
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 5, 2017

THE ONE GROUP HOSPITALITY, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37379
(Commission File Number)

14-1961545
(IRS Employer
Identification No.)

411 W. 14th Street, 2nd Floor
New York, New York 10014
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (646) 624-2400

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 and incorporated by reference herein is an investor presentation of The ONE Group Hospitality, Inc.

The information set forth under this “Item 7.01. Regulation FD Disclosure,” including the exhibit attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) *Exhibits.*

[99.1 Investor Presentation of The ONE Group Hospitality, Inc., dated December 5, 2017.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 5, 2017

THE ONE GROUP HOSPITALITY, INC.

By: /s/ Linda Siluk

Name: Linda Siluk

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
<u>99.1</u>	<u>Investor Presentation of The ONE Group Hospitality, Inc., dated December 5, 2017</u>

THE ONE GROUP
lifestyle hospitality



INVESTOR PRESENTATION
DECEMBER 2017



Cautionary Statements

Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to the Company's future business and financial performance and future events or developments that may constitute "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and assumptions that are subject to certain risks and uncertainties. These statements include forward-looking statements with respect to the Company's business and industry in general. Statements that include the words "expect," "intend," "plan," "believe," "project," "forecast," "estimate," "may," "should," "anticipate" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise. A variety of factors, many of which are beyond the Company's control, affect the Company's operations, performance, business strategies and results and there can be no assurance that the Company's actual results will not differ materially from those indicated in these statements. These factors include, but are not limited to, continued compliance with governmental regulation, the ability to manage growth, requirements or changes affecting the business in which the Company is engaged, general economic and business conditions and the Company's ability to open new restaurants and food and beverage locations in current and additional markets. More detailed information about these risk factors may be found in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2016. The statements made herein speak only as of the date of this presentation. The Company undertakes no obligation to update its forward-looking statements to reflect events or circumstances after the date of this presentation.

Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flow of the Company. These measures are presented because management uses this information to monitor and evaluate financial results and trends and believes this information to also be useful for investors. The Company has both wholly-owned and partially-owned subsidiaries. Total food and beverage sales at owned and managed units represents our total revenue from our owned operations as well as the sales reported to us by the owners of locations we manage, where we earn management and incentive fees. EBITDA is defined as net income before interest expense, provision for income taxes and depreciation and amortization. Adjusted EBITDA represents net income before interest expense, provision for income taxes, depreciation and amortization, non-cash impairment loss, deferred rent, pre-opening expenses, non-recurring gains and losses and losses from discontinued operations. The disclosure of EBITDA and Adjusted EBITDA and other non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. EBITDA and Adjusted EBITDA should be considered in addition to, and not as a substitute, or superior to, net income, operating income, cash flows, revenue, or other measures of financial performance prepared in accordance with GAAP. For a reconciliation of total food and beverage sales at owned and managed units, EBITDA, and Adjusted EBITDA to the most directly comparable financial measures presented in accordance with GAAP and a discussion of why we consider them useful, see the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2016, and its Quarterly Reports on Form 10-Q for the quarter ended March 31, 2017, quarter ended June 30, 2017, and quarter ended September 30, 2017.



The ONE Group



We are a global hospitality company that develops and operates upscale, high-energy restaurants and turn-key food & beverage services for hospitality venues including hotels, casinos and other high end locations

Our clients and partners are leading entertainment and hospitality companies, including Disney, Starwood, Hyatt and Melia Hotels





Company Overview

Key Points

- The ONE Group was founded in 2004 and is headquartered in New York City, with an additional office in London
- Its premier STK brand is supplemented by multiple revenue centers including rooftops and offsite catering
- The Company also offers turn-key food & beverage services at hospitality venues including hotels and casinos

Key Financials

(2017 Expected Run Rate)

- Segment EBITDA: ~\$18mm
 - Owned unit EBITDA: ~\$8mm
 - Management and incentive fees: ~\$10mm
- G&A: \$8-\$9mm
- Adj. EBITDA: \$8-\$9mm

