

More than 75 successful locations across Canada.

Where will you open yours?



Massage Addict

Proudly Canadian



10TH
Anniversary

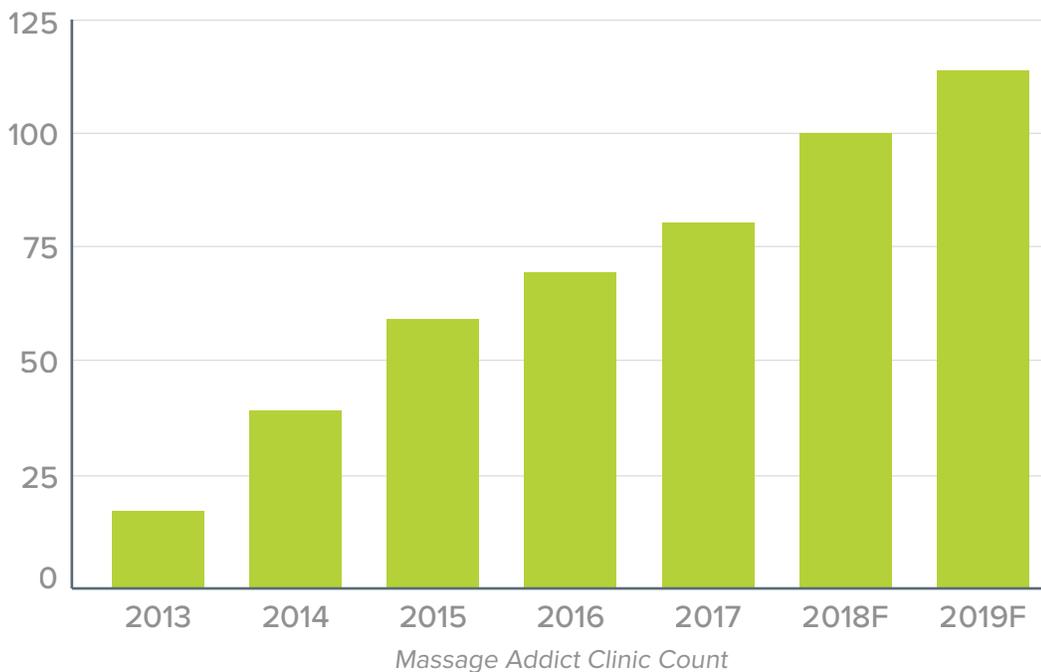
AS SEEN ON DRAGON'S DEN



What's on the Table at Massage Addict?

Who We Are

Massage Addict is Canada's first and largest membership-based massage therapy provider, with **over 75 clinics across Canada!**



FIRST CLINIC
opened in Halifax,
Nova Scotia, 2008.

265%
clinic growth from
2013 to the end
of 2017.

Why Massage Therapy?

Healthcare is the fastest growing industry in Canada. Massage therapy is the leading non-traditional form of therapy in healthcare.

The Growth of Registered Massage Therapy in Canada

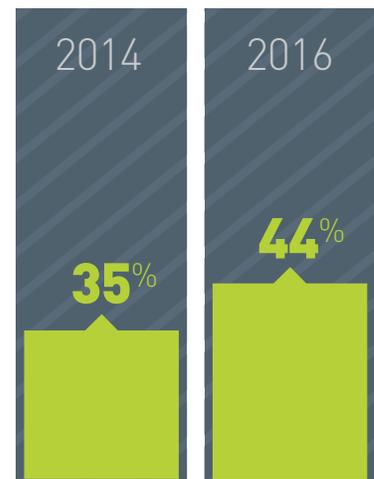
Employment is expected to increase by 19% from 2009-2019 – **a quicker jump than any other profession.**

Employers are incorporating massage therapy into **employee benefits programs**, in order to lower employee rehabilitation and compensation costs.

Massage Addict has successfully changed consumer perceptions of massage treatments from an occasional luxury to a **necessary, affordable service.**

Massage Therapy is on the Rise

Massage therapy continues to be on the rise with 44% of Canadians continuing to include therapeutic treatments as a form of non-traditional healthcare.



DID YOU KNOW?

Massage Addict appeared on CBC Television's 'Dragon's Den' in 2012, where it won overwhelming support from the Dragons.

What We Do

Massage Addict is a proven business concept serving a gap in the market providing affordable therapeutic treatments without sacrificing quality or service.

