarkable turnaround: the debt load had been eliminated, all locations were profitable, and they were back to being among the strongest in the system. In fact, the BraveHart team won the coveted Verizon Agent Partner of the Year award, and investors have enjoyed 22.3% annual returns.

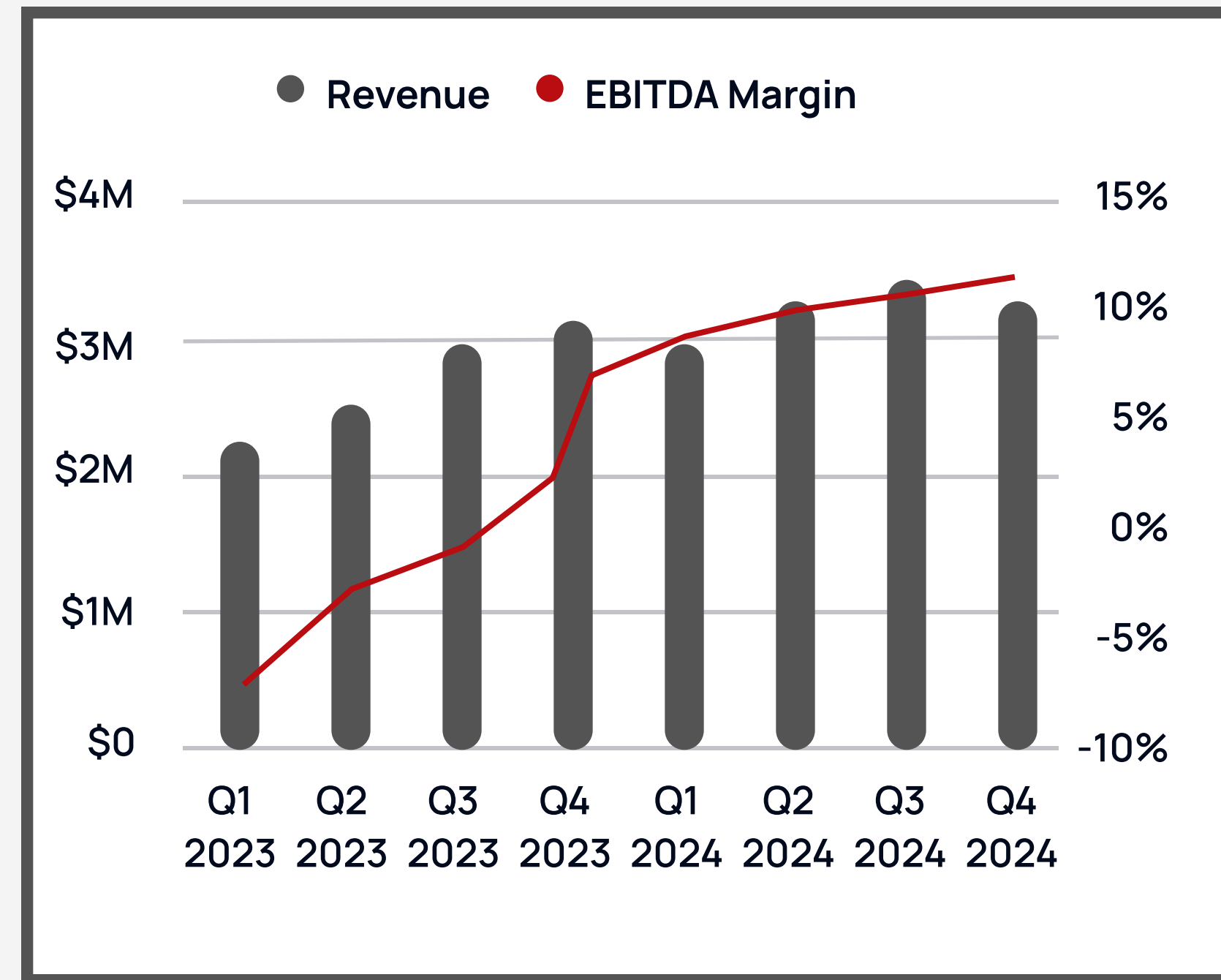
# Previous Performance: Scooter's Coffee

## Launching record breaking locations

<p><b>14</b></p> <p>Locations Opened in 26 Months</p>	<p><b>\$1.03M</b></p> <p>Average Unit Volume</p>	<p></p> <p>Scooters Developer of the Year - 2x</p> <p></p> <p>Scooters Franchisee of the Year Finalist</p>
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In 2021, the BraveHart team began the journey of opening 12 Scooter's locations and acquiring 2 locations in Wisconsin and South Dakota. The team's expertise in site selection, achieving low-cost buildouts, lean operations, and strong brand building drove the company to be the two-time record holder for fastest locations to \$1M - and to have the highest-revenue opening day and week in Scooter's history. Today, these locations are not only profitable, but their average revenue is 17% higher than the average for all of Scooter's Coffee. The team has won Developer of the Year twice and in 2022 was a finalist for Franchisee of the Year.

Scooter's Coffee Performance and Projections



# Our Pillars of Success



## Site selection mastery

At BraveHart Development, we stand out for our expertise in selecting strategic locations that ensure the success of our ventures. By meticulously analyzing market trends, demographics, and community needs, we identify sites that not only promise high foot traffic and visibility, but also align with the economic development goals of the local community. This thoughtful approach to site selection is a cornerstone of our success, and enables our projects to thrive and resonate with the communities they serve.



## Development

The entire BraveHart team prides ourselves on our ability to manage construction projects that balance quality with cost efficiency. Leveraging our extensive experience in commercial construction, along with our strong network of suppliers and contractors, we implement cost-saving measures that do not compromise the integrity or appeal of our projects. Our expertise allows us to deliver on time and under budget, making each one of our developments economically viable and attractive to investors and partners alike.



## Marketing and operations

Our success is further amplified by our commitment to lean marketing and operations, a strategy that ensures we are not only visible to our target audience, but also operating at peak efficiency. By adopting a data-driven approach to marketing, we precisely target our efforts for maximum impact while minimizing waste. Simultaneously, our operations are streamlined to eliminate redundancies and optimize performance, ensuring that every dollar spent contributes directly to our bottom line. This lean approach allows us to adapt quickly to market changes, maintain high profitability, and sustain growth over the long term.



# Brand Highlights

# Franchisor Overview



1. Figures based on 2024 Franchise Disclosure Document (FDD) provided by Hawaiian Bros Island Grill. A FDD is a disclosure document provided by franchisors to potential franchisees. It contains important information and disclosures about the franchise opportunity, including the initial investment required, obligations of the franchisee/franchisor, on-going cost such as royalty, advertising, and other fees to franchise the concept.
2. Cost to build is based on BraveHart's goal of leveraging a build to suit development strategy whenever possible to minimize costs by avoiding land and construction costs. The initial investment range in Item #7 of the Hawaiian Bros FDD 2024 varies from \$1,539,160 to \$4,818,991 based on building size, location, and design elements, and whether or not the building is newly constructed from the ground-up or a conversion of an existing second-generation building.
3. EBITDA based on revenue, COGS, labor costs, and performance of Davenport location, along with BraveHart's projections of future performance.

## An Industry-Leading QSR

Hawaiian Bros is considered one of the most exciting and fastest-growing restaurant brands due to its unique specialty Hawaiian-themed menu and vibe. The restaurants sit on .87 to 1 acre parcels and feature two order points with two drive-thru lanes that merge to one lane for the cashier/pickup window(s). They have a dedicated lane for third-party delivery service providers and online order pick-ups. The company's value proposition has successfully positioned Hawaiian Bros between the QSR and fast casual categories with a high-quality, yet simple menu, enabling industry-leading drive-thru times.

Average Unit Volume of Hawaiian Bros restaurants <sup>(1)</sup>

**3.0M**

Projected Average Unit EBITDA %<sup>(3)</sup>

**17%**

Average Unit EBITDA \$<sup>(3)</sup>

**\$544K**

Projected Cost to Build a single Hawaiian Bros restaurant <sup>(2)</sup>

**\$1.2M**



# Why Hawaiian Bros

Hawaiian Bros combines delicious, high-quality food with streamlined operations to create an Island-inspired dining experience that people love.



## A delicious and unique dining option

Hawaiian Bros is hyper-focused on offering delicious food that provides strong value to consumers. That's why its price-to-value ratio is stronger than most brands. With a focus on meals that are satisfying in taste and well as quantity, Hawaiian Bros ensures that customers receive the best dining experience possible.

## Simple operations

The Hawaiian Bros franchise leverages a simplified menu and operational model to achieve efficiency and consistency across all locations. This strategy not only enhances service speed but also ensures consistently delicious meals that keep customers coming back.