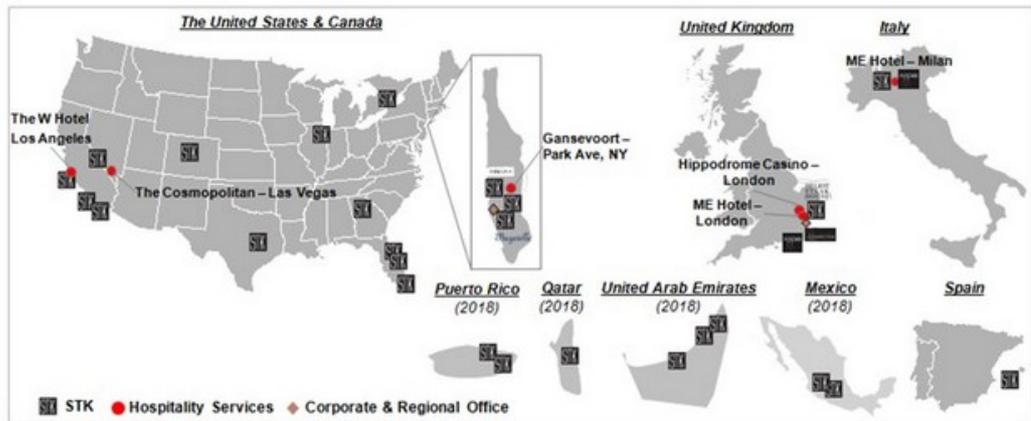
STK & STK Rooftop Restaurants

- Upscale, high-energy steakhouse concept
- Launched in NYC in 2006
- Portfolio of owned, managed and licensed restaurants
- 26 locations in operation or under lease / construction in North America, Europe and the Middle East
- Includes both large and mid-sized market restaurants, rooftops, and offsite catering and events

Hospitality Services

- Unique opportunity to leverage restaurant and hospitality expertise, while utilizing company-branded restaurants or tailored concepts
- Generate high margin management and incentive fee income with minimal capital expenditure
- Target opportunities generating a minimum of \$8-10mm in food & beverage ("F&B") sales
- Five hospitality programs in operation currently

The ONE Group Around the World – 2018 Expected View



NOTE: See Appendix for a reconciliation of Adjusted EBITDA ("Adj. EBITDA") to GAAP Net Income.



31 Venues Expected to be Opened by the End of 2017

Restaurants

STK[®]

Atlanta
Chicago
Denver
Dubai – UAE
Ibiza – Spain
Las Vegas
London – UK
Los Angeles
Milan – Italy
Miami
NYC – Downtown
NYC – Midtown
Orlando
Toronto

STK[®]
ROOFTOP
New York
Orlando
San Diego

Bagatelle[®]
New York



Hospitality Services

ME
BY WELIA

London

Radio

Marconi

Hospitality Services

ME
BY WELIA

Milan

Radio

Hospitality Services



Heliot Steak

Lola's Bar & Casino

Hospitality Services



Asellina

Plunge

Hospitality Services



The Hideout

Hospitality Services



2017 Focus and Results

THEONEGROUP
lifestyle hospitality



Results through the first nine months of 2017

■ Same Store Sales

- > Q1 +2.7%
- > Q2 +1.7%
- > Q3 +1.9%
- > YTD +2.1%

STRONG IN LIGHT OF CHALLENGING ENVIRONMENT

■ Total Food & Beverage Sales

- > Q1 +18%
- > Q2 +17%
- > Q3 +9%
- > YTD +15%

DOUBLE DIGIT GROWTH

■ Adjusted EBITDA

- > Q1 1.6mm +51% y/o/y
- > Q2 1.5mm +34% y/o/y
- > Q3 1.4mm +75% y/o/y
- > YTD 4.5mm +52% y/o/y

NOTE: See Appendix for a reconciliation of Adjusted EBITDA to GAAP Net Income.



STK RESTAURANTS

STK: Differentiated Steakhouse with High-Energy & Great Atmosphere

- Reinvention of the traditional steakhouse
 - High-energy dining experience
- Restaurants built around the bar, featuring DJ played music
- High female to male customer mix
 - Destination locations
 - Superior quality with innovative menu





Irreplaceable Portfolio of Premier Locations





STK vs. The Competition

	STK	Traditional Steakhouse
Atmosphere	<ul style="list-style-type: none"> Female-friendly DJ music creates energetic, social vibe 	<ul style="list-style-type: none"> Male-centric Hushed, reserved environment
Primary Occasion	<ul style="list-style-type: none"> Active happy hour, dinner and late night 	<ul style="list-style-type: none"> Typically just dinner
Service	<ul style="list-style-type: none"> High-energy, personable service Teamwork-focused and engaging 	<ul style="list-style-type: none"> Formal service Traditional and conservative
Food	<ul style="list-style-type: none"> Diverse, innovative menu Multiple portion sizes 	<ul style="list-style-type: none"> Predictable menu Large and extra-large portion sizes
Bar	<ul style="list-style-type: none"> Dynamic, centralized bar scene Lounge fuels restaurants' energy level 	<ul style="list-style-type: none"> Smaller, quiet, off to the side Little emphasis on social aspect
Decor	<ul style="list-style-type: none"> Blend of edgy, modern, chic designs Bright, open floor plans 	<ul style="list-style-type: none"> Dark wood, white tablecloths Dim lighting
Aesthetic		



