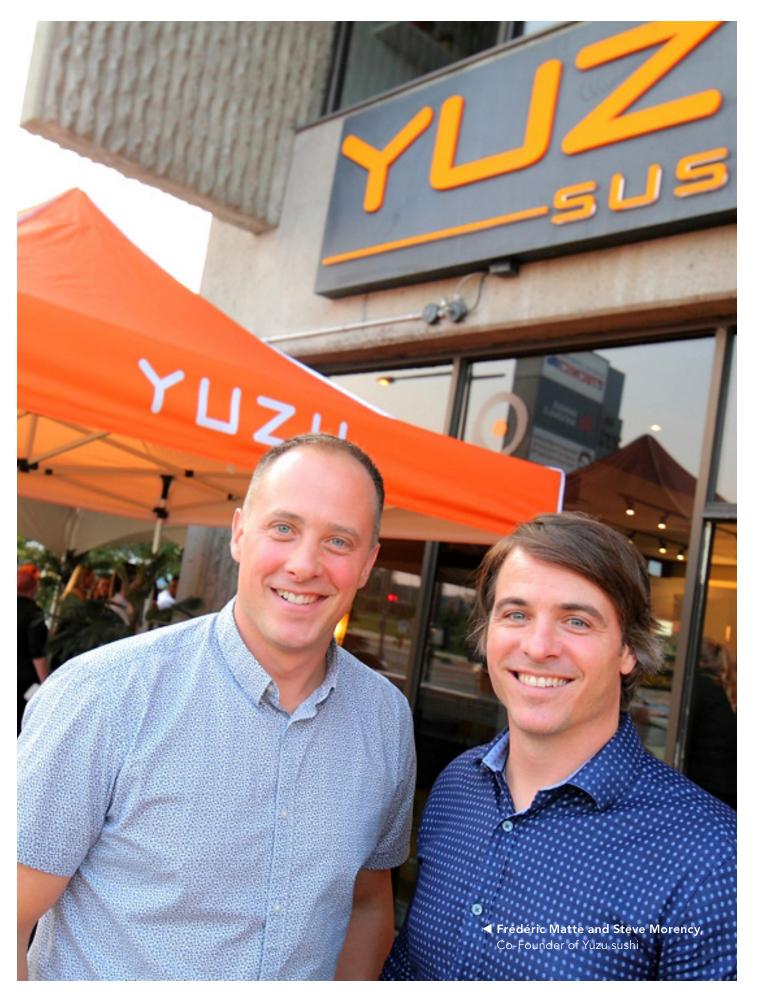




LEAFLETFOR FUTURE FRANCHISEES







THE YUZU SUSHI ORGANIZATION

THE FOUNDERS

Yuzu sushi, a leader in Quebec sushi, was first created by Steve Morency at university as his final business administration project. The chain is still run by its founders, two young entrepreneurs from Quebec City.

Founded in 2002 by two young entrepreneurs from Quebec City, Yuzu sushi upholds a corporate culture based on the values of quality, respect, innovation and eco-responsibility.

Steve Morency, President of Yuzu sushi, has experienced a meteoric rise in the restaurant industry, making him one of the most dynamic young entrepreneurs in Quebec.

As well as being a respected business person in Quebec, Steve adheres to many values, such as family, friendship, stability, humility, respect and integrity. The same goes for his business partner, Frédéric Matte.

According to Frédéric, respect, client focus, innovation, quality, consistency and enjoyment are some of the key elements that explain the chain's popularity. The Vice President, General Manager and co-founder of Yuzu sushi believes in the importance of achieving the **business-family-pleasure** balance every day, and that is why the 40 year-old businessman also spreads this philosophy in his company, which earned him the prestigious *Fidéides* prize in the HR catagory.



HISTORY OF THE ORGANIZATION

A leader in Quebec sushi, Yuzu sushi has conquered the province of Quebec with Yuzu sushi restaurants and Yuzu sushi express counters at IGA supermarkets. The chain is still run by its founders, two young entrepreneurs from Quebec City.