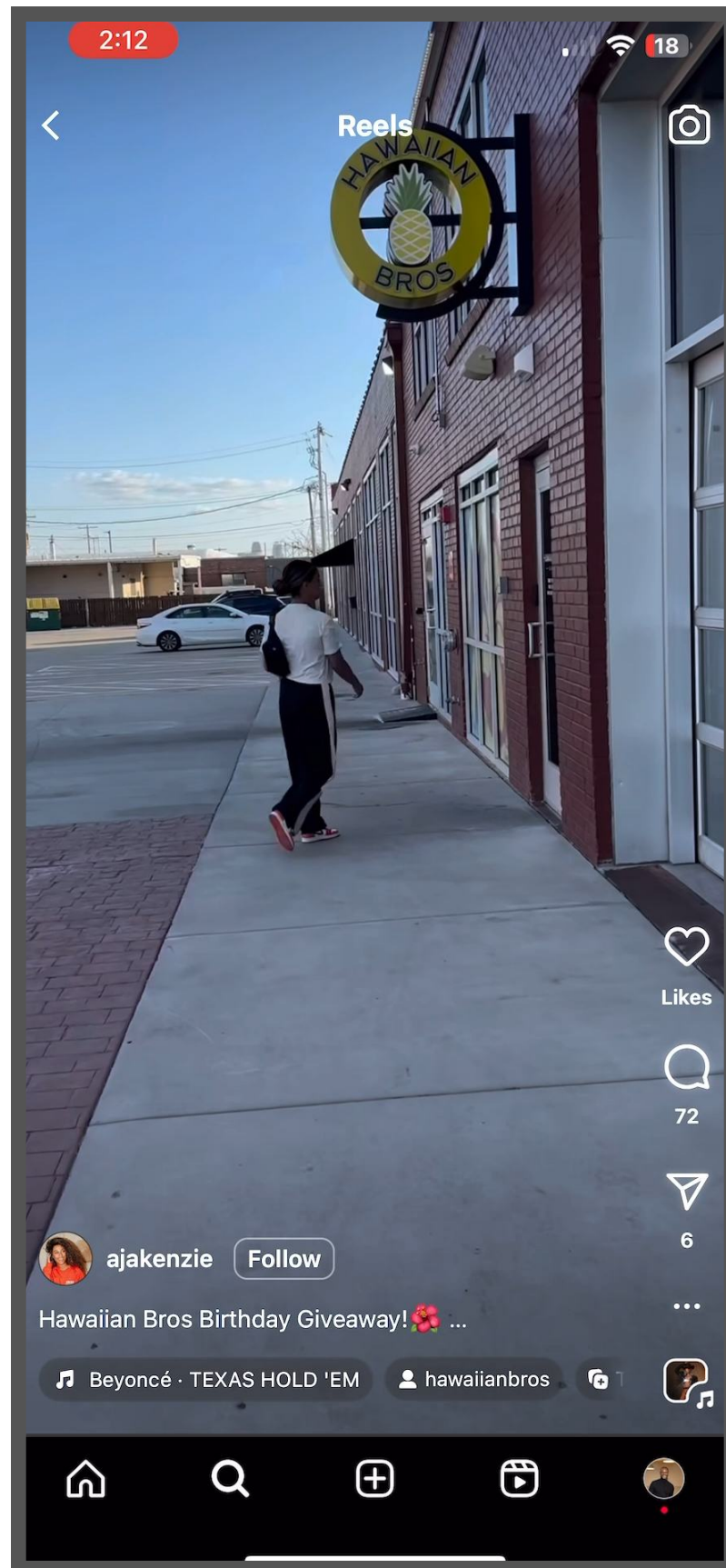
## Hybrid dining

Hawaiian Bros represents a unique blend of quick service and fast casual dining, offering customers the best of both worlds. Along with a high-vibe dine-in experience, Hawaiian Bros customers spend an average of just 30 seconds at the drive-thru window and 60 seconds for pick-up orders.



# Hawaiian Bros: Growing a Community of Raving Fans

With over 425,000 loyalty members and counting, Hawaiian Bros fans visit an average of 19.5 times per year. Fueled by a passion for our unique flavors, the Hawaiian Bros loyalty program grows by an average of 4,000 new members each week.



# Franchisor Overview



Leveraging top-notch cuisine, generous portions, streamlined operations, and strategically chosen locations, Hawaiian Bros offers a hybrid dining model that excels in drive-thru, delivery, pickup, and in-restaurant dining. This comprehensive approach is yielding among the highest AUVs in the QSR and Fast Casual restaurant segments. Combined with cost-efficiencies and a value-engineered prototype aimed at lowering the initial investment, Hawaiian Bros presents a compelling investment opportunity with the potential for attractive returns.

## A track record of strong unit economics

Industry-leading average review in customer satisfaction and food quality from over 125k reviews (Google, Facebook, Yelp)

**4.7 Stars**

QSR Magazine's 40/40 List of America's Hottest Startup Fast Casuals - 2022

**No. 7**

QSR's Best Brands to Work For - 2022

**No. 6**

Fortune's 5000 Fastest-Growing Companies List - Midwest Regionals 2022

**No. 11**

Fast Casual 100 Movers & Shakers

**No. 26**

Technomic Chain Restaurant Report 2024

**Top 500**

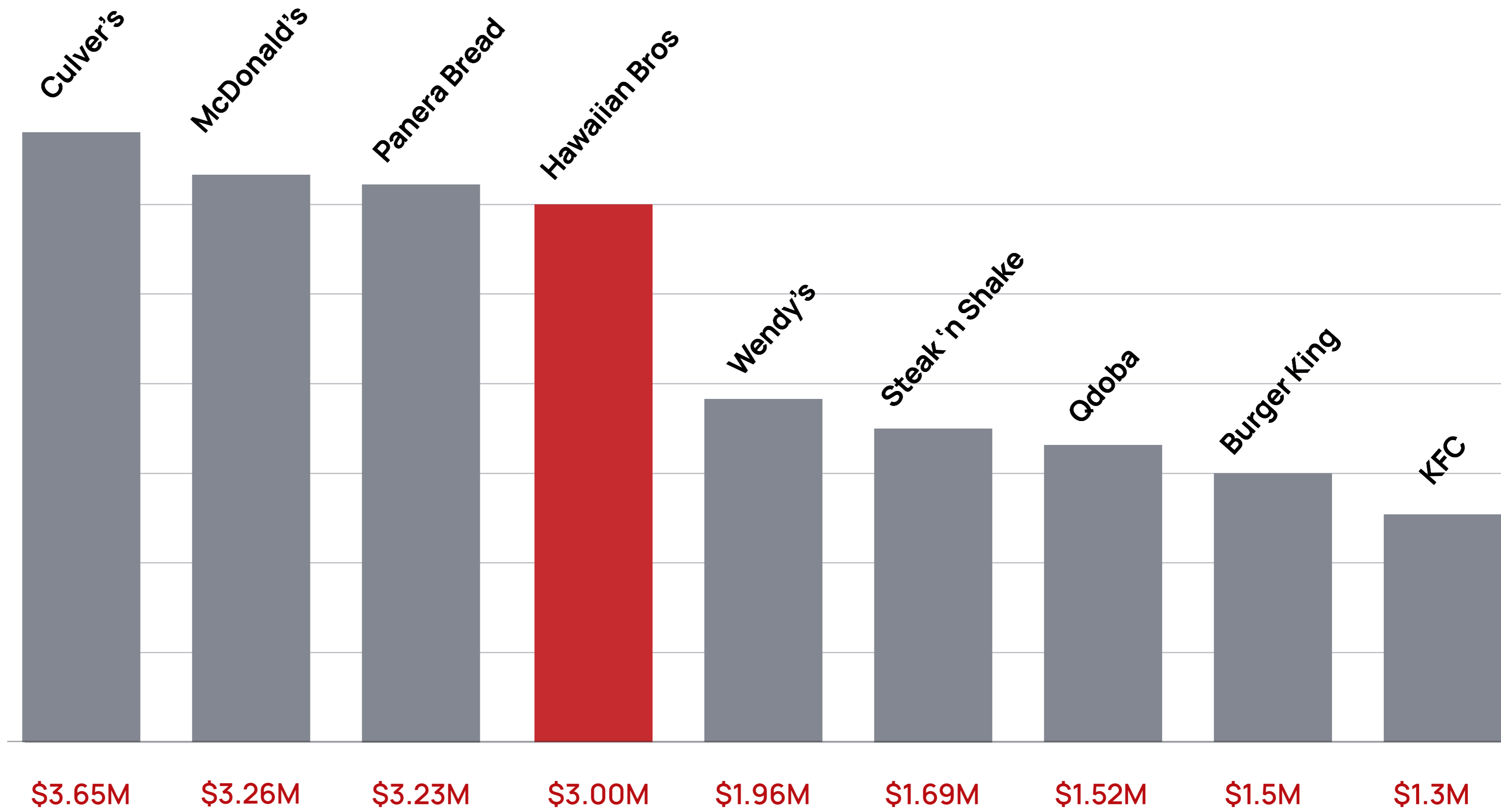


# Industry-Leading AUVs

All figures are based on the respective brands 2024 FDD figures located in "Item 19".