A Clear Market Leader – Highly Differentiated



“A saucy spin on the steakhouse formula” – Zagat

“Best American Restaurant”



STK Chicago



• OpenTable
Top 100 Restaurants
Diners' Choice
2015
STK - New York (MPD)
STK - Las Vegas

VANITY FAIR
“Best Places to Party this Summer”

• OpenTable
Top 100 Restaurants
Diners' Choice
2013
STK - Miami
STK - Las Vegas
STK - Los Angeles
STK - New York (MPD)

“Best Steakhouse on the Strip”
– Las Vegas Review-Journal

“...You're only young once, people,
so STK while you still can”
– Blue Tomato Reviews

• OpenTable
Top 100 Restaurants
Diners' Choice
2014
STK - Atlanta
STK - Las Vegas
STK - Los Angeles
STK - New York (MPD)



2013 AWARD WINNER AT THE EUROPEAN HOSPITALITY AWARDS



Superior Four Wall Economics

US STK Brand Owned and Licensed Restaurants Open at least 18 Months

		Full Service Average ⁽¹⁾	 Advantage
Average Unit Volume	\$11.0mm	\$5.9mm	\$5.1mm Higher
Sales/Sq. Ft.	\$889	\$683	30% Higher
Food & Beverage Costs	26.2%	28.8%	260bps Lower
Labor Costs ⁽²⁾	24.4%	26.5%	210bps Lower
Restaurant Contribution Margin	\$2.1mm	\$1.2mm	75% Higher
Cash-On-Cash Returns	42.9%	31.8%	1.35x Higher

Notes:

- (1) Includes BBRG, BJRI, BLMN, CAKE, CHUY, DFRG, DRI, FOGO, KONA, RUTH and TXRH.
- (2) Excludes DFRG and RUTH labor costs as they are not reported separately.



Large and Mid-Sized Market Formats



Large Market



Mid-Sized Market



	Large Market	Mid-Sized Market
Markets:	Large domestic and international markets	Mid-sized to large domestic and international markets
Sq. Ft.:	9,500+	6,000-7,500
Seating Capacity:	~250	~175
Primary Occasion:	Happy hour, dinner and late night	Lunch, happy hour, dinner and late night
Target AUV:	\$8.0mm+	\$5.5mm+
Average Check:	~\$115	~\$90
Employees:	~125	~90
Design Features:	Sleek and sophisticated	Stylized and edgy







ONE HOSPITALITY™



Exceptional Portfolio of Premier Hospitality Venues



ME Milan
STK, Radio, Hospitality Services



ME London
STK, Radio, Marconi,
Hospitality Services



Gansevoort New York
Asellina, Rooftop, Hospitality Services



Hippodrome Casino London
Heliot Steak, Lolo's Bar & Casino,
Hospitality Services



W Hotel Los Angeles
STK, Hideout,
Hospitality Services



Demonstrated Need for Experienced Hospitality F&B Partners

- ✓ Outsourcing F&B services becoming more prevalent within the hospitality industry

"While F&B outsourcing is a relatively new concept, there is a lot to like about [it] from an owner's perspective. For starters, **F&B services delivered by experienced providers with brand power are likely to increase the profitability and revenue of the F&B department**...hotel owners can expect increases in ADR and occupancy levels."

- Hotel News Now, October 2014

- ✓ Historically hotels have not been successful with F&B operations and would prefer to focus on core competencies

- ✓ Developers incentivized to split hotel management and F & B contracts to increase earnings

"From the hotel's perspective, a joint venture or outsourcing arrangement can provide a combination of restaurant skills and brand strength, often supported by national advertising. Hotels adding branded restaurants have reported improved F&B volume, including room service sales, as well as an attendant increase in occupancy and average rate. **In a period of hospitality industry consolidation, branded restaurants may become a point of differentiation among hotel properties**"

- 3P Hospitality Resources

- ✓ Unions increasing control of hotel operations prompts hoteliers to use 3rd parties for F&B hospitality services

- ✓ Hotel industry continues to attract professional capital globally

- ✓ Branded restaurant venues have demonstrated ability to drive occupancy, average daily room rate and appeal of property

"In addition to brand identity, **most operators find that guests are not only more willing to patronise high-street brands conveniently situated within the hotel, but they are also willing to pay more for the privilege of dining with a familiar concept**...Hotels introducing a branded restaurant into their property often experience higher external traffic. Market exposure translates into **increased outlet revenue and enhanced customer perception of the F&B outlet brand name, as well as enhanced customer perception of the hotel itself.**"

- Hotel Online

Source: American Hotel and Lodging Association.