Yuzu sushi is a Quebec success story, employing hundreds of Quebeckers each year, collaborating with area producers to offer customers fresh, local products, and maintaining business partnerships with many well-established suppliers throughout Quebec. Over the years, the Yuzu sushi chain has become a serious contender on the market, offering top-quality products and proving that its business model is solid. Its popularity speaks for itself. Yuzu's growth reflects its quality resources, the mobilization of its network, and the strength of its business models. One strong brand; two successful concepts!

THE COMPANY'S MISSION

The company's mission is clear: Yuzu sushi never compromises on taste.

We are passionate about quality! Flavour, presentation, personalized, courteous service and impeccable cleanliness offer our clients a captivating experience when they visit any Yuzu sushi. Quality, consistency, innovation, respect and customer focus make us the industry leader in sushi counters and related products.



MTY AND YUZU SUSHI

MTY Group, a major player in Canada's restaurant industry, acquired the Yuzu sushi banner in the summer of 2019. It was the beginning of a new chapter.

Since the acquisition, the company has remained focused on its mission of quality and on maintaining a corporate culture focused on the customer, innovation and enjoyment. Out of a desire for a natural transition, the founders of Yuzu sushi remain active within the organization, sharing their knowledge with the next generation. Louis-Philippe Grenier, the company's director of development who has been with the organization for nine years, was recently named the brand's vice president.

Yuzu is a Quebec restaurant banner that employs more than 800 workers and operates more than 180 locations, including 72 restaurants across Quebec and New Brunswick and 108 express counters in Quebec IGA supermarkets. The Yuzu network's annual sales surpassed \$50 million in 2020.

MTY Group has welcomed all members of the Yuzu team into its ranks to help this successful brand continue to grow and thrive. The company will continue to prioritize franchisee and employee engagement, network performance, and of course, having fun at work.



"I'm so pleased and inspired to take on these responsibilities and continue to develop the Yuzu brand that we've put so much work into. We've always stayed the course and will continue to do so, but with increased momentum to take us even further!"

— Louis-Philippe Grenier Vice-President Brandleader



A BIT OF HISTORY

2002

Yuzu sushi literally transforms the city's food landscape with innovative culinary creations.

2007

The company quickly builds up a solid reputation with "sushivores," leading to the emergence of a new and equally promising concept: Yuzu sushi franchises.