The sales reported include 32 company and franchised traditional Restaurants that were in operation during the 12-month period beginning December 26, 2022 and ending December 31, 2023. 11 of the 32 (or 34.4%) traditional Hawaiian Bros Island Grill restaurants owned and operated by our affiliates and/or franchisees during this period achieved gross sales of at least \$3,094,855 during such period. The median sales for the same 32 restaurants during this period was \$2,888,845. 5 traditional Hawaiian Bros Island Grill restaurants representing all of the restaurants owned and operated by our affiliates for more than 36 months as of December 31, 2023 achieved average gross sales of \$3,577,558 during the 12-month period beginning December 26, 2022 and ending December 31, 2023. Two of the 5 restaurants achieved gross sales at or above the average. The median sales for the same 5 restaurants during this period was \$3,564,629. There is no assurance, however, that a franchisee will do as well. See Item 19 of our Franchise Disclosure Document for more information.

## Hawaiian Bros: \$3.0M Average Gross Revenue



# Hawaiian Bros Leadership



## Scott Ford

PRESIDENT AND CEO

Mr. Scott Ford has served as President since January 2020 and Co-Chief Executive Officer since January 2021. Prior to becoming President, he worked with Hawaiian Bros as a consultant from October 2019 to January 2020, identifying operational best practices designed to help the company grow. Mr. Ford is responsible for People Development, restaurant operations, marketing, and supply chain management.

Mr. Ford previously worked for Goodcents Franchise Systems, Inc. (“Goodcents”) where he served as chief operating officer from January 2016 to May 2018 and as president from January 2017 to May 2018. He led the company’s strategic vision for franchise growth and the customer experience and was responsible for implementing new digital consumer interaction and ordering strategy, up-to-the-minute reporting technology for franchisees and an e-learning platform for employee training.



## Tyler McNie

FOUNDER AND VICE CHAIRMAN

Mr. Tyler McNie serves as Hawaiian Bros’ Co-Chief Executive Officer and Director, roles he has held since co-founding the company in July 2017. Mr. McNie is responsible for culinary planning, real estate development, and restaurant architecture and design. Prior to founding Hawaiian Bros, Mr. McNie spent 14 years managing his family’s Hawaiian Plate Lunch restaurant business in Oregon. We believe Mr. McNie’s experience managing and growing Hawaiian plate lunch restaurants makes him well qualified to serve on our Board.



## Cameron McNie

FOUNDER AND EXECUTIVE CHAIRMAN

Mr. Cameron McNie serves as the Company’s Co-Chief Executive Officer and Chairman of the Board. Mr. McNie has served as the Company’s Co-Chief Executive Officer and director since co-founding Hawaiian Bros in July 2017. In addition to leading the Board and directing the Company’s strategy, Mr. McNie is responsible for financial, fundraising and information technology matters. Mr. McNie also served as Chairman of the Board of First Baptist Church of Eugene, Oregon from September 2016 to August 2020. Prior to founding Hawaiian Bros, Mr. McNie spent fourteen years operating his family’s Hawaiian plate lunch restaurant business in Oregon. We believe that Mr. McNie’s experience managing and growing Hawaiian plate lunch restaurants makes him well qualified to serve on our Board.

# Current Performance

# Orchestrating a Turnaround: How we started our journey with Hawaiian Bros

## Summary

Embarking on our journey with Hawaiian Bros, we were intrigued by the brand's operational efficiency, enticing menu, and economical development costs. After conducting thorough due diligence on the brand, we were confident that it would be a big hit in Des Moines. However, to build our footprint in the Des Moines market necessitated the acquisition of the Davenport location, which was a retrofit of a site that previously was a Wendy's and had been in development for well over 18-months and had numerous construction delays and budget overages. This move came with further challenges: an imminent launch mired in planning oversights, a subpar management team and staff, along with operational inefficiencies. Armed with our industry expertise and a robust network, the BraveHart team was poised to orchestrate a dramatic turnaround.

## Upgrading the management team and staff

The initial management team and staff lacked the necessary skills and drive to perform at the level that our team expects. Therefore, we replaced the entire management team that was hired by previous owners and 75% of the staff within the first 3 months. The team is now led by Carlos Williams, who is a trained Chef and was the Opening Manager for Hawaiian Bros Corporate, and will oversee our 10 Hawaiian Bros locations.

## Curing operational inefficiencies

The Davenport location experienced a surge in initial sales, thanks to a strong marketing strategy. However, this success was not sustainable due to several underlying operational inefficiencies. High costs of goods sold (COGS), excessive labor costs, and an overall lack of focus on streamlined operations threatened the location's long-term profitability. Alongside our new General Manager, we reduced unnecessary expenses and labor costs while continuing to increase customer satisfaction.

# Timeline

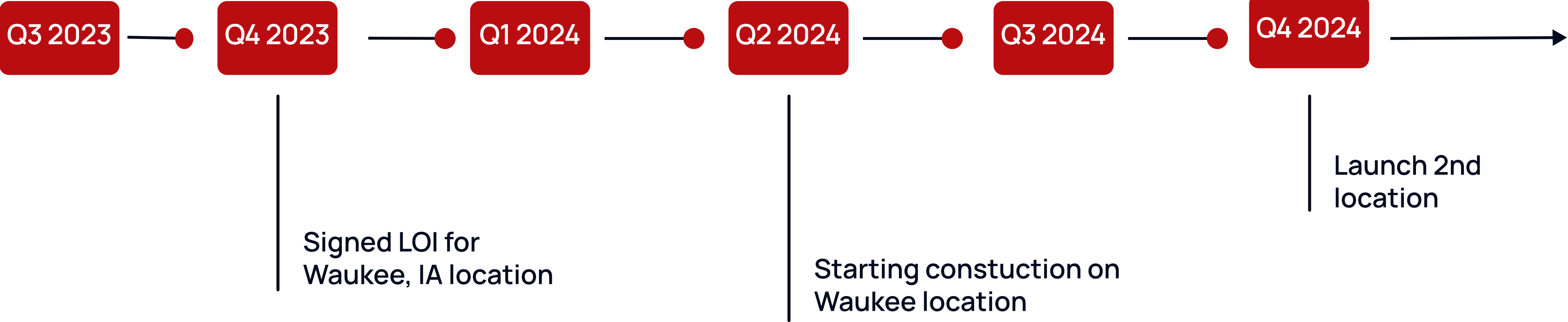
## 1st Location Opened

- First location acquired a week before opening on 8/1/2023
- Prime location next to the highest volume Chick-fil-A in Iowa.
- 2955 E 53rd St, Davenport, Iowa 52807.

Active searching for 3rd location

Continuing search for next location

**2025 and Beyond**  
Launch 7 additional locations



# Current Financial Performance

## Summary

Despite taking over ownership of its first restaurant just weeks before it opened, the BraveHart team achieved not only profitability, but record-breaking growth. The location had the biggest single sales day and the largest single sales week upon launch, was the second fastest restaurant to hit \$1M, and now, revenue is profitably growing.

In Q1 of 2024, the Davenport location has seen over \$600K in revenue, with March alone seeing \$246K in revenue and \$10K in profit.

Months in business

8

Total revenue

\$2.5M+

Profitable months

4

February revenue

220K

March revenue

246K



# Hawaiian Bros Davenport Historical Performance

Date	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024
Gross Revenue	\$ 745,721	\$ 390,533	\$ 296,084	\$ 254,918	\$ 250,086	\$ 196,034	\$ 220,454	\$ 246,354
Promos	\$ 37,949	\$ 22,989	\$ 21,285	\$ 24,686	\$ 21,835	\$ 17,462	\$ 18,807	\$ 27,236
Net Revenue	\$ 707,772	\$ 367,544	\$ 274,799	\$ 230,232	\$ 228,250	\$ 178,572	\$ 201,647	\$ 219,119
COGS	\$ 282,115	\$ 101,577	\$ 74,998	\$ 58,957	\$ 60,017	\$ 49,984	\$ 54,440	\$ 58,624
Gross Profit	\$ 425,656	\$ 265,967	\$ 199,801	\$ 171,275	\$ 168,233	\$ 128,587	\$ 147,207	\$ 160,495
SG&A Expenses	\$ 409,647	\$ 219,625	\$ 162,971	\$ 145,655	\$ 140,176	\$ 121,440	\$ 118,544	\$ 127,361
Operating Income	\$ 16,009	\$ 46,342	\$ 36,830	\$ 25,619	\$ 28,057	\$ 7,147	\$ 28,664	\$ 33,134
Net Other Income/Expense	-\$ 53,358	-\$ 32,536	-\$ 26,381	-\$ 29,616	-\$ 26,788	-\$ 17,939	-\$ 19,936	-\$ 22,482
Net Income	-\$ 37,349	\$ 13,806	\$ 10,448	-\$ 3,997	\$ 1,269	-\$ 10,792	\$ 8,728	\$ 10,652

# Raving Fans

**“You HAVE to try it!”**

## Hawaiian Bros Island Grill

2955 E 53rd St, Davenport, IA



**4.9**

1,437 reviews



“Hawaiian Bros is officially my favorite fast food place in the QC! The food is made to perfection every time, the atmosphere is calm and relaxing, and the customer service is unmatched by any other fast food chain.

