



FATBURGER FRANCHISE OPPORTUNITIES



CALIFORNIA SOUL

Hamburgers are a winning item. Americans alone consume 50 billion+ hamburgers each year. When visiting any restaurant facility, customers order burgers nearly 20 % of the time and the market is growing! Fatburger's aggressive growth plan affords a wonderful opportunity for any entrepreneur with a vision. With Fatburger, you will be joining a rapidly expanding market for freshly prepared food and quality service.

At Fatburger, we are proud to say that word of mouth marketing — and a little creative advertising — have filled our restaurants for more than half a century. Demographically, our appeal is limitless. Our customers come from every walk of life – mirroring the diversity of each community in which we are located. Teenagers, singles, families with children, senior citizens – basically people from all income levels and ethnic backgrounds love a great hamburger. Our customers tell their family, friends and associates about the homemade taste, spotless surroundings, friendly atmosphere and courteous service they experience at Fatburger restaurants.

SINCE 1952

Los Angeles in 1952 was a city of dreamers. The fabulous fifties were underway and the air was ripe with opportunity. The city was growing, and its people had to eat. Lovie Yancey, a woman of vision and uncommon character, had her own extraordinary dream - to make the world's greatest hamburgers. So, with a little luck and a lot of personality, she created something unique - the thickest, juiciest hamburgers anyone had ever seen. She decided right then that there could only be one name for them - Fatburger's - because it perfectly described their massive size.

"The name of the store was my idea, I wanted to get across the idea of a big burger with everything on it . . . a meal in itself."

- Fatburger Founder, Lovie Yancey

Today Fatburger's are just as thick and delicious as they have always been. Our fans know, that when they order a Fatburger, they're going to get that same great tasting burger that Lovie poured her heart and soul into way back in 1952. With more than 65 years of experience, we know a thing or two about food and what makes eating out fun.

Our stores are always clean, always bright and always playing great music. If there was anything Lovie loved more than making great hamburgers, it was her many musician friends who hung around her stand, ordering burgers late into the night, jotting down songs at the counter, or grabbing a shake before heading back to the studio for another jam session. Maybe you've heard about the late-night talk show hosts, sports icons, and pop-stars who've made Fatburger their hangout of choice. Or maybe you've seen Fatburger on TV, or in a big Hollywood movie. It's all part of the Fatburger legacy. With your own Fatburger franchise - opportunity is still as bright as the California sunshine and as big as Lovie Yancey's smile.

"People worldwide love American food. Hamburgers and chicken, shakes and fries. We have found global success through multi-unit expansion. We are dedicated to furthering the Fatburger footprint and cultivating better support systems to provide our world famous menu offerings and to ensure that our customers, anywhere in the world, have the same memorable experience that keeps them coming back to Fatburger."

- FAT Brands INC. Chairman & CEO Andrew Wiederhorn



FRESH. AUTHENTIC. TASTY.

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FATBURGER

DESCRIPTION OF BUSINESS:

• Fast casual, take-out & sit down hamburger restaurant.

DISTINCTIVE FEATURES:

• Fresh, 100% pure lean beef burgers, grilled in front of customer. Large portions and distinctive seasonings.

SIGNATURE PRODUCTS:

- Fatburger hamburgers served with a wide assortment of fresh condiments, proteins
- Chili; chili dogs; steak (FAT) fries;
 fresh cut onion rings;
- · Real hand-scooped ice cream shakes.
- Egg, Bacon add-ons

YEAR FOUNDED:

• 1952

FRANCHISING SINCE:

• 1990

TOTALUNITS:

• 200+ units

COMPANY MANAGED UNITS:

• 2 units

FRANCHISED UNITS:

• 200+ units

GEOGRAPHIC DISTRIBUTION:

