Franchise Information





Introducing Mathnasium

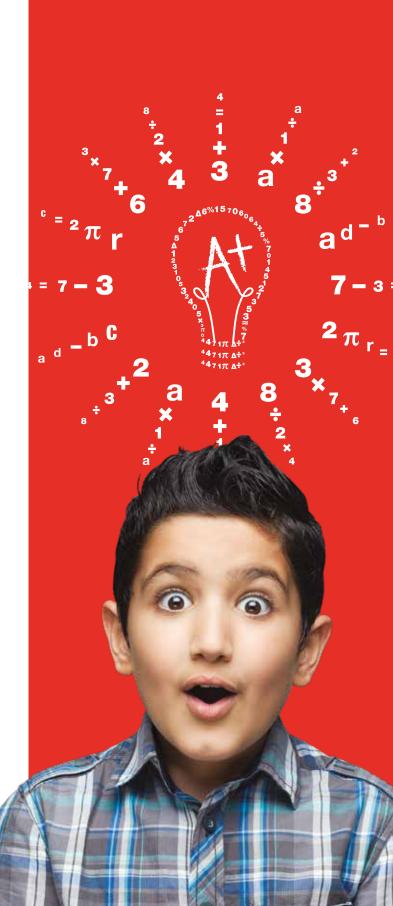
We are about to take you on a journey. A journey in which you will learn what makes the Mathnasium franchise opportunity so special, and why over 1,000 franchise centers worldwide enjoy making a great living doing something genuinely rewarding. And here's the good news; to own a Mathnasium franchise **you don't have to be great at maths, you don't need to be a teacher,** you won't have to do any teaching (unless you want to), you just need to understand how children feel when they are confused and intimidated by maths. How many people do you know feel embarrassed or lack confidence in maths even well into adulthood? Maybe you felt like that yourself when you were at school and still feel it now?

This is why Mathnasium exists; maths is a critical foundation in any child's development into the adult world. It's also one of the hardest subjects to master, and the one which causes the most angst and frustration for children – and their parents – as they face the mounting pressure to excel. **Every child learns differently** and schools rarely have the resources or the opportunity to address each child's needs individually or to revisit concepts that weren't fully mastered the first time around.

It's a worldwide problem; children the world over struggle with maths and their parents struggle to help with homework, yet it is becoming increasingly important with exam results and career prospects so inextricably linked. Every parent wants the best for their child, but few know where to start when it comes to improving their child's maths skills. Mathnasium has the solution to this problem. Being able to bring a fresh approach to teaching maths in a fun, friendly and enjoyable environment can totally transform how children feel about maths. With greater understanding of this core subject, learning becomes easier and confidence improves dramatically.

But that's only part of the story. How has this amazing concept turned into a global phenomenon, enabling hundreds of people to run their own business (with all of the rewards and excitement that this brings) but with the safety and security of a proven business model and franchise structure supporting them as they grow? It's a fantastic story, but we need to start at the beginning...

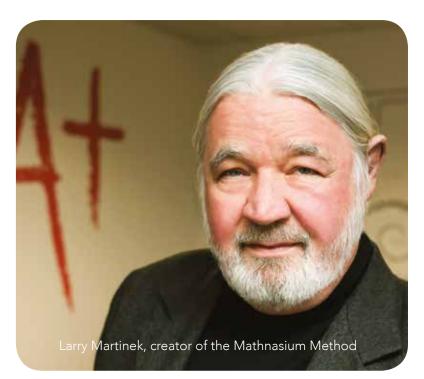


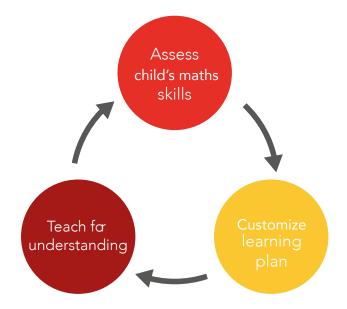


More than 40 years ago, Larry Martinek, creator of the Mathnasium Method, was inspired to find a better way to teach maths. As a teacher in private and state schools as well as a father to a mathematically gifted son, Larry possessed a comprehensive view of maths education. Working with both advanced and struggling maths students, he identified a common theme in maths instruction – a vast disconnect between students' learning skills and the curriculum they were expected to master. Larry had to find an approach that would provide students with the **strong mathematical foundation** they needed to succeed.