Special shoutout to John for his help making the atmosphere what it is!

You HAVE to try it!

- STACY GERTZ

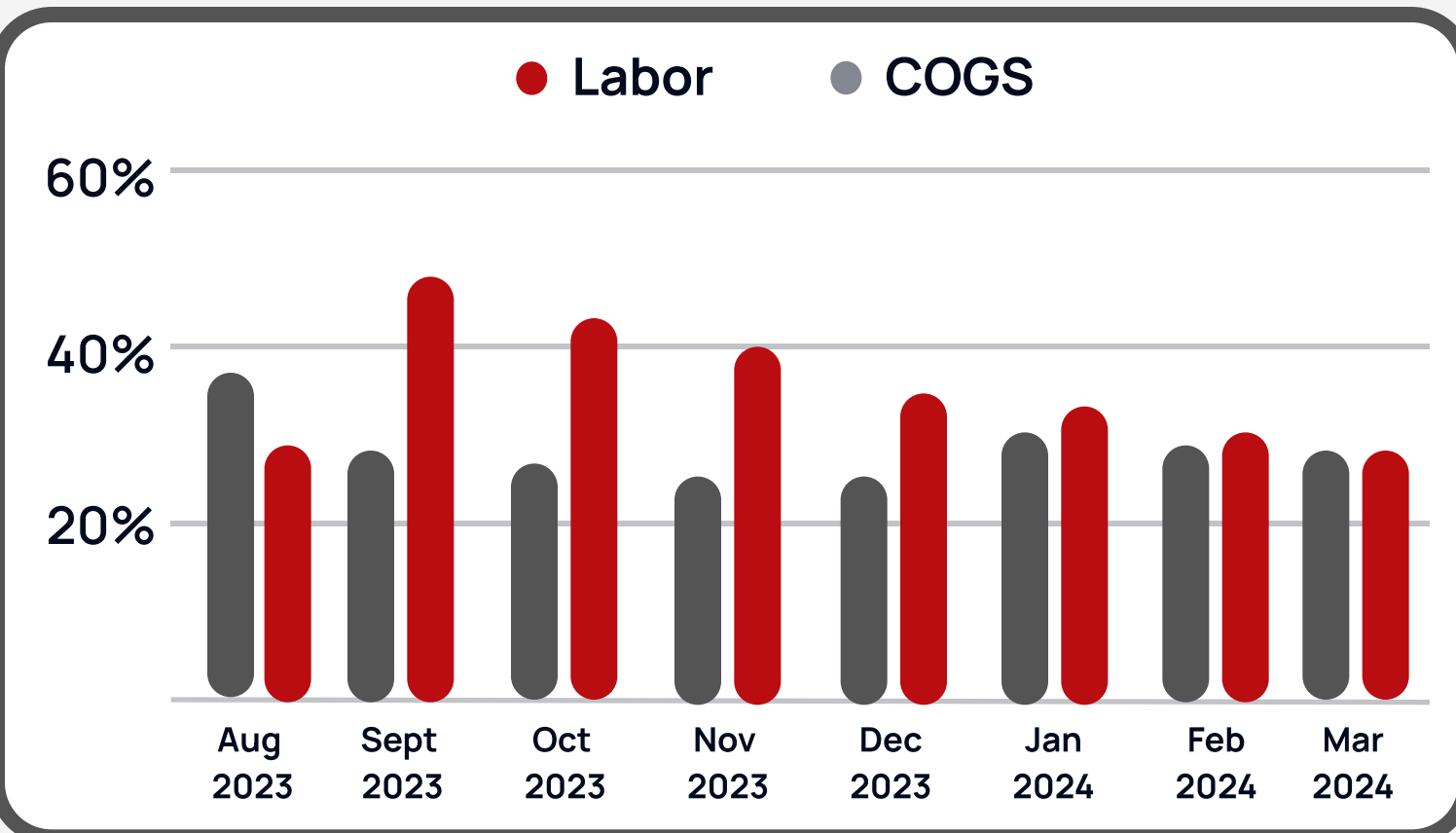
## Crafting a phenomenal guest experience

At BraveHart, creating raving fans through exceptional customer experience is a key part of our culture and a key competitive advantage for the company. In our Davenport location, we have been able to garner strong support from the community with a 4.9 rating on Google reviews. We do this by making guest services a deep part of our culture:

- **Model behavior at the top:** The entire BraveHart leadership team represents what we want out of every employee – and that means going above and beyond for our customers at every opportunity.
- **Guest experience reviews:** We read online reviews every day with our team to ensure we hold each other accountable, and GMs respond to every complaint within 24 hours.
- **Community involvement:** As a company, we understand that part of creating raving fans is embedding ourselves in the communities we serve. That’s why we participate in outreach programs, donations, and volunteering as part of our outreach strategy.

# Declining Expenses

\*Full details of the decrease shown can be found in expenses in the financial model



“Reducing expenses isn’t just about cutting costs; it’s about smartly investing in what truly drives our business forward. At BraveHart, we’ve honed in on operational efficiency and strategic spending to not just save money, but to enhance our service quality and overall profitability.”

- Brandon Vonnahme, Partner, BraveHart

## Creating a lean operation

When BraveHart took over the Davenport location a week before launch, the team knew that expenses would need to be cut significantly. Despite a strong first month of sales, the team prioritized operational efficiency over growth at all costs and worked to create a lean, profitable operation. These changes reduced COGS as a percentage of revenue from over 36% in August 2023 to just 24% in March 2024, and HR costs as a percentage of revenue from over 44% in September 2023 to just 24% in March 2024 on using accrual accounting.

- **Improved labor and decreased COGS:** The BraveHart team, equipped with a roster of adept retail managers and workers, was rapidly deployed to replace the existing staff. This strategic move led to an uptick in service quality, achieved with a leaner workforce, thereby substantially trimming labor costs. Furthermore, the enhanced staff performance, coupled with managerial oversight of inventory, facilitated a significant reduction in COGS, underscoring the team’s effective operational strategy.
- **Reducing other expenses:** In the initial phase of the location’s launch, the profit margins were notably impacted by various non-revenue-generating expenses, including travel, catering, advertising, and more. These costs have been effectively managed and reduced, thereby positively contributing to the bottom line.

# Profitable Revenue Growth

Growing revenue

Average month over month  
revenue growth in 2024

# 15%

“At BraveHart, we prioritize sustainable, profitable growth over expansion at any cost. Our dedication to a lean operation with solid unit economics is fundamental to our strategy, ensuring our path to success is both disciplined and sustainable.”

- David Pedelty, Partner

## Crafting a phenomenal guest experience

At BraveHart, our ethos centers on sustainable, profitable expansion rather than pursuing growth indiscriminately. Following a robust start in revenue, our strategy pivoted toward cultivating an operation that is lean and efficient, boasting solid unit economics. This approach has culminated in an impressive 17% overall profit margin, with the team now dedicated to fostering growth that is both organic and sustainable.

- **Create Raving Fans:** We're firm believers in the power of word-of-mouth marketing. Our strategy with Hawaiian Bros hinges on crafting exceptional guest experiences that inspire our patrons to spread the word to their friends and family.
- **Deepening Community Ties:** Community engagement is a cornerstone of BraveHart's culture, a principle that has significantly contributed to the growth of our Scooter's franchises. Drawing from this successful model, we engage in community support activities, such as hosting appreciation days for veterans and healthcare workers, providing donations to food banks, and organizing monthly food donations to local police, fire, and rescue departments, among other initiatives.
- **Achieving Market Saturation:** For us, brand saturation is critical for organic growth. We strategically select high-visibility, high-traffic locations in the Des Moines area to ensure our brand presence is pervasive, enhancing brand recognition and facilitating our growth objectives.

