



FAT MARKET

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PRODUCT.

FAT Brands Inc. (NASDAQ:[FAT](#)) is a leading global franchising company that strategically *acquires, markets, and develops* fast-casual, quick-service, casual dining, and polished casual dining concepts around the world.



CHAINS AS OF 2022.

It currently owns 17 restaurant brands: Round Table Pizza, Fatburger, Marble Slab Creamery, Johnny Rockets, Fazoli's, Twin Peaks, Great American Cookies, Hot Dog on a Stick, Buffalo's Cafe & Express, Hurricane Grill & Wings, Pretzelmaker, Elevation Burger, Native Grill & Wings, Yalla Mediterranean and Ponderosa and Bonanza Steakhouses, and franchises over 2,300 units worldwide.

INTERNATIONAL MARKET LIST:

- CANADA
- CHINA
- EGYPT
- ENGLAND, UK
- INDONESIA
- IRAQ
- JAPAN
- KUWAIT
- MALAYSIA
- PAKISTAN
- PANAMA
- PHILIPPINES
- QATAR
- SAUDI ARABIA
- SCOTLAND, UK

- SINGAPORE
- TUNISIA
- UNITED ARAB EMIRATES
- UNITED STATES

U.S. MARKET LIST:

- ARIZONA
- CALIFORNIA
- COLORADO
- NEVADA
- NEW JERSEY**
- TEXAS
- UTAH
- WASHINGTON

DOMESTIC TARGET MARKETS PLANNED FOR FUTURE DEVELOPMENT:

- ALL U.S. STATES AND TERRITORIES

INTERNATIONAL TARGET MARKETS & REGIONS PLANNED FOR FUTURE DEVELOPMENT:

- ARGENTINA
- AUSTRALIA
- BRAZIL
- COLOMBIA
- GERMANY
- GHANA
- INDIA
- KENYA
- MEXICO
- NIGERIA
- RUSSIA
- SCANDINAVIA
- SOUTH AFRICA
- SOUTH EAST ASIA



Q3 2022 PLATFORM SNAPSHOT EXPANSION

FAT Brands Portfolio of Restaurants Continues to Expand and Has Global Reach

17
Brands

~2,300
Worldwide
Locations⁽¹⁾

40
Countries

48
U.S. States

95%
Franchised
Locations

80%
Domestic
Locations

762
Franchise
Partners

327
Multi-Unit
Franchise Partners

1,000+ Unit
Development Pipeline



FRESH. AUTHENTIC. TASTY.

Existing FAT Brands locations

(1) Includes open locations and locations under construction as of September 25, 2022.



FRESH. AUTHENTIC. TASTY.

BUSINESS STYLE

- Understands the "business of running the business"
- Sound business management skills
- Mid-level entrepreneurial spirit
- Demonstrates leadership skills
- Ability to manage and direct human resources under a proven system
- Has an understanding of how to develop leadership skills on his/her team
- Demonstrates a strong work ethic and a high level of integrity
- Customer focused and responsive to customer needs
- Possesses a strong decision-making ability
- Effective communication skills
- Ability to follow directions
- Has a passion and enthusiasm for the business

FINANCIAL REQUIREMENTS

- Net Worth: \$1,500,000.00
- Liquidity: \$500,000.00
- For multi-unit deals, must meet all FCCR and capital requirements
- Resources to support the business with debt/equity when necessary
- Ability to develop additional restaurants (if required)

PERSONAL/PROFESSIONAL BACKGROUND

- Excellent personal/professional and financial references
- Clear credit and criminal background checks
- Leadership standing in the community through participation with civic organizations

PROFIT

Profits come from sales, Franchise fees (varies: internationally and with domestic multi-unit deals but \$50,000 per location domestically) and Royalty Fees (6% of gross sales).

RISK: With such a simple concept, any ‘brand’ can join the FAT Brands and any person can apply to become a franchisee of FAT Brands.