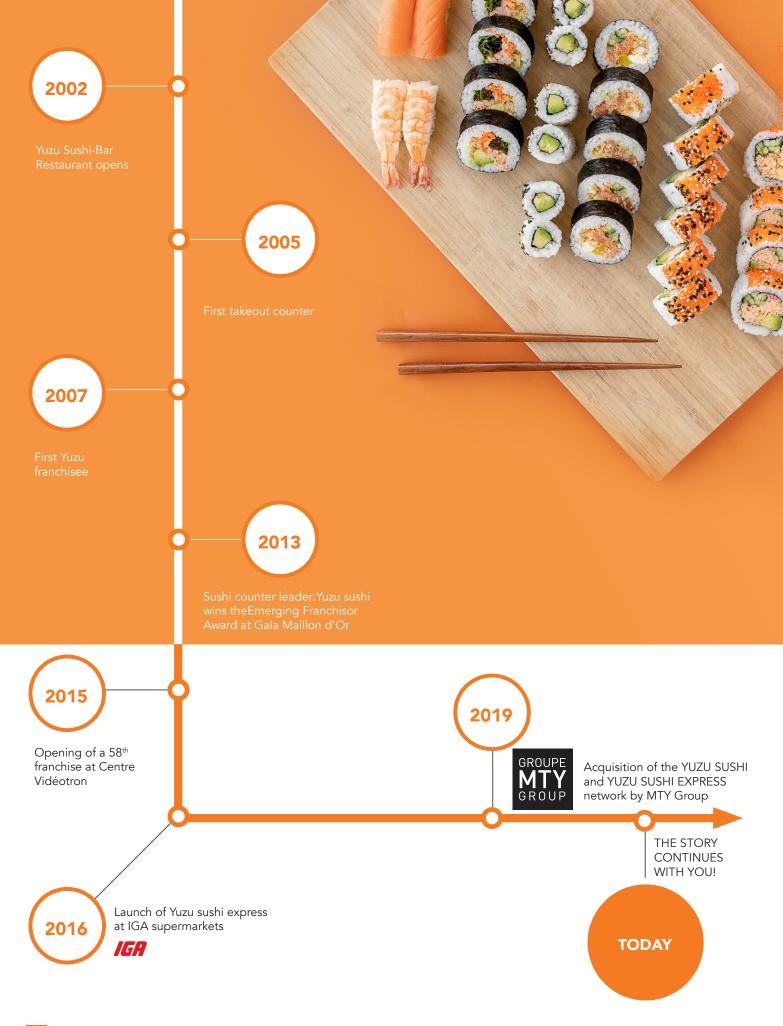
2019

After all the years spent creating a solid, successful network full of potential and opportunities for growth, MTY Group acquires the Yuzu sushi express and Yuzu sushifranchise network in July.

TODAY

Yuzu sushi has nearly 190 locations, including

- 73 restaurants in Quebec and New Brunswick
- 43 Yuzu sushi express counters
- 75 direct delivery setups within IGA grocery stores, Marchés Traditions and Marchés Bonichoix







OUR NOTORIETY

Yuzu sushi's reputation is firmly established and recognized. We have many points of sales outlets in Quebec and New Brunswick, and we are growing steadily and continuously.

QUALITY

Quality products, human resources, and services; the company makes no compromises on these sure values!

SUPPORT FOR FRANCHISEES

Franchisee support means constant, high-quality accompaniment. Your franchise right gives you access to a wide range of resources to support you in your start-up and throughout your journey with Yuzu. From finding a location to financing your project, through marketing, hiring and training, everything is well thought out, functional and efficient.

The franchisor's management team supports you through a set number of theoretical and practical training hours, offers start-up assistance, accompanies and supports you throughout the operation of your franchise on all levels, in every aspect of your business..

OPERATING SYSTEMS

Simple, effective and proven. The Yuzu sushi structure is proven and constantly improving. Digitalized manuals and operations tools, checkout system, dashboard (data analysis), support for hiring and HR, our Virtual Academy training system, marketing support, standardized recipes: everything is structured to offer maximum supervision and make a profit that meets your expectations and reflects your efforts.

VIII



THE CONCEPT

Well established, profitable and turnkey!

As Yuzu sushi raises awareness about the product and the chain through both customer and owner satisfaction, it continues to conquer new places and acquire new points of sale outlets, customers and revenues, increasing brand visibility and reputationtoires et gagne en points de vente, en clients et en revenus, permettant ainsi d'offrir une visibilité accrue à sa marque





- Y Excellent reputation;
- Y Constantly growing;
- Y Locations throughout Quebec and New Brunswick;
- Y Favourable Markets;
- Y Several sites and opportunities available.
- Y Restaurant and IGA supermarkets.



BECOME A FRANCHISEE

Above all, becoming a Yuzu sushi franchisee means being part of a big team, where each member evolves in a healthy, high-performance environment, sharing common values related to respect, quality of products and services, innovation, customer focus, and most importantly, enjoyment. All the franchisees need to flourish in the Yuzu chain and enjoy a work climate where pleasure equals performance.

By joining the team as a franchisee, you will benefit from a turnkey project and be guided through the process of opening your restaurant every step of the way. This support is also offered for as long as your franchise is in operation. Managers all work together to help new franchisees succeed, because we all have the same goal: success!

The proximity of the franchisor and support for franchisees is unmatched. As soon as you meet with a Yuzu Management member, you'll benefit from their outstanding expertise and a proven system. Our dedicated team will always be there to support you in each phase of the process:

- Determining the territory, region
- Obtaining financing
- Project management
- Two weeks of theoretical and practical training with the Virtual Academy staff
- 5 Hiring
- Opening and start-up assistance for the first two weeks of operation
- Support and training

THE INGREDIENTS OF SUCCESS FOR YUZU FRANCHISES

THE CONCEPTS:

well established, profitable and turnkey

QUALITY PRODUCTS AND HUMAN RESOURCES

a sure value on which the company makes no compromises

SUPPORT FOR FRANCHISEES:

constant, high-quality support

POSITIONING:

established reputation, several points of sale outlets in Quebec and New Brunswick and constant growth

OPERATING SYSTEMS:

simple, effective and proven



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YUZU SUSHI A RECOGNIZED REPUTATION

The Yuzu sushi restaurant franchise concept was developed with the aim of meeting market needs effectively. Our restaurant concept optimizes small spaces and requires a reasonable investment and a minimum of employees, making the project highly accessible. The low-risk business model and performance-based operating system contribute to the chain's profitability.