 Fatburger operates in 7 states and over 25 countries

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

PERFECTION TAKES TIME

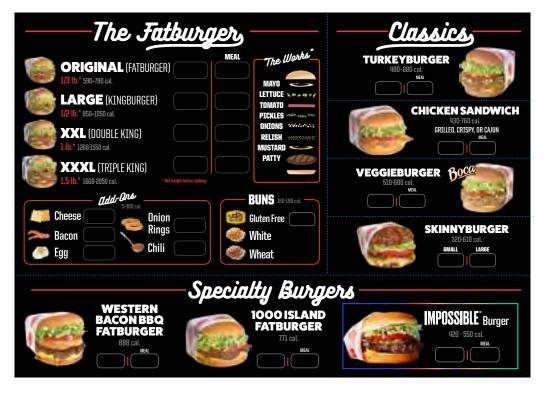
Our cheese, chili, and other add-ons are always of the finest quality, and reflect our commitment to excellence. Good food takes time; everything we serve is made to order. Every morning we make our homemade onion rings by hand. Our famous shakes use only hand-scooped, real, ice cream; our delicious french fries are always served hot and golden brown. Fatburger enjoys legendary status because we are dedicated to perfection.

Fatburger has been voted Best Burger in numerous cities around the world. Our formula is easy: keep it simple and fresh. From Los Angeles to New Jersey, Las Vegas to Vancouver, Beijing to Dubai, **if it's not the absolute best - it's not a Fatburger.**