A quick look at why our services convert clients into members:



Customized Treatments



Affordable Pricing



Convenient Locations



Improved health



We provide the highest standard of client care by Registered Massage Therapists (RMT)



“Registered Massage Therapists at Massage Addict provide over 55,000 treatments per month. We are proud to be the largest and fastest growing massage therapy brand in Canada.”

– Fraser Clarke, CEO of Massage Addict

Each Massage Addict clinic provides a professional, clean, comfortable and safe environment for clients to enjoy. There are two therapeutic treatment options for clients; massage therapy or reflexology.

- ✓ **Massage Therapy** is a full body treatment that helps ease the pain related to muscle tension, injury recovery, stress relief or the need for relaxation. Common massage treatments include Swedish, Deep Tissue, Hot Stone, Prenatal, Sport and Trigger Point.
- ✓ **Reflexology** promotes relaxation and the release of tension which increases energy and enhances general well-being. Your hands and feet are full of pressure points, each connected to a specific body part. Reflexology focuses on those vital connections to help energize the body.

Who is Behind Massage Addict?



Meet the Management Team!

The Massage Addict management team brings over 130 years of combined experience to help your clinic succeed.

Fraser Clarke
CPA, CA, CFA

20+ years experience
Chief Executive Officer

Former President and CEO of Herbal Magic/LA Weight Loss and Hair Club for Men
Expert in multi-location, franchise/corporate, personal service membership businesses

Craig Thompson
CPA, CA

20 years experience
Chief Financial Officer

Former CFO of Herbal Magic/LA Weight Loss
Background in retail, franchise and member-based businesses

Caroline Kolompar

20+ years experience
Chief Marketing and Operations Officer

Former CMO/COO of a US based Urgent Care business/CMO of Herbal Magic/SVP Revlon Beauty Care, USA
Background in consumer package goods, healthcare and multi-unit businesses

Dean Ross
CPA, CMA

25+ years experience
Chief Technology Officer

Former VP of Information Technology Hair Club for Men
Background in multi-location member based personal service businesses

Lynda Langshaw

20+ years experience
VP Professional Development (Domestic/International)

Retail/service experience including Herbal Magic, Fruits & Passion (Franchise Owner) and GAP
Franchise and corporate operations experience in a variety of industries

Michael Mutsaerts
Dipl. BA, Mech Eng.

25+ years experience
VP Franchise Development

Senior leadership experience with a specialty in retail franchising
Expertise in multi and single unit franchise partner development across both service and product based industries



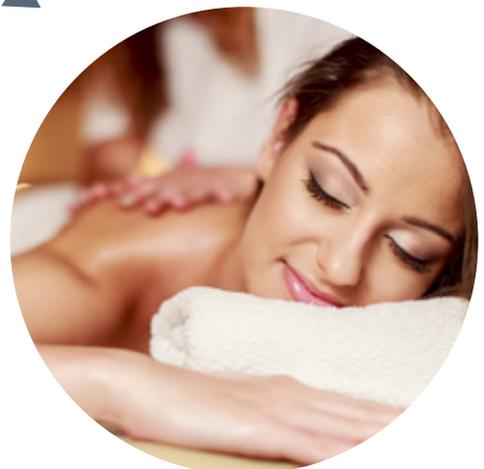
The Massage Addict Business Model Presents a **Win-Win for All!**



The Franchise Partner



The RMT



The Client

For Franchise Partners

A Proven System for Success

The Massage Addict system is proven to be successful.

Low investment and start-up costs

Estimated start-up costs range from \$200-\$225,000 including the franchise fee, clinic renovations, furniture, equipment and opening cash flow requirements. Plus, most franchise partners receive financing through the Canadian Small Business Lending Program.

Recurring revenue and quick ROI

The 12-month membership model creates a long-term, loyal client relationship. Over 75% of monthly revenue comes from members. What's even more attractive is that 80% of our clients pay using health insurance. Combine these factors and the result is predictable, high-margin revenue and quick return on investment.

Opportunity for multi-clinic ownership

More than 50% of our franchise owners operate multiple clinics. Many of our franchisees have opened one clinic and then used the profits to expand to a multi-clinic strategy.

Straightforward business model

The Massage Addict business model requires minimal inventory and working capital. It also provides an easy-to-operate staffing model.



What our franchise partners are saying:

I looked at many different franchise opportunities, in various verticals, but always kept circling back to Massage Addict. The business model seemed to offer the best chance for great ROI.