Sushi has been growing more popular over the past several years, to the point where it is now a firmly established part of Quebeckers' eating habits It didn't take long for Yuzu's culinary philosophy to win sushi lovers over: this originally Japanese cuisine, featuring simply made, high-quality products, breaks with tradition by being innovative and imaginative. Our chefs create dishes that magically harmonize Asian products and flavours with our customers' taste preferences, while making freshness our top priority. Our concept also works well with the eat-at-home trend, another a growing phenomenon. We see our customers choosing to eat sushi more often, which translates into excellent business volume for our franchisees

Over the years, the Yuzu sushi brand has positioned itself in the market as a serious contender, offering distinctive products. The quality of the raw products we start with, the innovative and delicious culinary creations we offer, the way we present our products, and our staff's courteous personalized service, all come together to offer our customers a captivating experience whenever they visit a Yuzu sushi restaurant. The company has demonstrated that its business model is solid Its notoriety speaks for itself! The chain's growth reflects the quality of its resources, the mobilization of its network and the strength of its business model Yuzu sushi, a strong brand, a successful concept!

YUZU SUSHI

RESTAURANT

Franchise right

\$30 000 for a 10-year franchise right

33,3%*
Discount on the flat fee for a 2nd or + franchise

6% Franchisor fee



Minimal risk and ease of operation

- Y Proven profitability in many rural and urban areas alike
- Y Reasonable investment
- Y Performance of operating costs
- Y Good yield and return on investment
- Y Few employees required
- Y Small commercial space, meaning lower rent and lower fixed costs

Favorable market

- Y Well-anchored democratization of sushi
- Y Healthy food
- Y Benefits of fish
- Y Eat-at-home trend
- Y Buying power of younger generations
- Y Accessibility, rapidity

Advantages

Return on investment and capitalization Proven profitability Adapted system and tools

Advertising fund

- Y Royalties on sales contribute to the chain's advertising fund
- Y Common budget for marketing and national campaigns
- Y Marketing actions for reputation and promotion
- Y Creation of opportunities to eat sushi based on seasons, events and celebrations
- Y Local marketing support provided by the franchisor team

*Certain conditions apply



YUZU SUSHI EXPRESS A WINNING CONCEPT

The arrival of the Yuzu sushi express concept, a new chapter in the Yuzu story, as helped our organization spread its wings and increase the brand's visibility in different parts of the province.

The Yuzu sushi express concept is a business model that works. Requiring a very reasonable investment, this franchise network model makes starting your own business and becoming your own boss accessible. The expansion of our network offers business opportunities in several regions and benefits from the advantageous support of an experienced franchisor with deeply rooted values. The recognized reputation of the Yuzu sushi chain is a guarantee of quality and our express counters offer first-class, distinctive products for IGA supermarket customers

This new concept is excellent for the visibility of our brand, and we are very proud to be winning the hearts of Quebeckers, one counter at a time!

YUZU SUSHI EXPRESS

GROCERY STORE COUNTER

Franchise right

\$12 000 for a 3-year franchise

5% Franchisor fee 2% Advertising fee







Minimal risk and easeof operation

- Y Minimal investment
- Y Ease of operation
- Y Business model with real variables
- Y Few employees required
- Y Quick start-up

Favourable market

- Y Democratization of sushi
- Y Healthy food and benefits of fish
- Y Heavy supermarket traffic
- Y Eat-at-home trend
- Y Compulsive, emotional buying
- Y Variety of products to reach customers

Advertising fund

- Y Royalties on sales to contribute to the chain's advertising fund
- Y Common budget for marketing and national campaigns
- Y Marketing actions for reputation and promotion
- Y Creation of opportunities to eat sushi based on seasons, events and celebrations
- Y Support for local marketing provided by the franchisor team

Advantages

Low investment
Heavy traffic
Low risk



PHASES OF THE PROJECT

MARKET RESEARCH - INTRODUCTION



The purpose of this step is to get to know you better and help you get to know the company better.