A Leading Hospitality Company – ONE Hospitality™

Comprehensive Portfolio of Internationally Recognized Brands



Growing List of Global Hospitality Clients



Note: Bagatelle, Gansevoort Park Rooftop, Marconi, Radio M, Asellina, Cucina Asellina, and Heliot are jointly owned and / or licensed brands.



Case Study – The ME Hotel, London : \$17 Million F&B Sales



Room Service for 157 Keys



5,000 sq ft Banqueting Space
6 Small Banqueting / Event Rooms



Marconi
75 Person Lobby Lounge Bar



Radio Roof
220 person Restaurant / Bar



STK Restaurant – 2 Meal
200 person Restaurant / Bar



Breakfast & Event Room
90 person Restaurant / Bar



Note: The ME Hotel, London is operated under a management hospitality contract.



Multiple Levers for Expected Future Growth

STK Expansion

- Opportunity for ~150 STKs globally, across large and mid-sized markets
- Targeting 3-5 new STK restaurants per year, short-term
- Blend of managed and licensed units, which require lower capital investment and produce high margin royalty, management and incentive fee streams

Hospitality Growth

- Opportunity for at least 50 hospitality management agreements globally, 2-3 per city
- Targeting 1 new hospitality management agreement per year, short-term
- Would include an STK or uniquely tailored concept

Operational Initiatives

- Drive same store sales through traffic and average check growth
- Enhance margins by focusing on high-quality, high-margin food and beverage menu items
- Leverage systemwide operating efficiencies and best practices to further drive EBITDA growth





Summary of Expected Development

The ONE Group is Poised for Continued Growth

2017 Licenses

(Opened December 2017)

- STK Dubai – Jumeirah Beach

2018 Owned Venues

- STK San Diego
- STK Austin

2018 Licenses

(Under Construction)

- STK Dubai – Downtown
- STK Doha
- STK Puerto Rico
- STK Beach Puerto Rico
- STK Abu Dhabi

(Pending Construction)

- STK Mexico City
- STK Guadalajara - Mexico

Attractive Future Markets

Worldwide

- Barcelona
- Berlin
- Hong Kong
- Macau
- Madrid
- Mexico City
- Moscow
- Munich
- Paris
- Singapore
- Shanghai
- Tokyo

U.S.

- Charlotte
 - Houston
 - Jacksonville
 - Nashville
 - New Orleans
 - Philadelphia
 - Sacramento
 - San Antonio
 - San Jose
 - Scottsdale
 - Seattle
 - Tampa
-



Expected Near-Term STK Development Pipeline

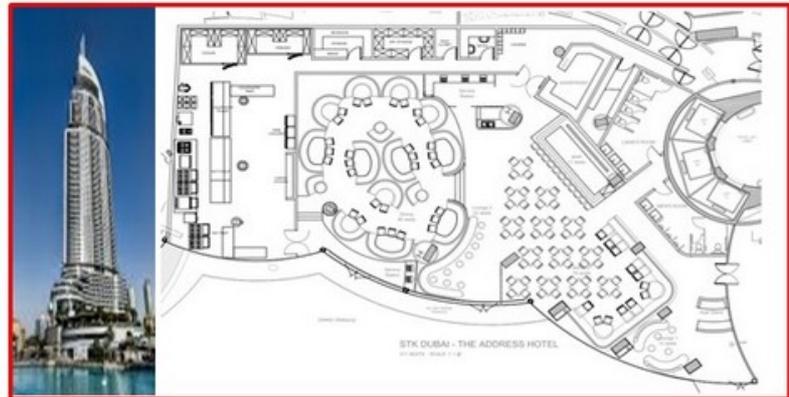
STK Dubai – Jumeirah Beach

Deal Structure:	Licensed
Opened:	Q4 2017
Sq. Ft.:	~9,000 sq. ft.
Target Sales ⁽¹⁾ :	\$6.0mm
License Fee%:	5.0%
License Term + Option ⁽²⁾ :	10 Years + 1 X 5 Years
Location:	The Rixos Hotel Dubai Jumeirah Beach, UAE



STK Dubai – Downtown

Deal Structure:	Licensed
Opening:	Q2 2018
Sq. Ft.:	~11,000 sq. ft.
Target Sales ⁽¹⁾ :	\$9.0mm
License Fee%:	5.0%
License Term + Option ⁽²⁾ :	10 Years + 1 X 5 Years
Location:	The Address Hotel Downtown Dubai, UAE



(1) Year 3 revenue.
(2) Includes extensions.