# Keys to Scale

## Construction & site development

Utilizing the VAST method, BraveHart focuses on strategic site selection based on Visibility, Access, Signage, and Traffic, ensuring locations are optimally placed for community integration. The collaboration with Hawaiian Bros and construction partners is critical for efficient, quality-controlled builds that meet high standards and are primed for successful openings.

## Team building & management

BraveHart emphasizes hiring the right fit with a focus on positive attitude and team synergy, complemented by Hawaiian Bros' training programs. Advanced HR solutions through partnerships like Bambee HR and regular leadership alignments via strategy calls and team-building exercises ensure compliance, performance management, and unified leadership.

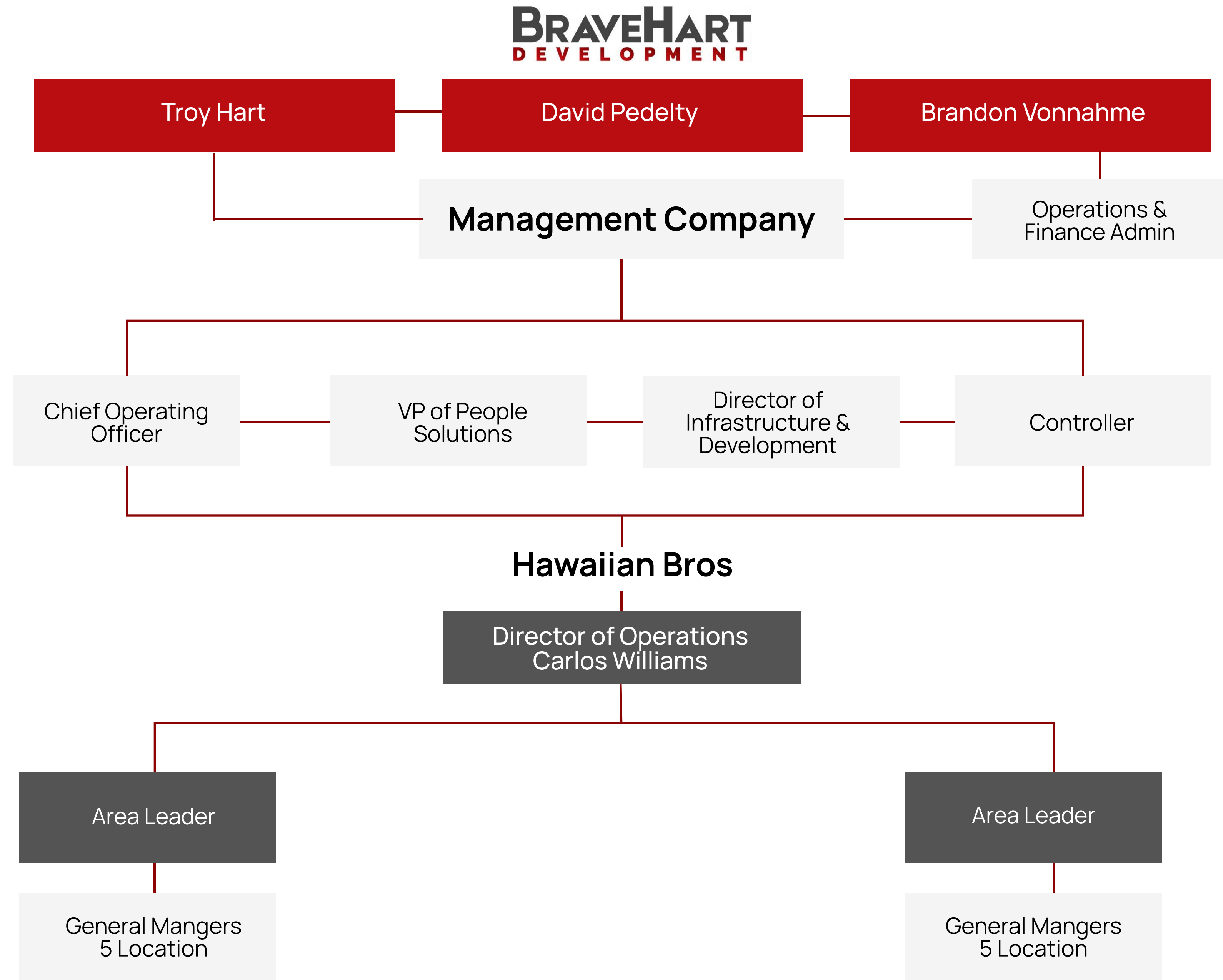
## Marketing strategy

The marketing strategy blends Hawaiian Bros' corporate prowess with local grassroots efforts, leveraging social media impact, and forming deep community partnerships. The approach includes strategic channel testing with a focus on ROI and creating memorable brand experiences to cultivate loyal brand ambassadors.