FRIES & MORE



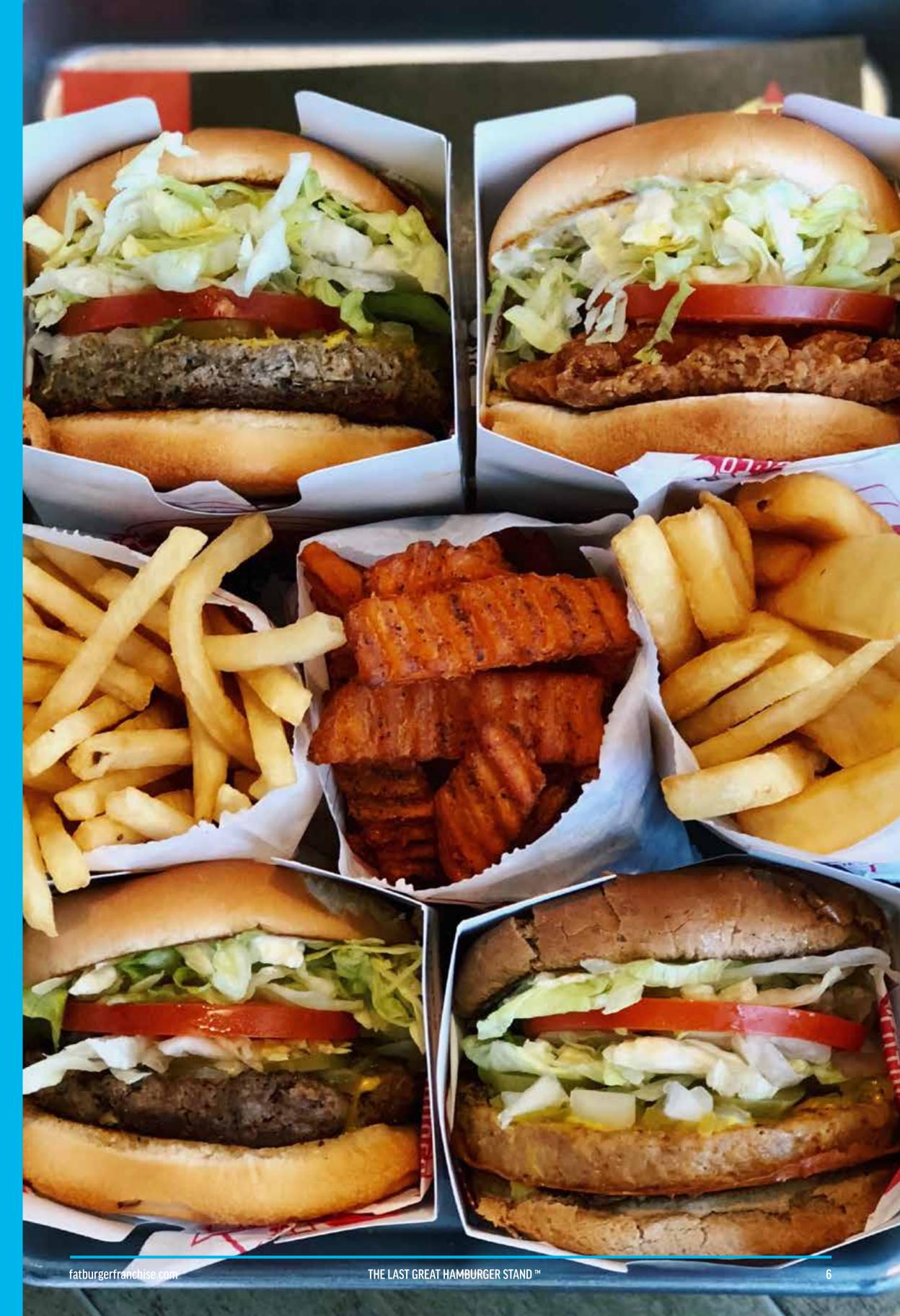
SIGNATURE BURGERS & SANDWICHES



SHAKES & DRINKS







@FATBURGER



950,000+ LIKES*



60,000+ FOLLOWERS*



44,800+ FOLLOWERS*



HOT OFF THE PRESS

Maybe you've heard about the late-night talk show hosts, movie stars, sports icons, and pop-stars who've made Fatburger their burger of choice. Or maybe you've heard about the infamous "XXXL Challenge" - with thousands of fulfilled fans earning their spot on the "XXXL Wall of Fame" after eating our XXXL Fatburger.























































FRANCHISE SUPPORT

CONSTRUCTION & EQUIPMENT SUPPORT

As a franchisee, you receive guidance in the design and layout of your restaurant. We specify the equipment needs for each location (e.g. freezers, fryers, grills, etc.) and provide guidance in the selection of contractors and vendors. Our "New Store Opening" checklist has everything you'll need to make sure we open on time.

MARKETING SUPPORT

Following the development of your new site, Fatburger's New Store Opening Guide will assist you in planning your store opening. You can rest assured that our team will be there to make sure your opening is a successful one. A handy Local Store Marketing Guide full of great promotional ideas and instructions for building store traffic is also available to you.

PRE-OPENING

GRAPHIC DESIGN
SOCIAL MEDIA
MENU DEVELOPMENT
MARKETING COLLATERAL
TRADE DRESS
POP / LTO
KIOSK ORDERING
DIGITAL ADVERTISING

OPENING

GRAND OPENING
LSM INITIATIVES
MARKETING MATERIALS
UNIFORMS
SOCIAL MEDIA
ADVERTISING
PACKAGING

ON-GOING

WEBSITE
PROMOTIONAL CALENDAR
CUSTOMER SERVICE
MENU BOARDS
DIGITAL MENUS
DELIVERY SERVICE PARTNERS
LISTINGS MANAGEMENT
MERCHANDISE

OPERATIONAL SUPPORT

Each franchisee is assigned a Fatburger Franchise Consultant. Fatburger Franchise Consultants are available at all times to support franchisees, assure consistency of the Fatburger brand and to assist franchisees in all areas of operations including financial analysis, marketing promotions and vendor selection.

SUPPLY CHAIN AND PURCHASING

As a multi-unit chain, Fatburger has opportunities to negotiate prices on behalf of the brand — affording franchisees more competitive prices. We provide guidance and specifications of approved products (i.e. food and paper), as well as assist in locating vendors for each franchisee. This process helps franchisees to ensure quality, consistency and cost-effectiveness throughout the brand.