Expected Near-Term STK Development Pipeline

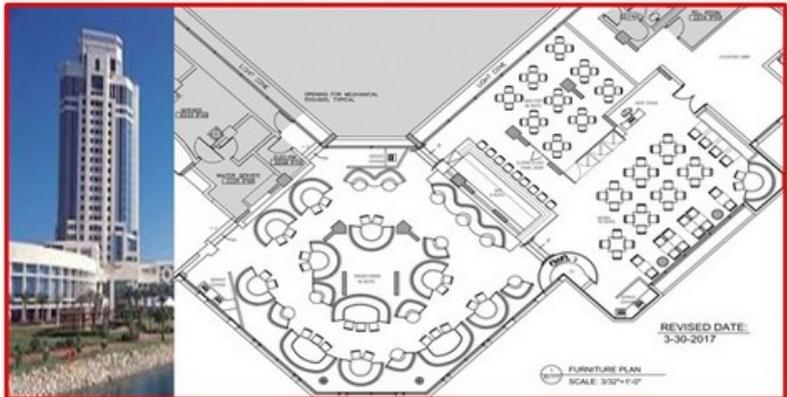
STK San Diego

Deal Structure:	Owned
Opening:	Q2 2018
Sq. Ft:	~4,300 sq. ft.
Target Sales ⁽¹⁾ :	\$4.6mm
Target 4-Wall Margin ⁽²⁾ :	15%
Lease Expiration ⁽³⁾ :	January 2036
Base Rent/Mo:	\$27,300
% Rent:	6.0%
Location:	The Andaz Hotel San Diego, CA



STK Doha

Deal Structure:	Licensed
Opening:	Q3 2018
Sq. Ft:	~7,000 sq. ft.
Target Sales ⁽¹⁾ :	\$5.0mm
License Fee%:	5.0%
License Term + Option ⁽³⁾ :	10 Years + 1 X 5 Years
Location:	The Ritz Carlton Hotel Doha, Qatar



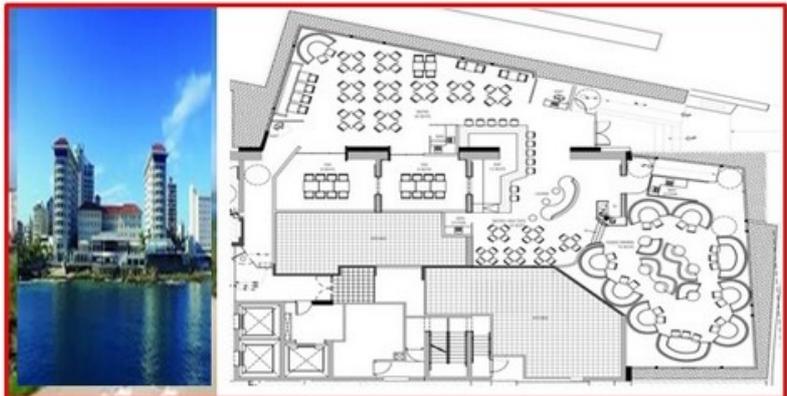
(1) Year 3 revenue.
 (2) 4-wall margin before allocated G&A.
 (3) Includes extensions.



Expected Near-Term STK Development Pipeline

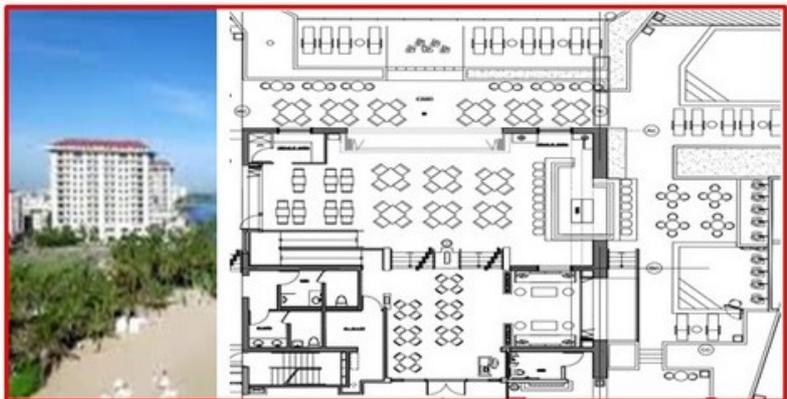
STK Puerto Rico

Deal Structure:	Licensed
Opening:	Q4 2018
Sq. Ft:	~7,750 sq. ft.
Target Sales ⁽¹⁾ :	\$6.0mm
License Fee%:	5.0%
License Term + Option ⁽²⁾ :	10 Years + 1 X 5 Years
Location:	The Condado Vanderbilt Hotel San Juan, Puerto Rico