Q3 2022 INVESTOR PRESENTATION

2023 STRATEGIC FOCUS

*Accelerate the Build-Out
of 1,000+ Unit Organic
Pipeline of New Stores*

*Rate & Re-Issue
Securitized Debt
Q2 2023
=
Create Substantive Liquidity*

*Grow Factory
Production to Utilize
~60% Excess Capacity*

*Drive
Adj. EBITDA
Growth*

*Redeem \$95mm of
8.25% Series B
Preferred Stock
Q2 2023*

*Realize Purchasing
Savings from ~\$600mm
in Purchasing Power*

CONSOLIDATED STATEMENT OF OPERATIONS

FAT Brands Inc. Consolidated Statements of Operations

(In thousands)	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 25, 2022	September 26, 2021	September 25, 2022	September 26, 2021
Revenue				
Royalties	\$ 22,833	\$ 13,742	\$ 65,396	\$ 24,800
Restaurant sales	61,352	3,879	179,473	4,113
Advertising fees	9,479	5,483	28,408	8,043
Factory revenues	7,839	5,480	24,588	5,480
Franchise fees	754	1,087	2,763	2,109
Management fees and other income	965	90	2,782	148
Total revenue	103,222	29,761	303,410	44,693
Costs and expenses				
General and administrative expense	28,751	10,589	74,188	20,214
Cost of restaurant and factory revenues	55,257	7,133	159,901	7,377
Depreciation and amortization	6,895	2,377	20,076	3,161
Refranchising loss (gain)	122	(250)	1,123	(679)
Acquisition costs	—	2,053	383	2,985
Advertising fees	11,185	5,483	33,038	8,043
Total costs and expenses	102,210	27,385	288,709	41,101
Income from operations	1,012	2,376	14,701	3,592
Other (expense) income, net				
Interest expense	(19,504)	(7,072)	(57,530)	(11,939)
Interest expense related to preferred shares	(4,967)	(173)	(11,681)	(725)
Net loss on extinguishment of debt	—	(13)	—	(6,418)
Other income, net	538	64	3,919	189
Total other expense, net	(23,933)	(7,194)	(65,292)	(18,893)
Loss before income tax expense	(22,921)	(4,818)	(50,591)	(15,301)
Income tax provision (benefit)	516	(1,183)	4,789	(3,303)
Net loss	(23,437)	(3,635)	(55,380)	(11,998)
Less: Net loss attributable to noncontrolling interest	—	(14)	—	(19)
Net loss attributable to FAT Brands Inc.	\$ (23,437)	\$ (3,621)	\$ (55,380)	\$ (11,979)
Basic and diluted loss per common share	\$ (1.42)	\$ (0.26)	\$ (3.37)	\$ (0.85)
Basic and diluted weighted average shares outstanding	16,528,327	14,144,857	16,441,555	14,094,772
Cash dividends declared per common share	\$ 0.14	\$ 0.13	\$ 0.40	\$ 0.39

CONSOLIDATED BALANCE SHEET

FAT Brands Inc. Consolidated Balance Sheet as of September 25, 2022

September 25, 2022

(in thousands)

Cash and restricted cash	\$	48,765
Total assets	\$	1,224,194
Total liabilities	\$	1,330,663
Total stockholders' equity	\$	(86,469)

ADJUSTED NET LOSS RECONCILIATION

FAT Brands Inc. Adjusted Net Loss Reconciliation

(In thousands, except share and per share data)	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 25, 2022	September 26, 2021	September 25, 2022	September 26, 2021
Net loss attributable to FAT Brands Inc.	\$ (23,437)	\$ (3,621)	\$ (55,380)	\$ (11,979)
Refranchising loss (gain)	122	(250)	1,123	(679)
Acquisition costs	—	2,053	383	2,985
Litigation costs	6,906	—	14,170	—
Severance	—	—	526	—
Net loss on extinguishment of debt	—	13	—	6,418
Tax adjustments, net	158	(446)	1,534	(1,883)
Adjusted net loss	\$ (16,251)	\$ (2,251)	\$ (37,644)	\$ (5,138)
Loss per basic and diluted share	\$ (1.42)	\$ (0.26)	\$ (3.37)	\$ (0.85)
Adjusted loss per basic and diluted share	\$ (0.98)	\$ (0.16)	\$ (2.29)	\$ (0.36)
Weighted average basic and diluted shares outstanding	16,528,327	14,144,857	16,441,555	14,094,772

(1) Reflects the tax impact of the adjustments using the effective tax rate for the respective periods