TRAINING AND ONGOING OPERATIONAL SUPPORT

Proper training is essential for maintaining the consistency and integrity of a Fatburger restaurant. Fatburger sets rigorous standards for staff development. We conduct a detailed and focused training program for your key personnel at a designated

training unit. This in-depth training continues through the opening of your restaurant. You will receive thorough instruction in Restaurant Operations, Restaurant Management, Safety and Health, Local Store Marketing, Real Estate Selection and Business Development.

ARCHITECTURE & DESIGN SUPPORT

Fatburger provides architectural and design assistance to each franchisee. As part of this assistance we furnish prototypical Design plans. To ensure the highest quality design and construction, we require that you use an approved architect, kitchen designer and signage company. Fatburger provides design guidelines, signage specifications and other materials to assist you in building your store.





DEVELOPMENT MODELS

We offer many unique store development models for our franchisees. Each location varies and our development flexibility allows our franchisees to build the right restaurant model suitable to their market and the specific location within their market to help further ensure success.

TRADITIONAL MODELS

- CO-BRANDED FATBURGER & BUFFALO'S
- TRADITIONAL FATBURGER
- FULL SERVICE FATBURGER & FAT BAR

ALTERNATIVE MODELS

- KIOSK
- FOOD COURT
- CARGO CONTAINER
- FOOD TRUCK
- C-STORE

CO-BRANDED

FATBURGER & BUFFALO'S

Fatburger is a sister brand of the Atlanta based, gourmet, fast-casual, and full-service Americana restaurant chain Buffalo's Cafe. Existing and new Fatburger franchisees are taking to the opportunity to develop "CO-BRANDED" Fast Casual restaurants with the Buffalo's Express Fast Casual chicken wing brand and are benefitting from a proven, complementary business model. Co-branded restaurants operate in the same size footprint as a single fast casual Fatburger restaurant. Co-branded restaurants benefit from serving two complimentary food groups and multiple day parts, helping to increase sales and profitability for franchisees.

70% of Fatburger's now Co-branded with Buffalo's and open or under development in 12+ countries.

FOOTPRINT: 800-2300 sq. ft.

SITE PARAMETERS: Free standing, inline, end cap locations

SEATS: 30-60 seats

FEATURES: Fatburger & Buffalo's Menu items, shared kitchen and labor, Drive

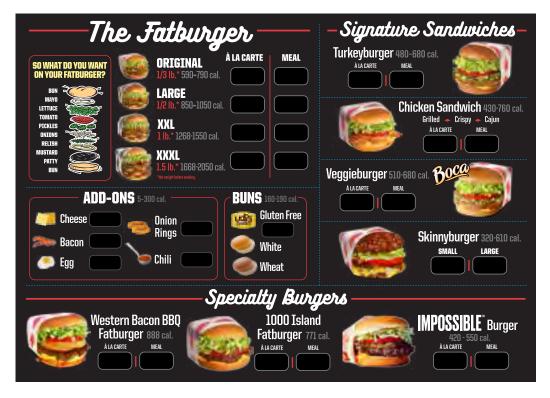
Thru (optional), Bar (optional), optimized for 3rd Party delivery



BUFFALO'S WINGS



SIGNATURE BURGERS & SANDWICHES



SIDES & DRINKS







TRADITIONAL

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FATBURGER

FOOTPRINT: 800-2300 sq. ft.

SITE PARAMETERS: Free standing, inline, end cap locations

SEATS: 30-60 seats

FEATURES: Fatburger & Buffalo's Menu items, shared kitchen and labor, Drive

Thru (optional), Bar (optional), optimized for 3rd Party delivery



FULL SERVICE FATBURGER & FAT BAR

FOOTPRINT: 2500-4500 sq. ft.

SITE PARAMETERS: Free standing, inline, end cap locations

SEATS: 100-150 seats plus 30-50 patio seats (on outside patio or deck Table service, Bar (optional), Full service breakfast, lunch, dinner,

late night.