STK Beach Puerto Rico

Deal Structure:	Licensed
Opening:	Q4 2018
Sq. Ft:	~5,000 sq. ft.
Target Sales ⁽¹⁾ :	\$2.0mm
License Fee%:	5.0%
License Term Year Option ⁽²⁾ :	10 Years + 1 X 5 Years
Location:	The Condado Vanderbilt Hotel San Juan, Puerto Rico



(1) Year 3 revenue.
(2) Includes extensions.



Expected Near-Term STK Development Pipeline

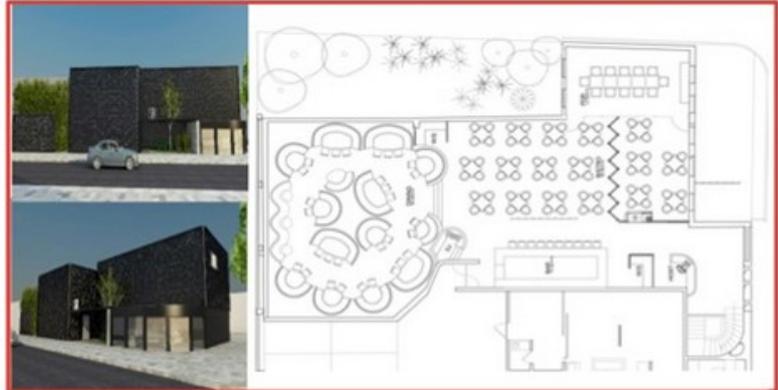
STK Austin

Deal Structure:	Owned
Opening:	Q4 2018
Sq. Ft:	~11,000 sq. ft. (Incl Rooftop)
Target Sales ⁽¹⁾ :	\$6.7mm
Target 4-Wall Margin ⁽²⁾ :	15%
Lease Expiration ⁽³⁾ :	February 2036
Base Rent/Mo:	\$29,400
% Rent:	6.0%
Location:	E 3rd St. Austin, TX



STK Mexico City

Deal Structure:	Licensed
Opening:	Q3 2018
Sq. Ft:	~7,500sq. ft. (Incl Patio)
Target Sales ⁽¹⁾ :	\$6mm
License Fee %:	5%
License Term + Option ⁽²⁾ :	10 Years + 2 X 5Years
Location:	Presidente Masaryk Avenue Polanco, Mexico City



(1) Year 3 revenue.
 (2) 4-wall margin before allocated O&A.
 (3) Includes extensions.



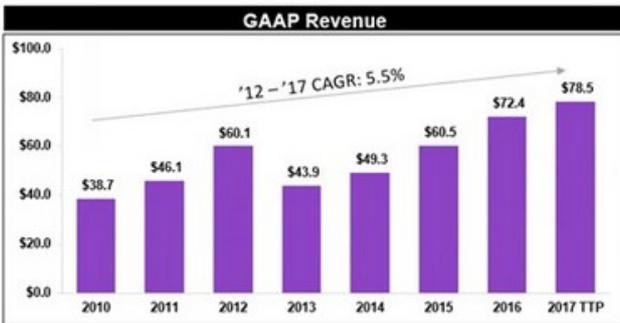
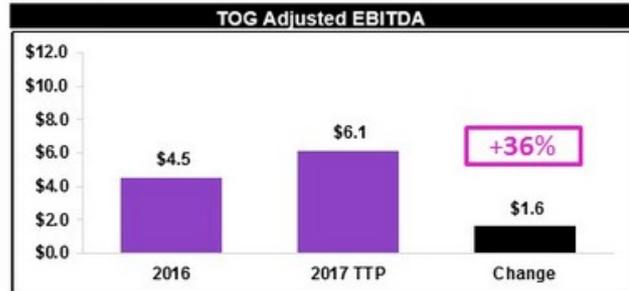
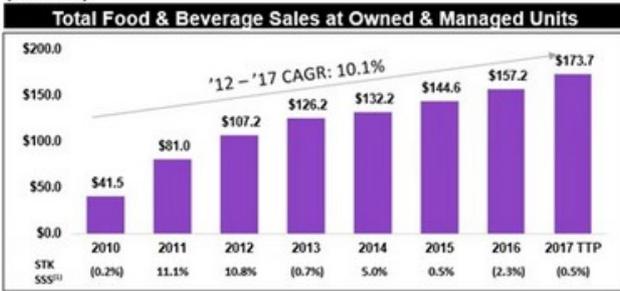