The solution would be to identify students' current skill levels and propel them forward by teaching them maths in a way that made sense to them.

Larry assembled and developed a blend of methods and materials that had proven highly effective for students of all ages in his years as an educator. The Mathnasium Method was born. Instead of relying on memorisation and repetition, Larry's approach focused on helping children build deep mathematical understanding through a combination of mental, visual, verbal, tactile and written exercises. His classroom experience showed that teaching children conceptually worked much better than standard repetition and allowed students to develop Number Sense a critical foundation for understanding maths. Above all, Larry's methods made it fun. The children really wanted to be there and ran into rather than away from - the sessions. A first for maths education!





The approach was ground-breaking. Over the years, Larry expanded his work to develop a complete curriculum that spans both primary & secondary education. Larry's son Nic provided insight into the mind of the student and gave his father's work an extra dimension. Larry's innovative materials found their way into classrooms and were often used instead of textbooks. Student test scores skyrocketed.

Larry opened the first Mathnasium Learning Centre in 2002 in Los Angeles, California. Since then, Larry's work has taken on a life of its own. Today, Mathnasium is a global community with **more than 1,000 franchised locations worldwide**, teaching children maths in a way that makes sense to them.



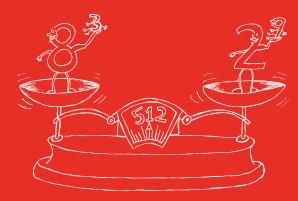
Whilst the Mathnasium Model is all about a revolutionary way of teaching maths, the business model is equally innovative.

For the operation of the first centre/or as a sub-franchisee owning a single centre, the franchisee can be 'hands-on', or employ a Centre Director and operate the business as a management franchise. Upon opening the second, third, fourth, and more locations, being able to manage a network of centres becomes increasingly important. This is vital because outside of the USA, Canada, Hong Kong, Singapore, and UK; Mathnasium franchisees are country or regional partners and are required to develop multiple centres via direct ownership and/or sub-franchising.

All Mathnasium Learning Centres are located in distinctively-branded top-end/'High Street' retail premises, giving parents the security of knowing that we are a permanent feature of the community, rather than a part-time shared-premises operation. Combining flexible membership packages, unscheduled drop-in attendance, homework help and regular progress reports, Mathnasium's business model ensures that parents benefit as much as their children do. All of this has come together to create a **unique business opportunity** for franchisees.

With a clearly-defined, proven business model and over 20,000 pages of curriculum – tailored to suit each new market, Mathnasium's team of educational experts ensure that franchisees achieve outstanding results in their centres, both in terms of student exam results and their own business success.





Franchisees come from all walks of life and an educational background is not essential. Perhaps surprisingly, there is also no requirement to be good at maths or even to do any teaching – unless you'd like to! The Master Franchisees' roles are to develop a network of centres, to manage the team running the centres, and to concentrate on higherlevel business management. The Centre Director's role is to meet with parents, handle the marketing, recruiting instructors and managing the day-to-day operations of the centre. If a franchisee has a passion for education, then they may well want to be more 'hands on' in the centre, but this is certainly not essential.

It is however **a hugely rewarding occupation**, and not just financially. Our franchisees all love being part of their local community, and of the global Mathnasium franchise community, but - most importantly - making a real difference in children's lives.

The right training and the right support

One of the biggest advantages of franchising versus pursuing a start-up business on your own is utilising established systems which have already been **proven to work**. When you partner with Mathnasium, you'll benefit from more than 15 years of successful business operating systems as well as a resource of over 1,000 franchised centres sharing their experiences.

The Mathnasium training and support programme has been developed to equip franchisees from all backgrounds with the tools to build a great business.