## Operational mastery & cost efficiency

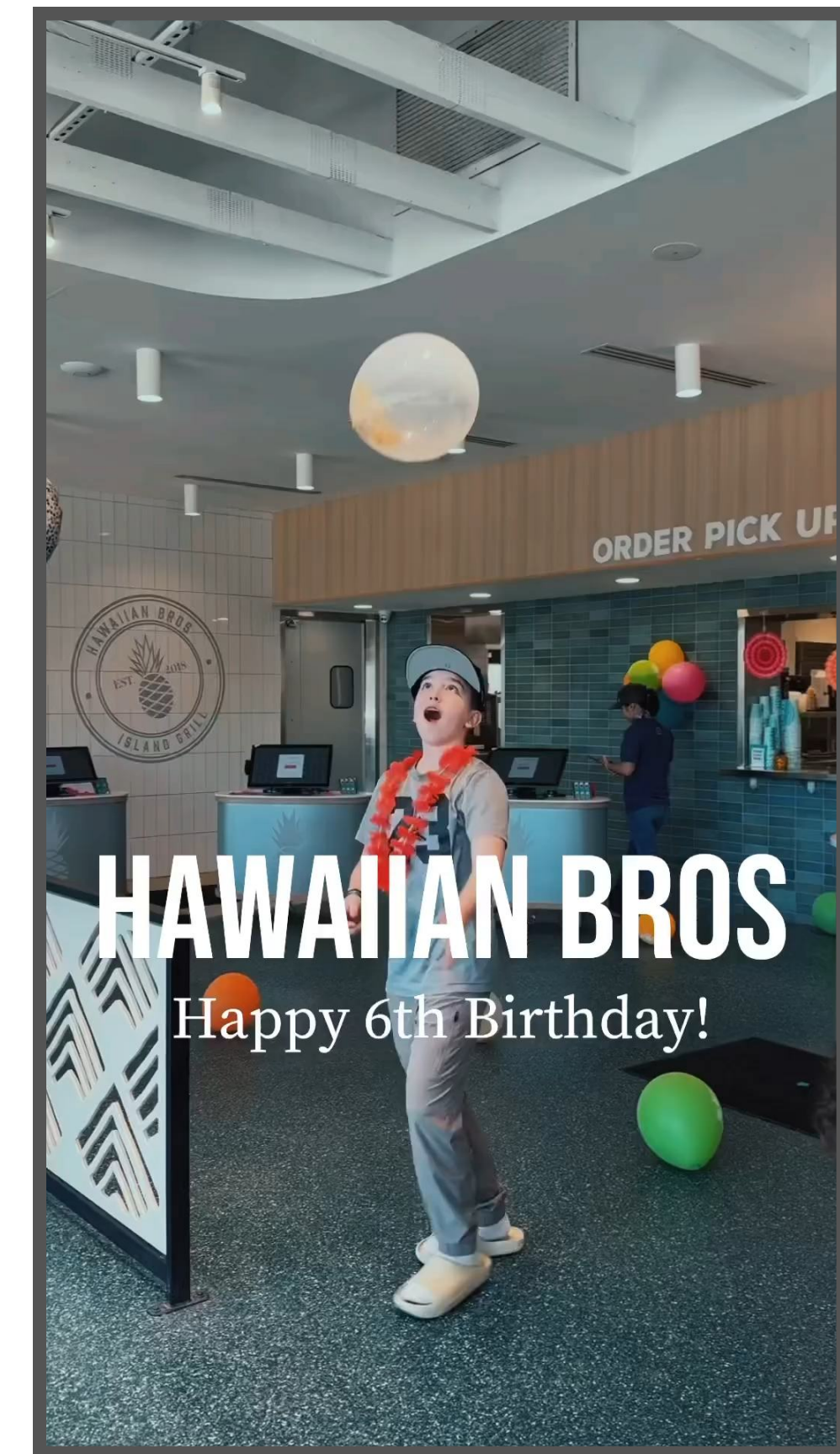
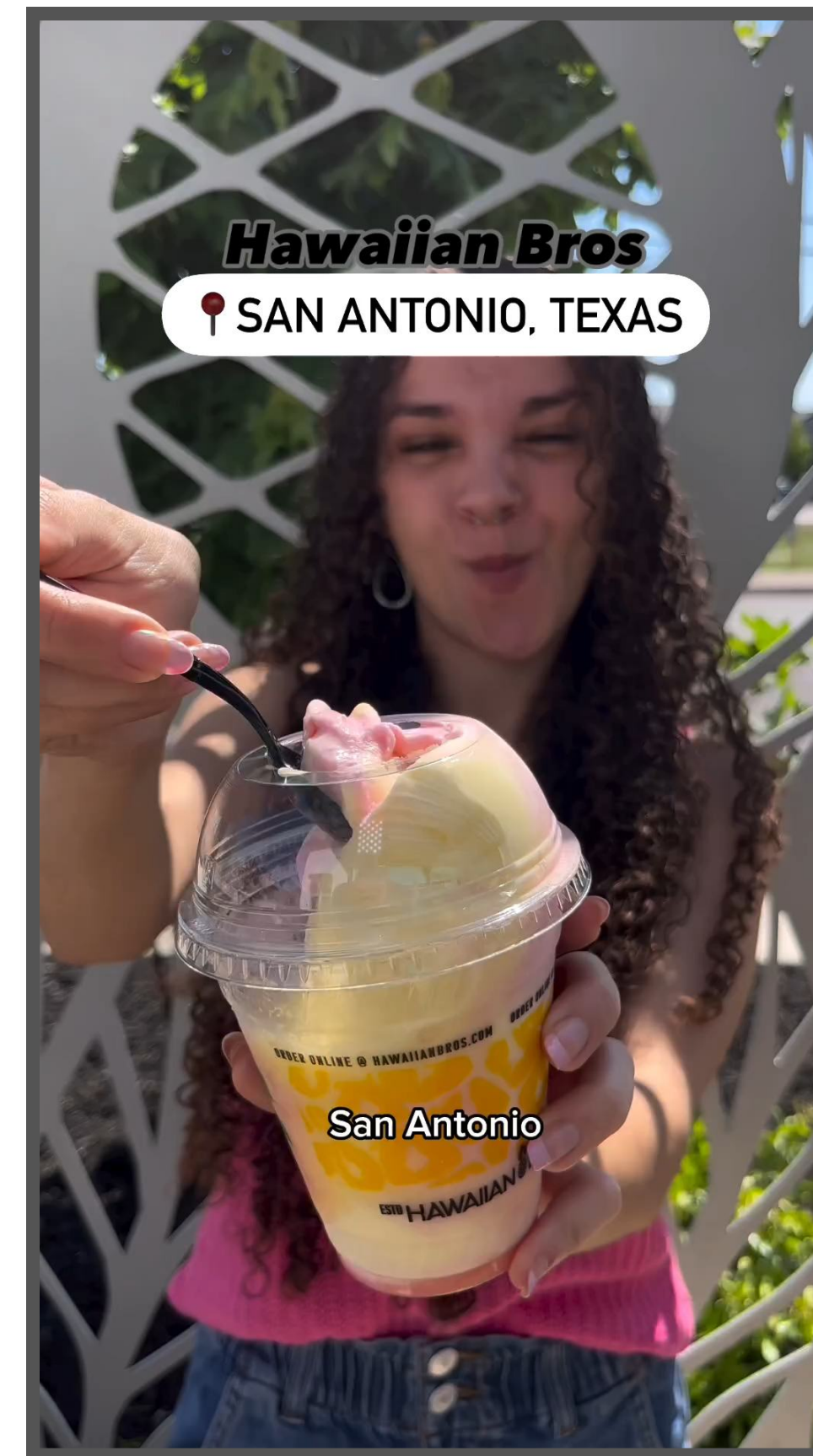
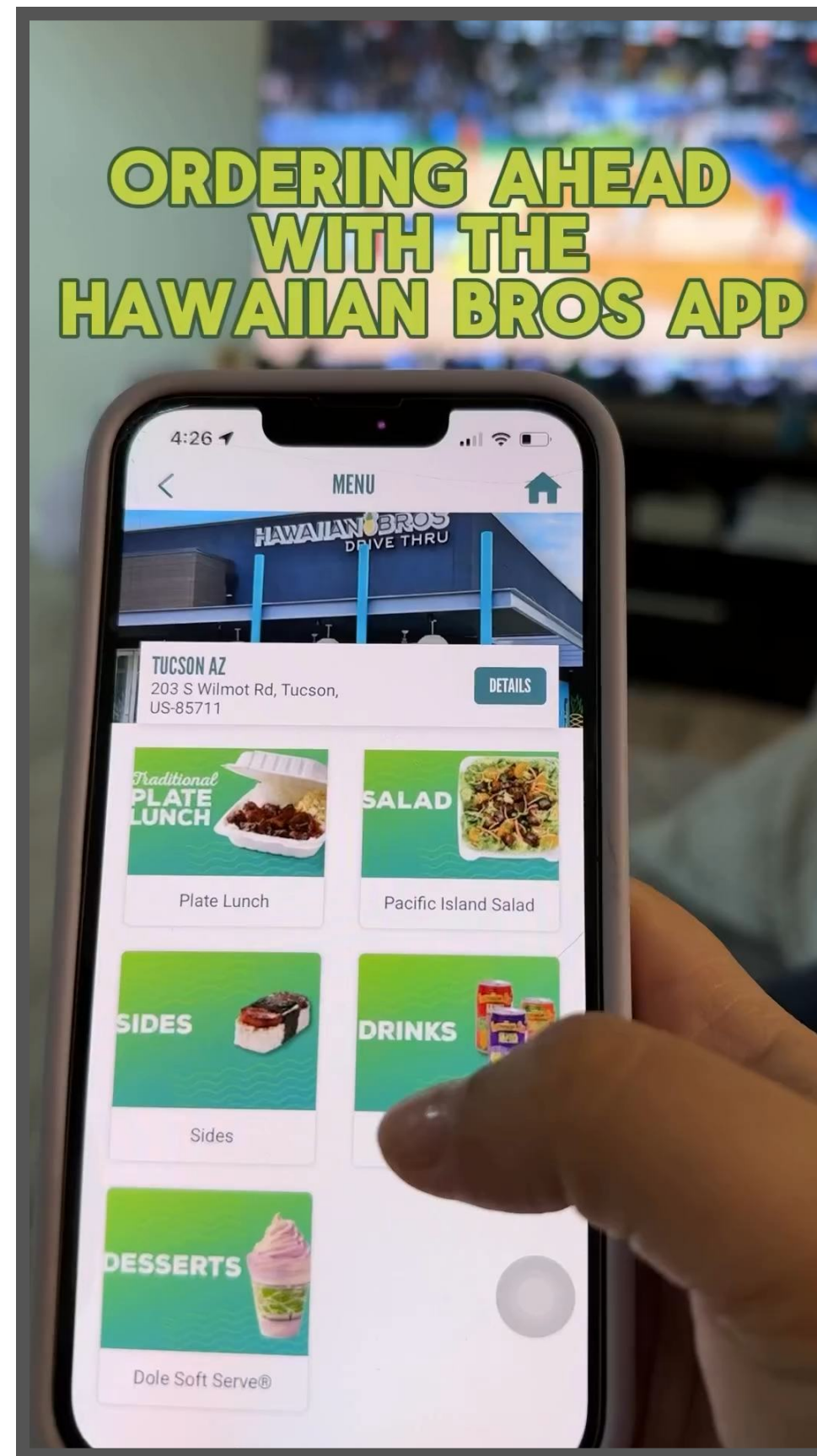
Operational efficiency and financial soundness are driven by data-informed decisions and executional excellence. BraveHart emphasizes cost management through labor efficiency and precise inventory control, coupled with meticulous payroll management and financial analytics to maintain control over costs and ensure sustainable profitability.

# Leadership and Hierarchy



# A Stellar Corporate Marketing Program

With hundreds of thousands of followers across social media platforms, a strong base of influencers, and a savvy digital marketing team, Hawaiian Bros excels in driving both national and local demand.



# Financial Projections



# Investment Summary

1. IRR and MOIC projections are calculated using all cash flows, including the initial investment of \$10,000,000 of offering proceeds, annual earnings before interest, depreciation and amortization ("EBITDA"), less estimated corporate taxes, and the sale of the entire portfolio at the end of the eighth year at 7x EBITDA.
2. Cash yield projections are calculated as the arithmetic mean (average) of five years of annual cash flows (including EBITDA, less estimated corporate taxes) divided by the initial investment of \$8,000,000 of offering proceeds.