FINANCIAL REVIEW



Strong Historical Revenue Performance – Improving Adjusted EBITDA

(\$ millions)





2017 Focus and Results

THEONEGROUP
lifestyle hospitality



STK[®]

Results through the first nine months of 2017

■ Same Store Sales

- > Q1 +2.7%
- > Q2 +1.7%
- > Q3 +1.9%
- > YTD +2.1%

STRONG IN LIGHT OF
CHALLENGING ENVIRONMENT

■ Total Food & Beverage Sales

- > Q1 +18%
- > Q2 +17%
- > Q3 +9%
- > YTD +15%

DOUBLE DIGIT GROWTH

■ Adjusted EBITDA

- > Q1 1.6mm +51% y/o/y
- > Q2 1.5mm +34% y/o/y
- > Q3 1.4mm +75% y/o/y
- > YTD 4.5mm +52% y/o/y

NOTE: See Appendix for a reconciliation of Adjusted EBITDA to GAAP Net Income.



Expected New Unit Economics

	Owned Restaurants		Capital-Light Businesses		
	STK Large Market	STK Mid-Sized Market	STK Licensed	F&B Hospitality (One Primary Restaurant)	F&B Hospitality (Two or More Restaurants)
Revenue	\$8.0mm	\$5.5mm	\$5.0 - \$8.0mm	\$8.0 - \$10.0mm	\$15.0 - \$20.0mm
EBITDA	\$1.6mm	\$1.0mm	--	--	--
Cash Investment	\$3.8mm ⁽¹⁾	\$2.8mm ⁽¹⁾	--	<\$500,000	<\$500,000
ROI	42%	36%	--	--	--
License Fee %	--	--	5.0% to 6.5%	--	--
Management Fees %	--	--	--	5.0% to 6.5%	5.0% to 6.5%
Incentive Fees %	--	--	--	>15%	>15%
Total Fee Revenue \$	--	--	>\$250,000	>\$500,000	>\$750,000
Average Check	\$115	\$90	N/A	N/A	N/A

⁽¹⁾ Excludes preopening expenses and net of tenant improvement allowances.



Delivering Value for Shareholders

THE ONE GROUP
lifestyle hospitality



STK[®]

Long-Term Growth Targets*

- 3-5 annual unit growth (Licensed)
- 1+ new F&B Hospitality deal

+

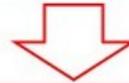
- Same Store Sales growth of 1-2%

+

- Focus on License First (asset light model)
- Disciplined G&A management

+

- Maintain strong restaurant-level EBITDA margins
- Benefit from economies of scale and operating efficiencies



**20%+ Consistent Adjusted
EBITDA Growth**

* These are not projections; they are goals and are forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the "Risk Factors" to our Annual Report on Form 10-K for the year ended December 31, 2016 and our other filings with the Securities and Exchange Commission. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the Company undertakes no duty to update its goals.