- Harold Cameron
Greater Toronto Area Multi Clinic Franchise Owner

We are excited to be part of a Canadian franchise success story. We were attracted by the opportunity to join a local franchise focused on health that was relatively affordable and recession-proof. The model fits a niche that offers clients quality care at a reasonable price and offers us consistent and predictable revenue. It is a simple and effective business model that works.

- Wendy and Keith Ackerley
Halifax (Lacewood and Larry Uteck), NS, Multi Clinic Franchise Owner

I've been a Registered Massage Therapist for the past 6-years and always wanted to own my clinic. I'm really impressed with the infrastructure, training and constant communication from the head office support staff which has made all the hard work of opening a new clinic so much easier.

- Cora Hasna
Red Deer, AB, RMT and Franchise Owner

For RMTs

A Mutually Beneficial Partnership

Massage Addict offers an exciting, enticing work environment for RMTs.

Professional work environment

We enable our 900+ contracted RMTs to focus on what they love – treating clients – because we take care of everything else, from laundry and supplies to advertising and billing.

Predictable income with steady clientele and health benefits

Our business model creates a steady and predictable volume of clients. Massage Addict believes in the value of proper healthcare and is proud to offer our RMTs competitive, comprehensive health benefits.

Professional development

Our ever-expanding clinics provide RMTs with numerous peers to learn from, and a positive, low stress atmosphere. We also help our RMTs better their skillset through continuing education.

Flexible scheduling

Massage Addict clinics offer flexible hours and easy online schedule to make it convenient for the RMTs to view appointments anytime, anywhere.



What our RMTs are saying:

When I researched the company, I really liked the business model. I have told so many clients in the past to come at least once a month for maintenance, before they get to the point of not being able to work, take care of their kids, or themselves.

- Daphne, Massage Addict Toronto (The Beach) RMT

Working at Massage Addict allows me to be 100% focused on client care. My appointments are fully booked and I'm provided with all the supplies needed for treatments. I do not have to worry about administrative duties such as marketing and direct billing.

- Scott, Massage Addict Brantford RMT

For Clients

Access to Affordable, Convenient Massage Therapy

Our clients become Massage Addict members for a variety of reasons:

Customized Treatments

100% of all massage treatments are performed by a RMT or CR, which means each client receives the highest quality treatment.

Affordable Pricing

Low, no-commitment introductory price (\$49.99*) and an attractive member price (\$69.99*). As a bonus, family members in the same household are entitled to the member price.

Convenient Locations

Our clinics are open 76 hours per week and offer online booking, same-day appointments and direct billing to most insurance providers.

Improved Health

Massage Therapy is proven to help and prevent pain and injury, maintain physical function, relieve depression, anxiety, minimize stress and encourage relaxation.

DID YOU KNOW?

More than **80% of Massage Addict clients are reimbursed** for treatments through their healthcare plans. We also offer direct billing to most insurance companies, making the process seamless and convenient for our clients.



What our clients are saying:

Massage Addict was able to take me last minute, offered a great price, and my therapist was able to perform an amazing deep tissue massage. Very impressed with the overall experience!

- Kyle, Massage Addict Whitby Client

Massage Addict rooms are so relaxing and the staff is amazing. The hours are what sold me, being open until 9 PM makes it more convenient for me to get more massages in.

- Mårtha, Massage Addict Tecumseh Client

Get Addicted

Massage Addict at a Glance

Year Founded	2008
Franchising Since	2009
Franchise Fee	\$39,000
Royalty Fee	6%
Advertising Fee	2%
Number of Clinics.....	75+
Available Locations	BC, AB, SK, MB, ON, QC, NL
Size of Clinics	1800+ square feet
Average # of Rooms	8
Hours	Monday - Friday: 9am - 9pm Saturday - Sunday: 9am - 5pm
Estimated Development Costs	\$200-225,000 (Includes the initial franchise fee)
Unencumbered Cash Required	\$50-75,000



5 Simple Steps to Help You Get Started

01

Get in touch:

Contact us and we'll arrange an initial telephone conversation to answer your preliminary questions and discuss available locations.

02

Do your homework:

A Franchise Disclosure is provided to interested applicants, which provides all the necessary information to allow you to properly complete your investigation. During this phase we will also conduct several in-person meetings and encourage you to visit with existing franchisees.

03

Get off the ground:

Once you decide to proceed with a Massage Addict franchise, we will work with you on your financing plan, site selection and construction of your clinic. We will facilitate all necessary equipment for your clinic such as massage tables, furniture, a reception desk, linens, flooring – you name it!