Management's expectations are based upon the following assumptions:

- The development of 10 Hawaiian Bros restaurants.
- The initial investment amount for each Hawaiian Bros franchise is consistent with the estimates set forth in the Financial Disclosure Document (FDD) for each of Hawaiian Bros.
- Each franchise restaurant requires a four-year ramp period to achieve the financial performance set forth in the FDD for Hawaiian Bros.
- The portfolio is held for eight years and the entire portfolio is sold at 7x EBITDA at the time of sale.

Management's expectations are inherently uncertain and could vary significantly from the estimates set forth herein if any or all of the assumptions on which the estimates are based do not come to fruition. Actual results may differ materially from the estimates set forth herein, including those discussed in the section entitled "Risk Factors" and elsewhere in the private placement memorandum.

Now open to accredited investors

BraveHart Development is excited to present accredited investors with a unique opportunity to participate in the "Hawaiian Bros Midwest Fund." This exclusive offering encompasses the development and management of 10 locations within the award-winning Hawaiian Bros brand, developed and operated by our team with a proven track record of success. With a portfolio that spans multiple industries—from Scooter's Coffee and various hotel brands to Verizon—our track record is a testament to our ability to drive substantial investor returns. Notably, our existing Hawaiian Bros location has achieved profitability within a mere six months, underscoring our expertise and the brand's robust market appeal.

**23% - 24%<sup>(1)</sup>**

**Projected Net  
IRR**

**15% - 16%<sup>(2)</sup>**

**Target Net Cash  
Yield**

**615% - 621%<sup>(1)</sup>**

**Projected  
MOIC**

**\$10M**

**Offering Size**

**\$10,000**

**Minimum  
Investment**

**8 - 10 years**

**Target Hold**

# Projected Results: Single Hawaiian Bros Location

Category	Year 1	Year 2	Year 3	Year 4	Year 5
Net Sales	\$3,175,128	\$3,302,133	\$3,434,218	\$3,571,587	\$3,714,451
Cost of Goods Sold	\$825,533	\$858,555	\$892,897	\$928,613	\$965,757
Gross Margin	\$2,349,595	\$2,443,579	\$2,541,322	\$2,642,975	\$2,748,694
Labor (all inclusive)	\$859,471	\$869,114	\$886,327	\$904,128	\$922,532
Occupancy Costs	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000
Royalty/Marketing Fees (Est. 8%)	\$236,230	\$245,679	\$255,506	\$265,726	\$276,355
General Administrative Expense/Discounts/CC Exp	\$476,269	\$495,320	\$515,133	\$525,738	\$557,168
Total Expense	\$1,891,970	\$1,930,113	\$1,976,966	\$2,025,592	\$2,076,055
Earnings (EBITDA)	\$457,625	\$513,466	\$564,356	\$617,383	\$672,639
Debt Service	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow (after debt service)</b>	\$457,625	\$513,466	\$564,356	\$617,383	\$672,639

# Projected Earnings

Date	2024	2025	2026	2027	2028	2029	2030	2031
Store Count	2	4	6	8	10	10	10	10
Net Revenue	\$3,600,000	\$10,238,000	\$20,013,320	\$28,071,143	\$36,530,543	\$40,211,547	\$42,185,180	\$44,256,017
Discounts	\$269,430	\$716,660	\$1,400,932	\$1,964,980	\$2,557,138	\$2,814,808	\$2,952,963	\$3,097,921
Gross Revenue	\$3,330,570	\$9,521,340	\$18,612,388	\$26,106,163	\$33,973,405	\$37,396,739	\$39,232,218	\$41,158,096
COGS	\$971,250	\$2,713,070	\$5,303,530	\$7,438,853	\$9,680,594	\$10,656,060	\$11,179,073	\$11,727,845
Gross Margin	\$2,359,320	\$6,808,270	\$13,308,858	\$18,667,310	\$24,292,811	\$26,740,679	\$28,053,145	\$29,430,251
Additional Expenses	\$1,824,886	\$5,304,728	\$10,628,814	\$14,893,057	\$19,331,095	\$21,063,128	\$21,723,624	\$22,456,997
Store EBITDA	\$534,434	\$1,503,542	\$2,680,044	\$3,774,253	\$4,961,716	\$5,677,551	\$6,329,521	\$6,973,254
Enterprise Expenses	\$270,200	\$651,816	\$1,240,759	\$1,705,055	\$2,192,491	\$2,407,821	\$2,526,106	\$2,650,221
Enterprise EBITDA	\$264,234	\$851,726	\$1,439,284	\$2,069,198	\$2,769,225	\$3,269,730	\$3,803,415	\$4,323,033

# Projected Distribution Schedule

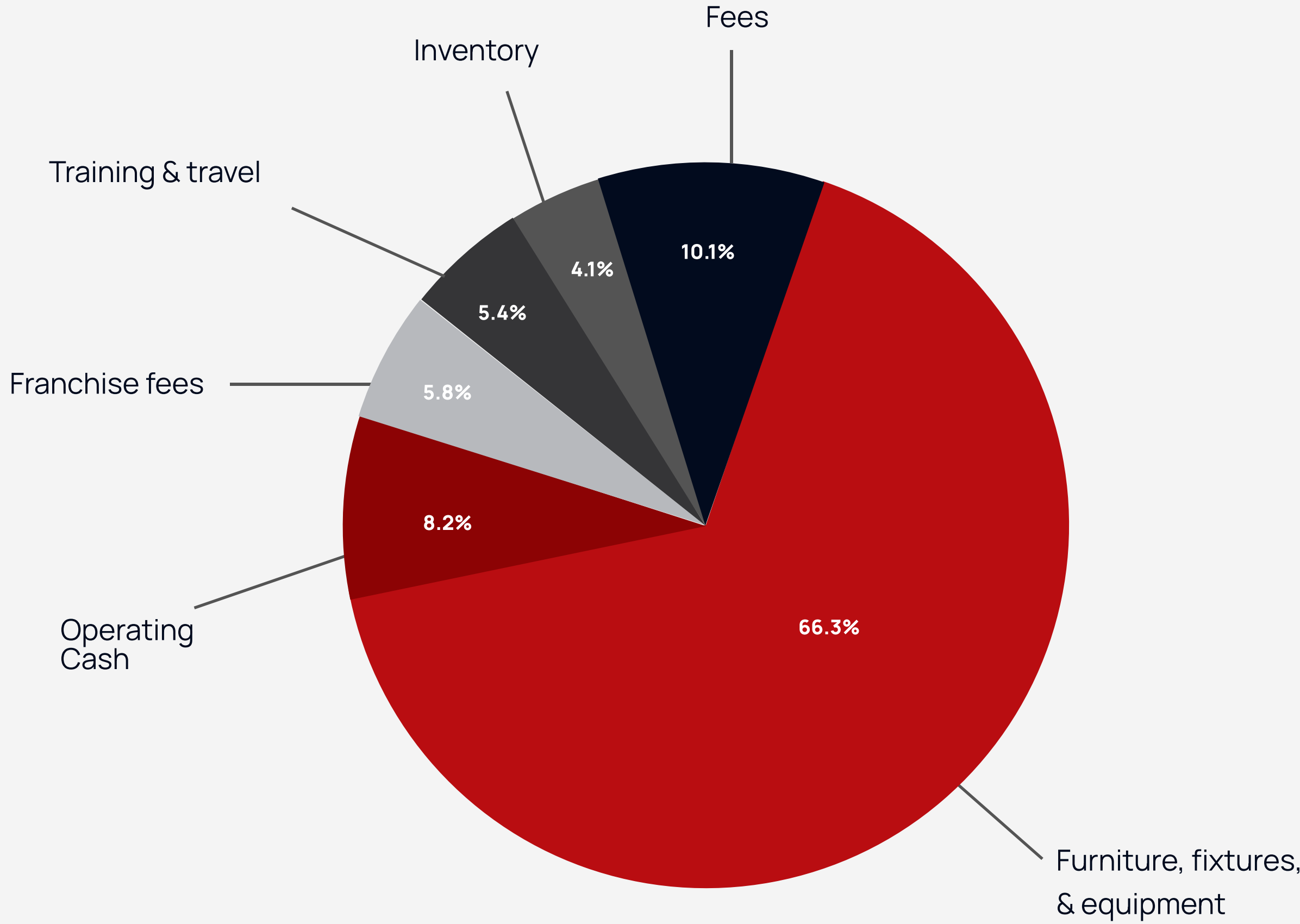
## \$100,000 Investment Example

Initial investment	2024	2025	2026	2027	2028	2029	2030	2031	2032	Exit at 7x EBITDA	Total IRR
\$100,000	\$0	\$0	\$0	\$8,500	\$12,750	\$25,500	\$29,750	\$34,000	\$38,250	\$476,000	24.15%

## \$10,000 Investment Example

Initial investment	2024	2025	2026	2027	2028	2029	2030	2031	2032	Exit at 7x EBITDA	Total IRR
\$10,000	\$0	\$0	\$0	\$850	\$1,275	\$2,550	\$2,975	\$3,400	\$3,825	\$51,425	23.74%

# Projected Per Unit Expenses



## Furniture, Fixtures, & Equipment

Kitchen equipment, furniture, HVAC/DOAS, artwork/decor, signage

## Operating Cash

Cash to fund initial operations, deposited at unit level

## Franchise Fees

Franchise fee per location and grand opening support fee

## Training and Travel

Start-up training expense (two weeks), general manager, travel expense for Hawaiian Bros trainers and corporate travel, Hawaiian Bros trainer wage (three weeks)

## Inventory

Opening Inventory, supplies, incidental expenses associated with opening costs

## Fees

Survey/studies, engineering fees, architectural fees, legal fees, administrative/food, and permits

For more details on the per-unit initial investment, please review Item #7 of the 2024 Hawaiian Bros FDD.