The ONE Group Investment Highlights

**Fast Growing Hospitality
Company**

**Well Positioned for
Significant Growth in a
Transforming Hospitality
Sector**

**Strong Management Team
and Infrastructure to
Support Growth**

**Transformational
Acquisition Further
Enhances our Brand
Portfolio and Unit Pipeline**

THEONEGROUP
lifestyle hospitality

**Multiple Levers to Drive
Revenues and Profitability**

**Strong Portfolio of High
Volume, High Margin
Brands with Industry
Leading ROIC**

**Significant Pipeline for Unit
Growth in 2018 and Beyond**





APPENDIX

Reconciliations of Non-GAAP Measures

STATEMENT OF OPERATIONS SEPTEMBER 2017

	Q4 2016	Nine Months ended Sept 2017	TTP Sept 2017
Revenues:			
Owned unit net revenues	\$ 18.0	\$ 50.6	\$ 68.5
Management and incentive fee revenue	2.4	7.6	10.0
Total revenue	\$ 20.4	\$ 58.1	\$ 78.5
Cost and expenses:			
Owned operating expenses:			
Food and beverage costs	4.5	12.9	17.4
Unit operating expenses	11.5	33.2	44.7
General and administrative	3.0	9.8	12.8
Depreciation and amortization	0.8	2.6	3.4
Impairment loss	0.1	-	0.1
Management and royalty fees	-	-	-
Lease termination expense	0.4	0.0	0.5
Transaction costs	0.8	0.3	1.0
Pre-opening expenses	1.5	2.1	3.7
Income of equity method investees	(0.2)	(0.2)	(0.3)
Derivative income	-	-	-
Interest expense, net of interest income	0.2	0.8	1.0
Other (income) expense	(0.2)	(0.1)	(0.3)
Total costs and expenses	\$ 22.5	\$ 61.5	\$ 84.0
Income (loss) from continuing operations before provision for income taxes	\$ (2.1)	\$ (3.3)	\$ (5.3)
Provision (benefit) for income tax	13.9	0.4	14.3
Income (loss) from continuing operations	\$ (16.0)	\$ (3.7)	\$ (19.6)
Income (loss) from discontinued operations, net of taxes	(0.1)	(0.1)	(0.2)
Net income (loss)	\$ (16.1)	\$ (3.8)	\$ (19.8)
Less: net income (loss) attributable to noncontrolling interest	0.0	0.1	0.1
Net income (loss) attributable to The ONE Group Hospitality, Inc.	\$ (16.1)	\$ (3.9)	\$ (20.0)
Currency translation adjustment	(1.0)	0.2	(0.8)
Comprehensive income (loss)	\$ (17.1)	\$ (3.7)	\$ (20.7)

TOTAL F&B SALES at OWNED and MANAGED UNITS

	Q4 2016	YTD Q3 2017	TTP September 2017
Owned Unit Net Revenues (a)	\$ 18.0	\$ 50.6	\$ 68.5
Management and Incentive Fee Revenue	2.4	7.6	10.0
GAAP Revenues	20.4	58.1	78.5
Food and Beverage Sales from Managed Units (a)	26.0	79.2	105.2
Total Food and Beverage sales at Owned and Managed Units	\$ 44.0	\$ 129.7	\$ 173.8

(a) Components of Total Food & Beverage Sales at Owned and Managed Units

DEFINITIONS

YTD ("Year-to-date"). Represents financial information for the nine months ended September 30, 2017.

TTP ("Trailing Twelve Periods"). Represents financial information for the monthly twelve periods beginning October 1, 2016 and ending September 30, 2017. This represents the consolidated GAAP financial results for the fourth quarter ended December 31, 2016 plus the consolidated GAAP financial results for the nine months ended September 30, 2017.

Reconciliations of Non-GAAP Measures

ADJUSTED EBITDA

	YTD	TTP
	December 2016	September 2017
Net (loss) income attributable to The ONE Group Hospitality, Inc.	\$ (16.7)	\$ (20.0)
Net income attributable to noncontrolling interest	0.2	0.1
Net (loss) income	(16.5)	(19.9)
Interest expense, net of interest income	0.5	1.0
Provision for income taxes	10.4	14.3
Depreciation and amortization	2.6	3.4
EBITDA	(3.0)	(1.2)
Deferred rent	(0.7)	(0.3)
Pre-opening expenses	6.0	3.7
Impairment loss	0.1	0.1
Lease termination expense	0.4	0.5
Loss from discontinued operations	0.1	0.2
Transaction costs	1.3	1.0
Derivative income	(0.1)	-
Stock based compensation	0.8	0.9
Legal settlement costs	-	0.8
Equity share of legal settlement costs	-	0.3
Fee adjustment	-	0.5
Adjusted EBITDA	5.0	6.4
Adjusted EBITDA attributable to noncontrolling interest	0.5	0.3
Adjusted EBITDA attributable to The ONE Group Hospitality, Inc.	\$ 4.5	\$ 6.1

TOTAL F&B SALES at OWNED and MANAGED UNITS

	2011A	2012A	2013A	2014A	2015A	2016A	Sept 2017 YTD
Owned Unit Net Revenues (a)	\$ 43.7	\$ 56.4	\$ 36.6	\$ 40.5	\$ 52.5	\$ 63.9	\$ 50.6
Management and Incentive Fee Revenue	2.4	3.7	7.3	8.8	7.9	8.5	7.5
GAAP Revenues	<u>46.1</u>	<u>60.1</u>	<u>43.9</u>	<u>49.3</u>	<u>60.4</u>	<u>72.4</u>	<u>58.1</u>
Food and Beverage Sales from Managed Units (a)	<u>37.3</u>	<u>50.8</u>	<u>89.6</u>	<u>91.7</u>	<u>92.0</u>	<u>93.3</u>	<u>79.2</u>
Total Food and Beverage sales at Owned and Managed Units	\$ 81.0	\$ 107.2	\$ 126.2	\$ 132.2	\$ 144.5	\$ 157.2	\$ 129.8

(a) Components of Total Food & Beverage Sales at Owned and Managed Units