ALTERNATIVE MODELS

SMALL FOOTPRINT & FLEXIBLE

Fatburger is hard at work on a variety of groundbreaking development models. We're constantly studying the industry and staying ahead of the curve. Our New Concept & Development team are excited to offer unique development models to new and existing Franchisees. Please enquire about our plans!

- KIOSK
- CARGO CONTAINER
- FOOD TRUCK
- C-STORE









FRANCHISE CANDIDATE

In this section, you will find all of the necessary information to help you make your decision - other than trying our mouth watering Fatburgers or Buffalo's chicken wings of course!

NAME OF FRANCHISOR: Fatburger North America, Inc.

DESCRIPTION OF BUSINESS: Fast casual, take-out and dine-in hamburger restaurant

DISTINCTIVE FEATURES: Freshly prepared, cooked-to-order food. Food prepared in full view of customers on an open grill.

Large portions and distinctive seasonings.

SIGNATURE PRODUCTS: Fatburger hamburgers, turkeyburgers, and veggieburgers served with a wide assortment of fresh

condiments; chili; chili dogs; steak fries; fresh-cut onion rings; real hand-scooped ice cream shakes

YEAR FOUNDED: 1952

FRANCHISING SINCE: 1990

COMPANY-OWNED UNITS: 3*

FRANCHISED UNITS: 175+*

IDEAL SPACE: 1,500 - 2,300 square feet. The optimal size depends on climate, space, configuration, clientele and

economics. Food court or kiosk locations may be as small as 800 - 1,000 square feet.

DOMESTIC FRANCHISE FEE: U.S. \$50,000. Multi-Unit deals may vary.

INTERNATIONAL FRANCHISE FEE: Varies by region, market size and development term.

ROYALTY FEE: 6% of gross sales

ADVERTISING FEE: Fatburger restaurants presently must contribute up to 2% of gross sales to the national

marketing budget. Restaurants must also spend at least 2% of gross sales on local marketing.

*Store count as of 10.25/2018

**Planned or currently under construction

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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
- Interested in working in a fast-paced and highly charged industry
- · Possesses a drive and desire to succeed

FINANCIAL REQUIREMENTS

Net Worth: \$1,500,000.00Liquidity: \$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

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BUSINESS PLAN

COMPANY OVERVIEW

- •Legal name
- Legal form of company (Sole proprietorship/General or limited liability, etc.)
- Address, phone number, and e-mail of corporate headquarters
- Summary of proposed franchise opportunity or business

MARKET ANALYSIS AND DEVELOPMENT PLAN

- Brief summary of your proposed marketplace
- General overview—growth of industry and commerce, etc.
- Population growth rate
- Review of the competition-number and location of units; sales; projected growth; pricing
- Risks. Briefly discuss the business risks that your company will have to deal with as it begins to expand in the proposed marketplace, along with the real estate and construction issues
- Describe your five-year development schedule
- Identify primary trade areas
- · Identify potential sites for the initial two-year period
- Identify the economic and political overviews of your market

TRAINING REQUIREMENTS

- Identify operating principal and multi-unit Manager (if applicable) who will attend the Franchisee Training Program
- Identify and/or select other individuals who will need to attend the Franchisee Training Program
- Develop a plan for implementing a training system for training additional staff

MANAGEMENT TEAM/BUSINESS PARTNER

- Detailed background and job description for each business partner, investor, and management team member, along with additional staffing projected over the first five years
- Your plan should include who will be responsible for the following: Day-to-day operations, Real Estate and Construction, Financing, Marketing

MARKETING

- Briefly summarize the promotional tactics that you plan to use, in conjunction with DMA requirements, to introduce Fatburger in the proposed markets
- Explain your brand development strategy
- Describe your promotional tactics
- Explain how you intend to address pricing and positioning issues

FINANCIAL PLAN

- Outline projected capital requirements for the first year along with anticipated additional investments required for the following four years and plans for funding new development.
- This will also include: Debt/Equity structure, Lenders, Length of terms, Equity partners and terms of equity investment*

^{*}Applies to any stakeholder possessing 10% or more of the business ownership.

