



# EATS ♦ DRINKS ♦

## FAT Brands Announces Record and Distribution Dates for Special Stock Dividend in Connection with Twin Hospitality Spin-Off

January 16, 2023

Twin Hospitality (Continued) Trading an Exchange Public Company

LOS ANGELES, Jan. 16, 2023 (GlobeNewswire) — [fatbrands.com](https://www.fatbrands.com) (NASDAQ: FAT), a leading global franchising company and parent company of 18 iconic brands, is pleased to announce that its Board of Directors has approved the distribution of a special stock dividend to FAT Brands common stockholders of shares of Class A Common Stock ("Twin Hospitality") of Twin Hospitality Group Inc. ("Twin Hospitality"), the operating unit for its Twin Peaks and Smoking Bones restaurant brands. The dividend shares will represent approximately 5% of the fully diluted shares of Class A Common Stock of Twin Hospitality, and the remaining 95% of Twin Hospitality will continue to trade on the NYSE listing.

The distribution of shares of Twin Common Stock will be made on a pro rata basis to all holders of FAT Brands' Class A Common Stock and Class B Common Stock as of the close of trading on January 27, 2023 (the "record date"). The distribution will take the form of a special dividend of 3,102,037 shares of Twin Common Stock distributed with respect to each one share of FAT Brands' Class A Common Stock and Class B Common Stock outstanding as of the record date. The shares of Twin Common Stock are expected to be delivered after the close of trading on January 28, 2023 (the "distribution date"), subject to the satisfaction of various conditions, and delivery to the relevant Clearing Member after the opening of the next trading day.

No fractional shares of Twin Common Stock will be distributed. Instead, the fractional shares will be aggregated and sold in the open market, with the net proceeds distributed pro rata in the form of cash payments to FAT Brands stockholders who would otherwise be entitled to receive a fractional share of Twin Common Stock.

Holders of FAT Brands' Subordinated Warrants (NASDAQ: FATBW) who wish to receive the distribution of Twin Common Stock are expected to exercise their Warrants for Class A Common Stock in advance of the record date. Warrants that are not exercised prior to the record date will not receive the distribution of Twin Common Stock, but instead will have their exercise price adjusted downward under the warrant agreement. The current exercise price of the Warrants is \$2.740, which will be adjusted downward following the record date by an amount equal to the fair market value of the distributed shares of Twin Common Stock divided by the sum of all shares of Class A Common Stock outstanding on the record date plus the number of unexercised Warrants on the record date, but not more than 1.

No vote or action is required by the FAT Brands common stockholders to receive the special stock dividend of Twin Common Stock, which will be issued in book-entry form. The FAT Brands common stockholders who hold their shares through brokers or other nominees are those shares of Twin Common Stock entitled to their accounts by their respective brokers.

FAT Brands plans to send an information statement regarding the distribution and the spin-off to common stockholders. The information statement will discuss further details about the distribution and will also be posted online to the Investor Relations tab on FAT Brands' website at <https://www.fatbrands.com/investor-relations>.

Beginning after the record date and including the distribution date, it is expected that there will be two ways to trade FAT Brands' Class A Common Stock and Class B Common Stock – either with or without the distribution of Twin Common Stock.

\* A major way market maker shares of FAT Brands' Class A Common Stock (NASDAQ: FAT) and Class B Common Stock (NASDAQ: FATB) are made with an amendment to receive shares of Twin Common Stock on the distribution date.

\* An "in-the-money" market maker shares of FAT Brands' Class A Common Stock (NASDAQ: FAT) and Class B Common Stock (NASDAQ: FATB) will have an amendment to receive shares of Twin Common Stock on the distribution date (identified by the letter "M" at the end of the trading symbol).

Beginning on the day following the distribution date, all shares of FAT Brands' Class A Common Stock and Class B Common Stock and Twin Common Stock will be separately traded only on a "major way" market. Investors are encouraged to consult with their financial and tax advisors regarding the particular consequences of the special dividend and specific implications of buying or selling shares of other companies or a future the distribution date.

The financial statements in this transaction are Class Share, 4750, Non-Exempt Partners and 4750 Capital. Operating Theory LLP is acting as legal counsel.

**Share of FAT Brands' Additional Terms**

FAT Brands (NASDAQ: FAT) is a leading global franchising company that strategically acquires, markets, and develops fast casual, quick-service, casual dining, and published casual dining concepts around the world. The Company currently owns 18 restaurant brands: Round Table Pizza, Fuzzy's, Market Street Creamery, Jimmy Rickards, Fazio's, Twin Peaks, Great American Cookies, Smoking Bones, Hot Dog on a Stick, Buffalo's CAFE & Espresso, Hurricane Grill & Wings, PizzeriaUno, Clawson Burger, Native Grill & Wings, Yaka Mediterranean and Provisions and Biscuits Doughnuts, and franchises and owns over 2,300 units worldwide. For more information on FAT Brands, please visit <https://www.fatbrands.com>.

**Share of Twin Peaks**

Founded in 2003 in Dallas, south of a variety of available, Twin Peaks franchise and owns 115 restaurants in the United States and Mexico. Twin Peaks is the ultimate sports lodge featuring hand-brewed craft beer and the coldest beer in the business, accompanied by rustic vibes and wall-to-wall TVs. For more information, visit <https://www.twinpeaks.com>.

**Share of Smoking Bones**

This news release contains forward-looking statements, which the meaning of these financial statements is not intended to constitute an offer of securities. Forward-looking statements are subject to significant business, economic, and competitive risks, uncertainties and contingencies, many of which are difficult to predict and beyond the control of the company, which could cause our actual results, including the anticipated consummation and consequences of the distribution and spin-off transaction discussed in the press release, to differ materially from the results expressed or implied in such forward-looking statements. We refer you to the Registration Statement of Form 10 filed by Twin Hospitality Group Inc. and the documents filed as part of the SEC, filed as a report on Form 10-K, Form 10-Q and Form 8-K, for a discussion of these risks, uncertainties and contingencies. We undertake no obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of this press release.

**Share of Smoking Bones**

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