Here are just a few of the things we teach you how to do:

- Identify the best locations in your area
- Select a site and project-manage the build out
- Hire instructors
- Attract new customers
- Manage your staff team

- Maximise your profitability
- Retain existing students
- Successfully run your own business using the proven Mathnasium franchise model

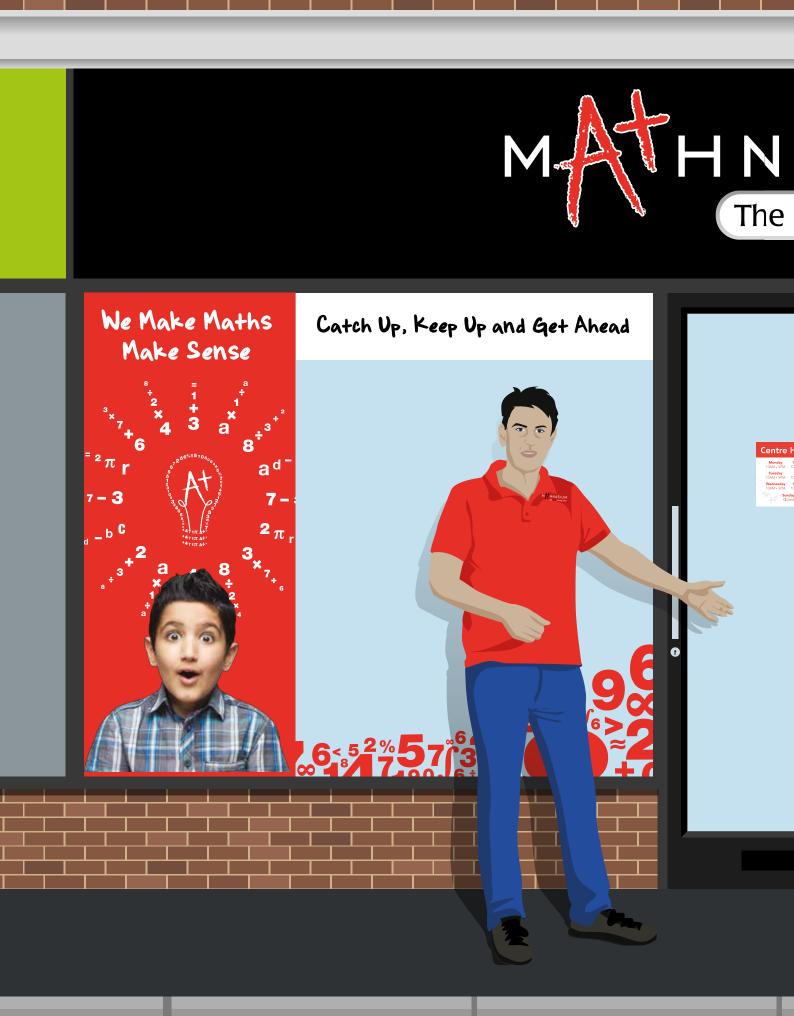
Whether you have a background in education or not, Mathnasium development and training programmes are designed to bring you quickly up to speed. And that training doesn't end once your doors are open; we provide **constant support throughout the life of your business**, day after day, including:

- Comprehensive additional update and online training
- Mathnasium Matters community resource
- Franchisee support help desk
- Annual Convention, meet and learn from other Mathnasium franchisees
- Experienced Start-up Support Specialists and Franchise Business Consultants

In addition to which you will have access to our full suite of Business & Marketing Tools:

- Radius: Our proprietary business and education management system
- Your own personalised learning centre website
- An extensive library of customisable marketing materials
- Regular curriculum updates
- Social media and online marketing tools





ASIUM[®] Maths Learning Centre





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Homework Help -

Mathnasium will help students complete maths homework assigned by their school, but will never send students home with any additional homework to complete.

Parents love the homework help aspect of the Mathnasium model.

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Parents' Area – most parents drop off their children for an hour and then go to meet friends for a coffee or do some shopping. Very often this turns into a social occasion for parents, giving them a much needed 'break' whilst their children are in safe hands, however, the parents' area provides a comfortable space for parents to wait if they prefer.



Individual Learning Plans – Every student begins with a personalised assessment, from which a bespoke learning plan is created by our proprietary software to fill any gaps in their knowledge or understanding.

No two students are ever on the same plan.



Student Sign In – Attendance at the centre is logged by students and instructors 'swiping in' on a tablet system.

This provides a safeguarding element as well as helping the Centre Director ensure that the centre is always staffed appropriately.

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Catch Up, Keep Up and Get Ahead

Centre Director – Takes overall responsibility for the running of the centre, managing the floor and the staff, dealing with parents and handling basic business administration. Many franchisees choose to initially fulfil this role themselves, whilst others will employ a Centre Director and just handle the more advanced business requirements (financial management etc). The choice is yours and your training will be adapted to suit your proposed level of involvement.