SITEINFORMATION

DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
Households	9,400	67,500	165,500
Population	21,500	172,500	437,000
Daytime employment	17,600	115,000	292,100
Med. Household income	57,000	57,000	56,000
Per capita income	32,000	31,000	30,000
H/H income average	73,500	77,500	77,500
H/H size (approx.)	1.8 - 3.2	2.0 - 3.1	2.1 - 3.2
Average age	30 - 40	30 - 40	30 - 40
Median age	30 - 40	30 - 40	30 - 40
Household growth	1 - 18%	2 - 13%	2 - 14%
Education: College +	36%	35%	35%

VISIBILITY

- •Site and signage must be highly visible from street and/or traffic generators
- Visibility of in-store signage is important
- Ideally visible at least 500 feet from two directions
- Monument and/or pylon signage

ACCESS

- Easy access
- Signaled entry and intersection
- Two to three curb cuts to center
- Entry from two streets, in both directions
- Left turn unobstructed

IDEAL SPACE

- 1,500–2,300 square feet in high densitymarkets
- (Other sizes considered based on sitespecific factors)
- Minimum seating capacity: 40-50 + patio

AVERAGE DAILY TRAFFIC

• 35,000+

LEASE TERMS

• 5-year minimum with four 5-year options

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- Fixed rates preferred
- See letter of intent

ACTIVITY GENERATORS

- Going home traffic side
- Easily accessible for lunchtime traffic (pedestrian and automobile)
- High-frequency specialty retail such as Staples, Target, Home Depot, Costco, etc.
- High-traffic storefront urban corridors with convenient parking
- High-density daytime population (preferably white collar)
- Frequent retail employees
- Retail/entertainment centers/town centers
- Amusements/attractions/museums/clubs/bars/casinos
- High-density residential population
- Universities/hospitals
- "Mega" bookstore
- Health clubs Average Daily Traffic

SITEPARAMETERS

The strategy for seeking and acquiring prime locations in the primary focus markets, the market areas and specific locations within the same area have been predicated on the following location parameters:

- **1. In-line, end-cap or freestanding locations (1,500–2,300 square feet + patio)** where the market is strong enough to support a successful Fatburger unit. In high density-markets, the size of the restaurant will vary to meet market-specific conditions. In-line locations will be considered where visibility, access, parking and signage offset the impact of being surrounded by other tenants. Drive-thru locations shall be evaluated on a location-by-location basis. The landlord will be expected to provide Fatburger demised premises, a vanilla shell, plus a contribution or tenant improvement upgrades consistent with Fatburger tenant improvement requirements which are currently valued at approximately \$20.00 per sq. ft.
- 2. Kiosk or food court locations of 800–1,500 square feet where the venue (regional malls, casino, office building, airport, office corridors, universities, etc.) qualifies under Fatburger's criteria and no other opportunities are available.
- **3. Sharing of freestanding locations with compatible cotenant**, including video stores, bookstores, cellular phone stores, florists, coffee houses, juice concepts and high quality quick-service restaurants (Asian, Italian, pizza or sandwich concepts) where there are synergies and we can mutually benefit from traffic generators in the adjacent retail market.
- **4. Specialty centers, super-store centers or entertainment-oriented commercial/retail centers** with anchor sales of \$50 million+ a year or mixed-use entertainment, retail and restaurants.
- **5. The landlord takes control of a previously occupied location**, which qualifies under Fatburger site criteria, and restructures a new deal to accommodate the new Fatburger location.
- **6. In certain circumstances, the only available option for market entry may require the purchase and conversion** of an existing compatible restaurant facility or the conversion of the same to a Fatburger restaurant. (In select markets)
- **7.** In an international setting, a franchisee in concert with the franchisor will adjust these parameters as appropriate for the local market.



If you have any questions or comments, please contact Fatburger Franchising:

ATTN: Franchise Development Fatburger North America Inc.

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