# Exit and Distribution Strategy

## Strategic Exit and Distribution Plan for Maximum Returns

Our exit strategy and distribution plan are designed with foresight and flexibility to optimize investor returns. We envision a strategic exit after the robust establishment of all 10 Hawaiian Bros locations, with a target timeframe of post-2029, meaning a hold period of at least 5 years, but more realistically 8-10 years. Distributions are a cornerstone of our investor relationship and we plan on commencing those distributions as soon as practical based on the below criteria.

### Exit Strategy:

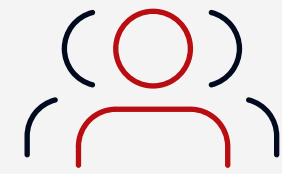
- **Timeframe:** We anticipate exploring exit opportunities following the complete build-out and maturation of our 10-store portfolio, with an expected hold period of 8 to 10 years, but potentially anytime after 2029.
- **Market-Driven Criteria:** Our exit timing hinges on market conditions, aiming to divest when investor returns could be maximized, particularly as valuations approach 7 to 8 times EBITDA. However, if the fund is producing a ROI that is significantly higher than a risk adjusted return in the general market at the time, we may conclude that keeping the investment alive will be the best situation. This will be a year by year analysis starting at year 8. We will bring in many market condition variables, industry outlook, and overall risks of keeping/existing the investment at this time. If need be, we may entertain third party analysis at that time as well.
- **Potential Buyers:** Private equity groups frequently acquire high-performing franchise operations, and we're proactively nurturing relationships with potential acquirers to position ourselves favorably for when the time is right.

### Distributions:

- **Commitment to Returns:** Distributions are a pivotal element of our revenue strategy, not only for our investors but also as co-investors ourselves. Our team earns revenue as investors earn revenue.
- **Initial Capital Utilization:** All initial funding will be diligently allocated to the launch of our locations, laying the groundwork for future profitability and returns.
- **Sustainable Distribution Model:** Surplus profits, minus a calculated reserve for operational contingencies, will be distributed to our investors.

# Additional Details

# Liquidity



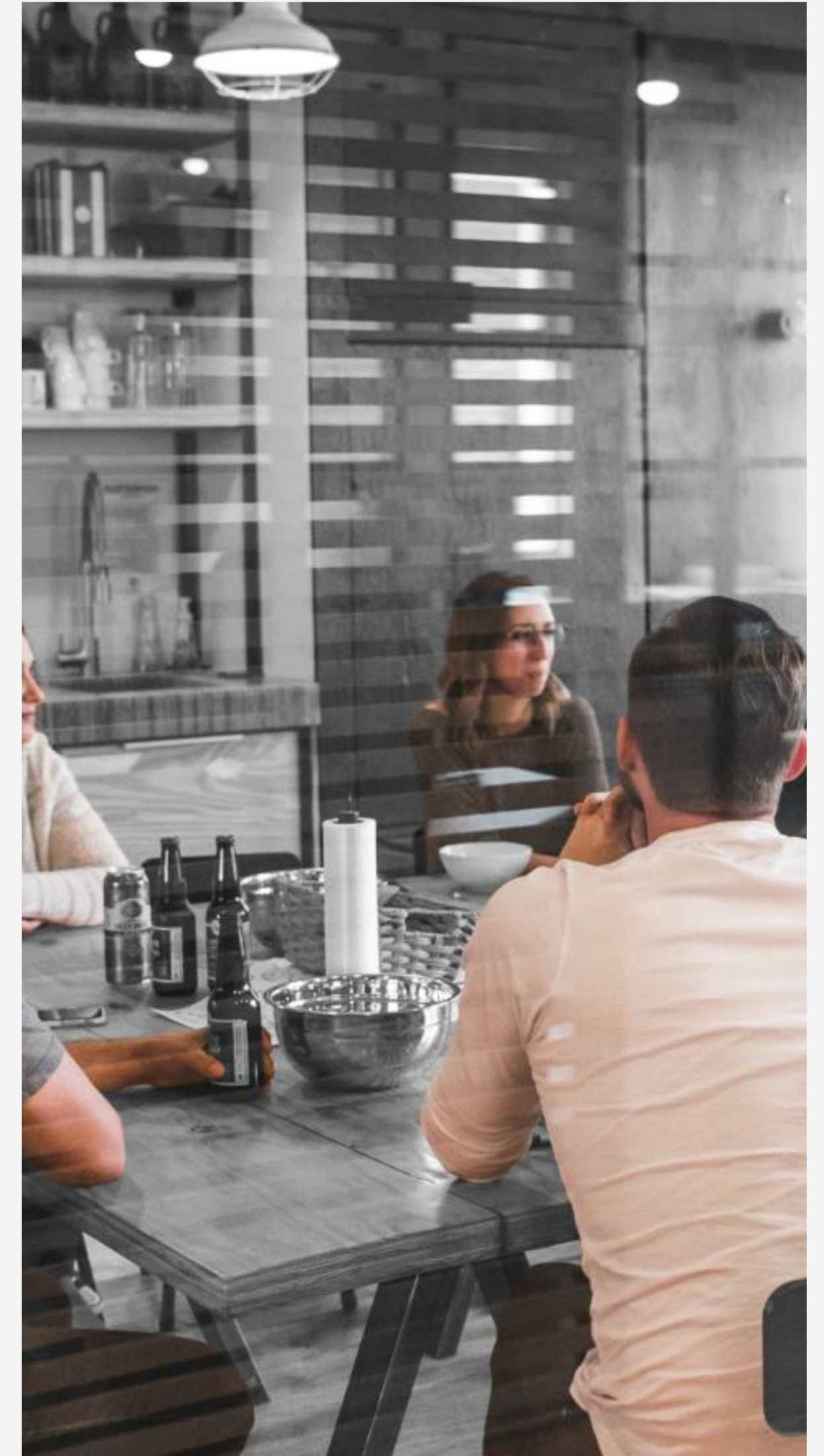
We plan to build ways for investors to find liquidity.

## **Portfolio sell**

As the portfolio matures, we will consider offers for our portfolio of franchises. If we view the offer as best for our investors, we will sell the portfolio.

## **Sell in the secondary market**

There is currently no active market for our shares. And while we anticipate a public market may develop in the future, we cannot guarantee the development nor availability of a primary or secondary market. Note that if and when a secondary market does develop, investors will need to wait one year to trade their holdings in accordance with Regulation D.





# Lifecycle of the Fund



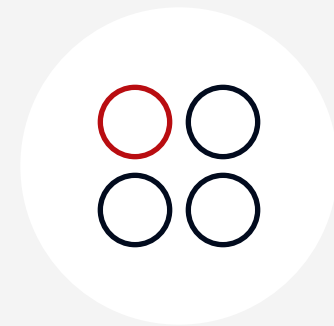
## Investing

Raise initial capital  
Closing documents uploaded  
after maximum raise is met



## Building

Updates provided monthly



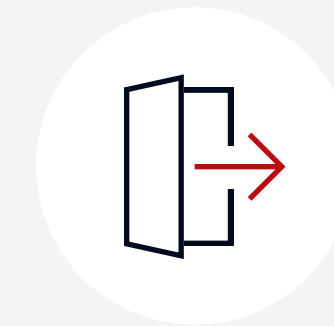
## Distributions

Distributions to be made from  
excess cash flow  
Delivered via direct deposit



## Taxes

K1 delivered to each investor  
Uploaded to dashboard



## Exit

BraveHart will explore the sale  
of the franchise portfolio after  
8-10 years.

# Investor Communication and Transparency



Monthly investor  
letter



Quarterly financial  
summary



Ad hoc updates  
as necessary

# Fees

Investors are responsible for the below fees:

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Acquisition

**\$500**

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Annual Fee

**\$100**

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