Games Area – Many of our children learn their love of maths by playing games which, whilst being great fun, all have a mathematical element. This helps children view maths as a really enjoyable activity, a key element of the Mathnasium Method.





Team Teaching – Instructors work on a 1:1 basis with each student, then encourage the student to work independently for brief periods (whilst being closely supervised). They rotate to other students, always keeping between a 3:1 and 4:1 student:instructor ratio. The Mathnasium Method of Team Teaching ensures children develop confidence in their own abilities without becoming too dependent upon any one instructor.



While we are currently looking for multi-centre operators that will own and operate multiple centres, it is vitally important to understand a single centre format.

Kindly note, in Hong Kong and Singapore we are awarding one unit at a time, with territories available. Please see <u>www.mathnasium.com.hk</u> or <u>www.mathnasium.sg</u>.

The entire space is an open environment with no rooms or pods across 75-150sqm/800-1600sqft, with following areas:

- Parent Waiting Area & Student Binder shelves
- Centre Director/Reception Desk
- Rewards Cabinet & Games Table
- Training & Assessment Area
- Restroom

Furniture and equipment for approximately 100-200 enrolled students (40-50 in attendance)

- 20-25 student tables and 40-50 student chairs
- 10-12 instructor swivel chairs
- Director's black swivel chair & Director's reception desk
- 3 parent chairs and coffee table
- Games table with 4 stools
- 3 drawer filing cabinet
- 3 sets Storage shelves plus Display cabinet
- 2 whiteboard/magnetic boards

- High Specification desktop PC, incl. LCD monitor
- 2 Android tablets minimum 10", OS 4.4 or higher
- 2 Printers: Multipurpose and Laser
- Branded door mat & Centre Wall Art
- Maths manipulatives & games packages
- 40-50 Student Binders



The investment

This opportunity, like most children's business concepts, comes with great responsibility and requires strong management, business and leadership skills. In 2018, Mathnasium grew by over 100 learning centre locations and now two centres open every week. There's a reason for that: our franchisees benefit from owning a truly rewarding business.

A new franchise business has start-up costs; including franchise fees, localization fees, open an initial learning centre, initial staff training, local marketing, working capital, and more. You can estimate the cost of one centre from the page above; however, the ideal partner will own more than one, and develop a network of sub franchisees. A multi-unit model is a larger investment than a single unit model, and our partners must have a minimum net worth of \$500,000 USD. The total investment for an exclusive region/country range is from \$400,000 USD to \$3,000,000+ USD. The larger countries/opportunity require a larger investment. See www.franchise.mathnasium.com/investment

These numbers are not indicative of Hong Kong or Singapore, as we are actively seeking single unit operators. Here, a partner must have a minimum net worth of \$150,000 USD.

See https://www.mathnasium.com.hk/franchise-hk/investment or www.mathnasium.sg/franchise-sg/investment

Franchise Models and Fees:

Depending on your geographic area, we have three (3) franchising models.

Franchise Models (by market)

- Unit Franchise own and operate one or more Mathnasium learning centres in a city. Sub-franchising not allowed. o Hong Kong, Singapore, United Kingdom, Canada, United States
- Area Developer own and operate all Mathnasium learning centres in a region of a country.
- Sub-franchising not allowed.

o China

• Master Franchise – own and operate one or more Mathnasium learning centres in a region or an entire country. Sub-franchising allowed.

o Argentina, Australia, Austria, Belgium, Brazil, Chile, Colombia, Czech Republic, Denmark, Finland, France, Germany, Hungary, Indonesia, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Norway, Peru, Philippines, Poland, Portugal, Qatar, Russia, Saudi Arabia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey

Initial Franchise Fee

The franchise fee varies depending on the market, type of franchise model, and the number of training centres the territory can support as deemed by Mathnasium. The larger the country/opportunity, the larger the initial fee. It will range from \$35,000 USD to \$2,600,000 USD.

Ongoing fees

Our franchisees pay a monthly royalty fee to cover the use of our curriculum, business systems, marketing assets, the Mathnasium brand, and more, as well as providing access to our support services detailed earlier.