04

Lean on us:

Our Operations Department will support you in your training and preparations for opening. A comprehensive training program will include time in a location as well as hands-on support, in your clinic, during your initial opening week.

05

Spread the word:

Our Marketing Department will work with you to implement our proven new clinic marketing plan, providing you with all necessary files and support for literature and signage.

Once your clinic opens, we'll offer ongoing support with:

- New products and services
- Ongoing training
- Operations support and guidance
- Marketing initiatives and collateral support

Your Massage Addict
clinic can be open within

90-120 DAYS

from the date of
your decision to proceed!

Getting the Knots Out: Frequently Asked Questions

Why should I choose to partner with Massage Addict?

Healthcare is the fastest growing industry in Canada. What's more, massage therapy is the leading non-traditional form of therapy in healthcare. Massage Addict is Canada's first, largest and fastest growing membership-based registered massage therapy provider. Thanks to the surge in popularity and recognition of the practice as an effective preventative health measure, Massage Addict has over 75 clinics in Canada and is on track to open its 100th clinic in 2018. Our approach offers you low start-up costs and a proven membership-based business model that guarantees recurring revenue and a quick return on investment. Plus you'll also have the opportunity to own multiple clinics. We're a Canadian leader that's meeting the growing demand of the market; we present a profitable opportunity for partnership.

What does the future of massage therapy look like?

Will this business look promising five or ten years from now?

The future of massage therapy looks promising with a strong potential for growth. In fact, jobs in massage therapy are expected to increase more rapidly than any other profession in Canada. From 2009-2019, employment in massage therapy is expected to rise by 19%. This growth is driven by:

- The aging Canadian population, a population focused on health and wellness
- Growing recognition of the health benefits of massage therapy
- Increasing inclusion of massage therapy in employer benefits programs

What is the company's expansion plan beyond the end of 2019?

Will Massage Addict continue to open clinics at the same rate in the coming years?

Growth is planned through existing and new franchise partners and will be accomplished strategically to ensure every clinic is successful. In 2018, Massage Addict is projected to open its 100th clinic!



Why would customers want to join Massage Addict's membership base?

The Massage Addict approach is convenient for our clients, allowing them to take advantage of quality, affordable massages, resulting in improved health. Our clinics are located in convenient, high-traffic locations, offer a fresh, modern décor, and are open over 76 hours each week to suit their needs. We offer online booking, same-day appointments and direct billing to most insurance providers. Massage treatments are performed by RMTs, which means each client receives the highest quality treatments. The low, no-commitment introductory price (\$49.99*) and an attractive member price (\$69.99*) makes it an easy decision for our clients to become members. The membership enables clients to reap the proven health benefits of massage therapy.

Where are Massage Addict clinics typically located?

Massage Addict clinic locations are carefully selected based on geographic and demographic research prior to opening to avoid oversaturation within the market. Clinics are typically located in high-traffic locations such as strip malls or retail plazas near established anchor tenants in residential areas, which attracts clientele.

Can I own and operate more than one Massage Addict location?

Yes, of course! Over 50% of Massage Addict franchise owners own more than one clinic. With our support and strategically placed locations, your Massage Addict clinic will quickly generate profit that can be used to open a second or third location.

Do I need to be an RMT to own a franchise?

No, in fact 80% of our Franchise Partners are not RMTs. With our proven recruitment techniques, we will help your new clinic attract qualified RMTs and keep them! We'll help you set up a plan for recruiting and selecting RMTs. Our clinic owners are people who want to own their own businesses and work for themselves. You need to have an entrepreneurial spirit, strong work ethic, commitment to client service and knowledge of your local community. With that said, if you are an RMT with these skills and attributes, you'll find owning a clinic (versus working for someone else) to be extremely rewarding!

How active do I need to be within the day-to-day operations?

For many existing franchise owners, a big part of making their Massage Addict clinic successful was a hands-on approach. The most successful clinics are the ones where franchise owners are active in day-to-day operations.

Do you have a financing program in place?

Yes, we have a program with a number of tier one Canadian banks that utilize The Canadian Small Business Lending Program. The program offers up to 90% financing to offset start-up costs on items such as renovations, furniture and equipment. A credit line and corporate credit card are also available to get your business up and running.

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*Pricing may vary depending on region.

This brochure was printed in November 2017. All figures are accurate as of the time of printing, but are subject to change as our business continues to grow.