- Y Initial meeting between the franchisee and Yuzu
- Y Franchisee presentation
- Y Company presentation
- Y Presentation of the project, obligations and legal documents

2

PLANNING

- Y Franchise location
- Y Business Plan
- Y Financing
- Y Legal agreements (contract, lease)



CONCEPT

- Y Implementation of the project's timeline
- Y Design and the choice of contractor
- Y Confirmation of the budget



PRODUCTION

- Y Coordination of the schedule
- Y Building the space and installing equipment
- Y Hiring
- Y Marketing plan



TRAINING

Y Franchisee training



START-UP

- Y Preparation for opening
- Y Opening
- Y Help with start up
- Y Support and continuous training

CHAIN FEES

FEE COMPARISON TABLE (YUZU SUSHI RESTAURANT)

The fee comparison is based on current market demands. Services may vary from one supplier to another. Fees are subject to change.

	YUZU CHAIN FEE	COMPARABLE MARKET RATE	
Yuzu Academy	\$40/month	Between \$50 and \$150/month	
TV network visual (menu and promo)	\$35/month	Between \$65 and \$100/month	
Technology Services Gift Cards Loyalty Program Application Remote Connection	\$100/month	Between \$200 and \$300/month	
Music and on-hold network Including SOCAN and ReSonne dues	\$30/month	Between \$50 and \$80/month	
TOTAL	\$205/month	Between \$365 and \$630/month	



BUDGET MODEL

3 SCENARIOS (YUZU SUSHI RESTAURANT)

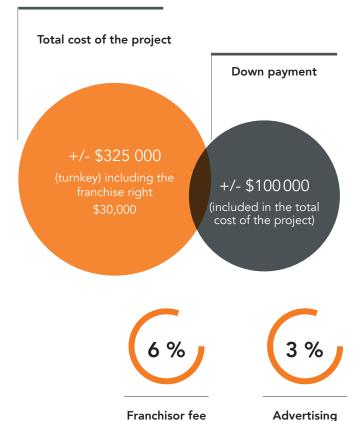
	MINIMUM COST	AVERAGE COST	MAXIMUM COST
Franchise right	30 000 \$	30 000 \$	30 000 \$
Rental improvements	139 913 \$	175 000 \$	205 322 \$
Furniture	38 109 \$	45 000 \$	51 961 \$
Equipment	76 350 \$	76 350 \$	76 350 \$
Computer system	12 850 \$	12 850 \$	12 850\$
Start-up inventory	7 000 \$	8 000 \$	10 000 \$
Signage	4 000 \$	5 000 \$	8 000 \$
Start-up costs	3 000 \$	3 000 \$	3 000 \$
Marketing for the opening	2 000 \$	3 000 \$	5 000 \$
TOTAL	313 223 \$	358 200 \$	402 483 \$

KEY NUMBERS

OUTLINES

YUZU SUSHI EXPRESS







IMPORTANT FIGURES

Sales + than \$50 000 000

Number of Yuzu sushi franchises + than 73

Number of Yuzu sushi express franchises + de 120

Number of Yuzu sushi express, drop shipping + than de 67

fund

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Number of employees + than de 800

Number of Facebook fans + than de 67 000

Number of Instagram fans + than de 6000

ADVANTAGES

Reputation

Proven business mode

Guaranteed traffic

Superior quality of products

Proven operating system

Economies of scale

Support for franchisees and proximity to the franchisor

Marketing support with a national advertising agency

INNOVATIVE STRATEGY: #YUZUVIBE

At Yuzu sushi, the end doesn't justify the means; the means have a major influence on the end! We understand that to reach our organizational objectives, our team members' well-being is mandatory. In other words, efforts to improve the work environment and flexible management have a huge impact on the company's performance.

With this in mind, we created the YUZUVIBE, which is a sense of positivity and the mobilization of the troops (franchisor, franchisees and employees) towards common objectives, fostering a stimulating, healthy, pleasant and friendly work environment and climate

The YUZUVIBE is literally a set of practices and actions that promote a stimulating, healthy, pleasant and friendly work environment and climate. The ultimate goal is to mobilize groups to encourage their teams to meet common objectives and surpass themselves.