- Monthly Royalty Fee 13% of Gross Sales
- Monthly Marketing Fee (Unit Franchise Model only) 2%

Franchise Benefits

- A solid business model with a simple start-up
- Extensive training and ongoing regional support
- Access to an experienced management team
 - Assistance with business plans, property searches, lease negotiations, build-out/fit-out of premises
- Proprietary curriculum & methodology
 - Access over 20,000 Curriculum pages
 - Detailed Operations and Education Manuals
- Centre Management Software (Radius)

- Upon Sub Franchising, a 60/40 share of Sub Franchise Fees & Royalty % paid to Mathnasium
- An exclusive, protected territory
- A brand name known for quality and excellent customer service
- A supportive franchise community
- Proven marketing system including cost-effective tools and easy-to-execute strategies
 - Personalised website for your location & setup of Social Media accounts
 - Full suite of template marketing documents

Summary of the Mathnasium franchise opportunity

- Simple business model no maths or teaching experience required
- Hugely rewarding making a real difference in children's lives
- Low costs/centre small retail premises with minimal fit-out
- Great returns plus building an asset for the future
- Huge potential opportunities to open multiple centres
- Rapidly growing market children constantly struggling with maths
- Parents love Mathnasium great results, great value, homework help and flexible schedules
- Strong brand distinctive image and world-class marketing support
- Great reputation No. 1 by Franchise Gator 2018 'Top 100', No.40 by Entrepreneur 2019 'Franchise 500', & No.3 by Forbes Magazine 2016 'Best Franchises to buy'
- Proven track record of success over 1,000 locations worldwide* with two more opening every week



* Correct as of February 2019





Your next steps...

This business represents an excellent potential return-on-investment and you will have the opportunity to be part of one of the largest and fastest growing children's education franchises in the world. However, we are only looking to award Master Franchises/Area Developers to a limited number of carefully selected applicants in 30 to 40 countries over the next few years. If you are considering a Mathnasium franchise, it is important for you to let us know as soon as possible because in any given market there are likely to be more than one potential partner, and once they're awarded, they're gone. Kindly note, in Hong Kong or Singapore we are awarding one unit at a time, with territories available. Please see <u>www.mathnasium.com.hk</u> or <u>www.mathnasium.sg</u>.

We hope you'd like to know more and we would love to answer your questions. For over 15 years, we've been helping people discover the benefits of owning their own Mathnasium Learning Centre. The process of learning about the Mathnasium franchise opportunity is an enjoyable experience based on transparency and is designed to give you the information you need to make an educated business decision. The full process will take from 2 to 6 months, and follows these steps:

- 1. Request Information
- 2. Initial Call & complete a 'Request for Consideration'
- 3. Local Market Research & Planning
- 4. Speak to existing Mathnasium Franchisees
- 5. Observation Meeting (Hong Kong, UAE, UK, L.A.) or Remote Discovery Day
- 6. Franchise Agreement Review & Finalizes Business Plan
- 7. Business Plan Presentation @ Los Angeles HQ
- 8. Sign Franchise Agreements and Initial Franchise Fee

If this sounds like the business for you, or you would like to learn more about why so many people have decided that Mathnasium is the franchise for them, then please do get in touch.



Don't delay – make a call and start the conversation today. Call us now on +65 9144 1412

or email: scott.mcdaniel@mathnasium.com to learn more.

www.franchise.mathnasium.com



We Make Maths Make Sense

"I moved to the US in 2007 and opened my first centre in 2011. Due to the success of this centre I went on to open another 3 locations within 4 years, and became one of the top 8% owners in the country. Mathnasium offers a phenomenal maths curriculum, business model and support system to enable success and provide a highly satisfying career. I am now looking forward to being part of their growth in the UK and expanding to open a centre there."

— Aileen Clarkson, Multi-Site Owner

"All over the world, the demand for expertise in mathematics is growing. Effective mathematics tutoring is difficult to find at an affordable price. The Mathnasium teaching method, curriculum and business model are meeting these needs, and I am excited to be a part of it."

- Steve Ross, Owner and Centre Director

"The opportunity Mathnasium has provided me has been wonderful. I have touched the lives of 1,200 students so far in my community, giving them confidence not only in mathematics, but also in themselves. I have become a well-known and trusted member of my community, and I find great enjoyment interacting with parents as well as students."

- John Opalko, Owner and Centre Director

"This is such a rewarding business and you can't put a price on the feeling that you get from helping a student succeed. I look forward to going into our centre every single day. I now know the difference between a job and a career."

- Matrice Williams, Owner and Centre Director