OTHER

EXAMPLE CHAINS

Franchise fees for 2022

Cash Requirement: \$500,000

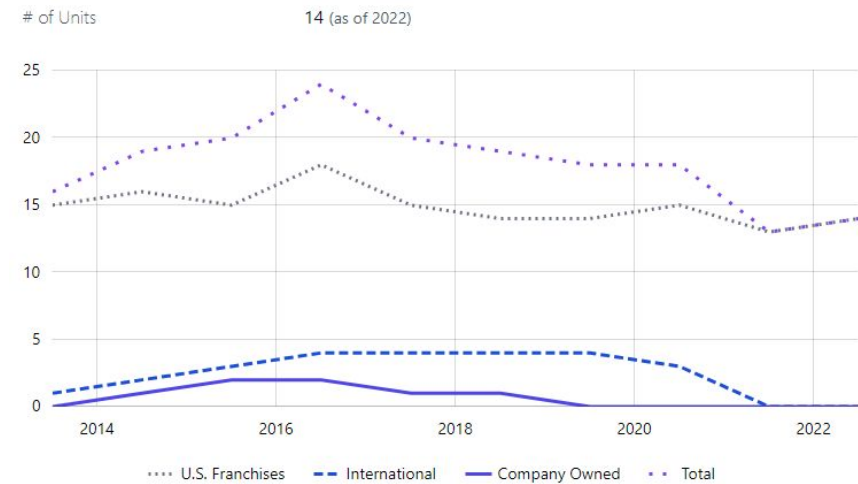
Royalty Fee: 6%

Initial Franchise Fee: \$50,000

Net Worth Requirement: \$1,500,000

Initial Investment: \$491,500 - \$1,464,000

Third Party Financing: Yes



COMPETITION. 5 YEARS STOCK PRICE: TOP COMPETITION VS FAT

1
MCDONALD'S
MCD

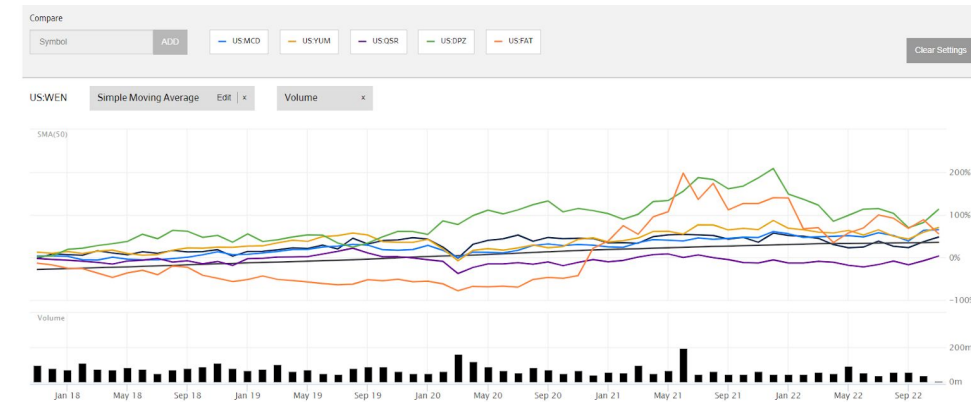
2 TACO BELL
YUM

3
CHICK-FIL-A*
Chick-Fil-A
stock is not
publicly traded.

4 WENDY'S
WEN

5 BURGER
KING* QSR

6 DOMINO'S*
DPZ



RISK FOR STAKHOLDERS

How they try to attract stakeholders: "FAT Brands is attractive on a number of points for value investors. It has a small market cap of \$119.31 million and a stock price of only \$7.34, its top-line growth has skyrocketed over the last four quarters, there is a steep upward trend in the number of restaurants opening, and it has broadened its multi-brand offering with a remarkable investment of over \$900 million in acquisition deals over the last year."

(https://fatbrandsinc.formstack.com/forms/franchise_inquiry)

COVID FAKE NEWS RISK

"NEW" COVID in CHINA - Story by Reuters - not trustable -
<https://retractionwatch.com/?s=Reuters> = 58 pages of fake article news
(<https://www.msn.com/en-us/health/other/china-reports-fourth-straight-daily-record-of-new-covid-cases/ar-AA14B7zR>), however there are a lot of
COVID NEWS Retracted:
<https://www.tandfonline.com/doi/full/10.1080/08989621.2020.1793675> OR
<https://retractionwatch.com/retracted-coronavirus-covid-19-papers/>.

CONCLUSIONS

- Sell the FAT stock now or after Q4. (Q4 figures might attract more stakeholders – for a short term)
- FAT should stop the expansion and acquiring new acquisitions (scaling should go down)
- FAT should focus on their DEBT (The company is still unprofitable with a high level of debt)

THANK YOU