WATCH OUR VIDEOS #yuzuvibe

VUZU.C

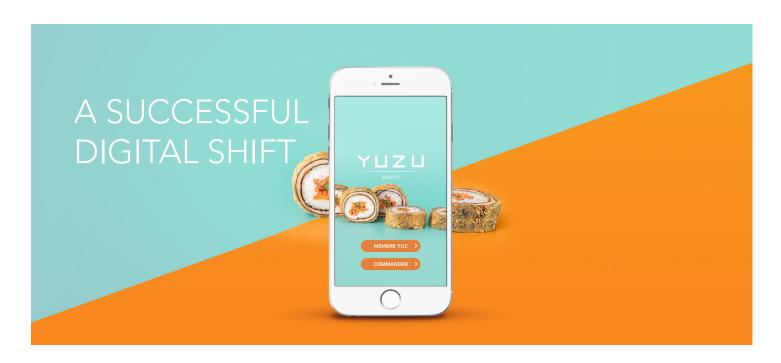
TEAM SPIRITCOMES FIRST

"We believe that our network's performance depends on equality and respect between the franchisor, franchisee and employees. This is why we created the YUZUVIBE, a dynamic philosophy based on enjoyment", says Frédéric Matte, Co-Founder of the chain.

THE YUZUVIBE GOES ALL THE WAY TO OUR RELATIONSHIP WITH OUR FRANCHISEES

Our values define us and influence every aspect of our management, particularly with our franchisees. As a franchisor, we want to ensure our availability to meet their needs, and most of all, to make sure they experience the YUZUVIBE

Since the beginning, we have been holding an annual convention to inform the franchise network of news, objectives and upcoming projects We take advantage of this unifying event to highlight the work of outstanding franchisees with the "Yuzu Excellence Awards", including the "Franchisee of the Year" award. This practice, which creates much pride, is a very mobilizing initiative for the entire Yuzu team.



After revamping its website and launching an app, Yuzu sushi wanted to rethink its rewards program in the spring of 2018. Such a significant digital shift rarely goes off without a hitch, but that work positioned Yuzu sushi right where the network needed to be: ready to handle the unexpected!

Yuzu sushi began its substantial digital transformation in fall 2017. The website and the app were built in the format of a web application, a complex, advanced technology, making maintenance challenging and costly.

Despite releasing several versions to improve the user experience and fix bugs in the ecosystem, the team could not produce the experience Yuzu wanted. Faced with too many problems, the brand had to make some decisions.

Together with its online ordering partner, Quebec company UEAT, Yuzu sushi decided to migrate its Yuzu app to UEAT's mobile interface. Version 2.0 of the Yuzu app was released in fall 2019. It offers a streamlined, functional and effective experience and leaves consumers satisfied.

Acting on that same desire to optimize, Yuzu sushi transitioned its reward program to DataCandy. It completed this phase of changes in mid-January 2020.

Yuzu sushi was then ready to weather the storm that was Quebec's first phase of lockdown. Thanks to a strong, engaged network and a solid, proactive organizational structure, Yuzu sushi came out of the first wave stronger than ever and continues to work tirelessly to offer its customers the very best.



FRANCHISEE TESTIMONIALS

MARIANNE BOULAY

FRANCHISEE

Yuzu sushi Bois-Francs

Because I've been in the restaurant business for over 15 years, choosing Yuzu sushi was easy. I even worked there while studying food services. For me, Yuzu is synonymous with quality and structure; that's exactly what I found there as a franchisee. The opening of a points of sale outlet is supervised by professionals, both for project management and staff training. I appreciate the company culture, which is focused on the individual and enjoyment at work. We know how to stand out as an employer, and I think that's part of what makes Yuzu sushi so successful.

We have all the tools we need for success. Just follow the recipe!

CLAUDIA AND ISABELLE BOUDREAULT

MULTI-FRANCHISEES

Yuzu sushi La Malbaie and Yuzu sushi express Baie-Saint-Paul

We have had a wonderful experience with Yuzu. We chose Yuzu knowing it was a Quebec franchise that everyone loves. We quickly felt that we could trust the Yuzu Management team and from the start of the project we felt like were part of it. We appreciated the way Yuzu Management took charge of the project, helping everything go smoothly, and how the opening took place on the scheduled date. We had loyal customers after only three weeks of operation!

Now that our restaurant is open, when we have questions we ask Yuzu Management and they answer us right away. We felt at home in the first few weeks; we had found our niche. My sister and I are already thinking about opening a second Yuzu sushi restaurant in the next few years!

PASCAL CARON

MULTI-FRANCHISEE Yuzu sushi Chambly and St-Jean-sur-Richelieu

AAfter many years in the retail business, we were looking for a challenge that would allow us to thrive in both our personal and professional lives. We were impressed by the positive and energetic "vibe" from Yuzu team members. As we had hoped, we quickly developed a great relationship with our franchisor. Discussions that took place while we set up our first restaurant were filled with professionalism, respect and enthusiasm. This closeness is really what sets Yuzu sushi apart from other chains. Although the management team works tirelessly on developing the chain, Steve and Frédéric's whole team is available to answer our questions. It's reassuring and motivating for a franchisee to see that the franchisor is a business partner rather than a competitor or an obstacle. Looking back, we now see how challenging the first two years have been. We had a lot of challenges finding quality employees to help us develop our restaurants. We worked hard on the day-to-day operations of the restaurants during this time, even though we weren't always getting the results we were after. Now, the performance of our restaurants is exploding because we have built an effective, competent team of people we have confidence in. They are helping us grow our business and take advantage of the business opportunities created by the franchisor's dynamism.

ÉRIC PERRON

MULTI-FRANCHISEE ESTRIE Yuzu sushi Sherbrooke et Rock Forest

Having been an entrepreneur for 15 years, I've always sought to invest in companies that prioritize quality, both in terms of products and services, and the constant commitment of the team to the smooth running of day-to-day operations. Yuzu is exactly that! Passionate people who work hard to make our slogan, «Passionate about quality», a daily reality!

Since the beginning of my business relationship with Yuzu, our franchisee/ franchisor discussions have been collaborative and efficient. I feel like Yuzu is my business. As a franchisee in Estrie and Center-du-Québec, I am fortunate to have a great team dedicated to developing my business. My associates and I are currently operating 4 restaurants and 6 points of sale, and all are doing extremely well. Profitability, sales, fun and development opportunities inspire us to keep going! We are fortunate to be able to serve points of sale like Université de Sherbrooke, Cégep de Sherbrooke and the CHUS in Estrie, which makes the concept unique and full of possibilities!

YUZUVIBE is our way of demonstrating the unification of the Yuzu management teams, the franchisor, and the franchisees in the branches. We take this relationship very seriously, and we believe it is the secret of our success.

SHARE OUR SUCCESS

Yuzu is a vision, plus a lot of talent and daring! These ingredients made it possible for the organization to proudly celebrate its 20th anniversary in October 2022. Thanks to the trust and loyalty of our customers, the Yuzu sushi chain has been able to grow and become a vital force on Quebec's gastronomic scene. But this success would not have been possible without the passionate work of our teams.

«WHAT SETS US APART: A BUSINESS CULTURE BASED ON MOBILIZATION"»

> - Louis-Philippe Grenier Vice-President Brandleader

"The close relationship between franchisor and franchisee definitely makes all the difference! Our management philosophy focuses on the satisfaction of our franchisees, through defined support. Our goal isn't only to open points of sale outlets, but also to achieve success with a young, mobilized, motivated team.

We spare no effort to mobilize employees and franchisees, because this is one of the main success factors for a franchisor. The mobilization of troops is at the core of our strategy, and our members' commitment to the network is palpable. We're proud of that.

We want to build something solid and meaningful. We are meticulous when it comes to selecting our products, and the same goes for our choice of business partners, franchisees and employees. The quality of individuals who share our values is the foundation of our success.

Thanks to Yuzu's remarkable employees, we are extremely confident that we will achieve amazing growth in the next few years and stand out as an employer of choice in Quebec!"

- Steve Morency Founder

For more information:

Contact us at 418 704-7834, extension 8086, or email us at infofranchise@yuzu.ca Do you have a location to suggest to us? We are open to proposals.



LIVE YOUR DREAMS!

TAKE THE LEAP AND **CONTACT YUZU**MANAGEMENT TO JOIN A WINNING TEAM.



