

**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): April 25, 2022**

**BURGERFI INTERNATIONAL, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-38417**  
(Commission  
File Number)

**82-2418815**  
(I.R.S. Employer  
Identification No.)

**200 West Cypress Creek Road, Suite 220**  
**Fort Lauderdale, Florida**  
(Address of Principal Executive Offices)

**33309**  
(Zip Code)

**(561) 844-5528**  
(Registrant's Telephone Number, Including Area Code)

**105 US Highway 1**  
**North Palm Beach, Florida 33408**  
(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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading symbol(s)	Name of exchange on which registered
<b>Common stock, par value \$0.0001 per share</b>	<b>BFI</b>	<b>The Nasdaq Stock Market LLC</b>
<b>Redeemable warrants, each exercisable for one share of common stock at an exercise price of \$11.50 per share</b>	<b>BFIHW</b>	<b>The Nasdaq Stock Market LLC</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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.

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## EXPLANATORY NOTE

BurgerFi International, Inc. (the “Company”) is filing this Current Report on Form 8-K solely for the purpose of filing the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2021, after giving effect to the acquisition of Hot Air, Inc. and its subsidiaries on November 3, 2021.

**Item 9.01. Financial Statements and Exhibits.**

*(d) Exhibits.*

Exhibit No.	Description
99.1	<a href="#">Pro Forma Financial Information of BurgerFi International, Inc.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**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: April 25, 2022

**BURGERFI INTERNATIONAL, INC.**

By: /s/ Stefan K. Schnopp  
Stefan K. Schnopp  
Chief Legal Officer and Corporate Secretary

## UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following sets forth the unaudited pro forma condensed combined financial information (the **Pro Forma Financial Information**) of BurgerFi International, Inc. ("**BurgerFi**" or the "**Company**") after giving effect to the acquisition of Hot Air, Inc. and Subsidiaries ("**Hot Air**"). On November 3, 2021, BurgerFi closed on its Stock Purchase Agreement to acquire 100% of the equity interests in Hot Air (the "**Transaction**"). Hot Air through its subsidiaries, owns and operates upscale casual dining restaurants in the specialty pizza and wings segment under the trade name Anthony's Coal Fired Pizza and Wings ("**Anthony's**"). As of December 31, 2021, Hot Air had 61 corporate-owned locations in Florida, Delaware, Pennsylvania, New Jersey, New York, Massachusetts, Maryland and Rhode Island.

Under the Stock Purchase Agreement, BurgerFi acquired Hot Air in exchange for the issuance of common stock and redeemable preferred stock with a fair value of \$75.9 million. The number of newly issued shares of common stock was based on the 30-day volume-weighted average price per share on the day before closing, subject to a daily cap of \$14.25 per share and floor of \$10.25 per share. The number of newly issued shares of redeemable preferred stock were based on a price per share of \$25.00.

The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2021 (the **Pro Forma Statement of Operations**) gives effect to the Transaction as if it was consummated on January 1, 2021. The historical consolidated financial information has been adjusted in the Pro Forma Statement of Operations to reflect the pro forma impact of the Transaction. The Pro Forma Statement of Operations does not include the effects of any transactions that took place subsequent to December 31, 2021 or any potential debt or equity offerings.

The Pro Forma Statement of Operations does not reflect any cost savings or associated costs to achieve such savings from operating efficiencies, synergies, debt refinancing or other restructuring that may result from the Transaction. The Pro Forma Statement of Operations are not necessarily indicative of the operating results or financial position that would have occurred if the Transaction had been completed on the date assumed, nor are they necessarily indicative of the future operating results or financial position of the combined company. There were no transactions or balances between BurgerFi and Hot Air during the periods presented in the Pro Forma Statement of Operations that required elimination as if BurgerFi and Hot Air were consolidated during the period presented. The assumptions and estimates underlying the unaudited adjustments to the Pro Forma Statement of Operations are described in the accompanying notes, which should be read together with the Pro Forma Statement of Operations.

The Pro Forma Statement of Operations have been derived from and should be read in conjunction with the consolidated financial statements and the related notes of BurgerFi included in its Annual Report on Form 10-K and the unaudited condensed consolidated financial statements of Hot Air for the nine months ended October 4, 2021 included in BurgerFi's Form 8-K filed with the Securities and Exchange Commission on January 3, 2022.

**BurgerFi International, Inc.**  
**Unaudited Pro Forma Condensed Combined Statement of Operations**  
**For the year ended December 31, 2021**

	Historical		Pro Forma Adjustments	Notes	Pro Forma Combined
	BurgerFi Consolidated (includes Hot Air post-acquisition period)	Hot Air January 5, 2021 through November 1, 2021			
<i>(in thousands, except for per share data)</i>					
<b>REVENUE</b>					
Restaurant sales	\$ 57,790	\$ 100,120			\$ 157,910
Royalty and other fees	8,021	—			8,021
Royalty—brand development and co-op	1,987	—			1,987
Franchise fees	1,069	—			1,069
<b>TOTAL REVENUE</b>	<b>68,867</b>	<b>100,120</b>	<b>—</b>		<b>168,987</b>
Restaurant level operating expenses:					
Food, beverage and paper costs	17,153	29,525			46,678
Labor and related expenses	16,272	30,535			46,807
Other operating expenses	12,039	21,125			33,164
Occupancy and related expenses	4,940	9,265			14,205
Impairment	114,797	—			114,797
General and administrative expenses	17,300	7,435			24,735
Depreciation and amortization expense	10,060	9,963	(6,198)	4(a)	13,825
Share-based compensation expense	7,573	1,253			8,826
Brand development and co-op advertising expense	2,462	—			2,462
Pre-opening costs	1,905	107			2,012
<b>TOTAL OPERATING EXPENSES</b>	<b>204,501</b>	<b>109,208</b>	<b>(6,198)</b>		<b>307,511</b>
<b>OPERATING LOSS</b>	<b>(135,634)</b>	<b>(9,088)</b>	<b>6,198</b>		<b>(138,524)</b>
Other income (expense), net	2,047	(4,741)	555	4(c)	(2,139)
Gain on change in value of warrant liability	13,811	—			13,811
Interest expense	(1,406)	(2,881)	(3,302)	4(b), 4(d)	(7,589)
<b>Loss before income taxes</b>	<b>(121,182)</b>	<b>(16,710)</b>	<b>3,451</b>		<b>(134,441)</b>
Income tax expense	(312)	(2,009)	(1,794)	4(f)	(4,115)
<b>Net Loss</b>	<b>\$ (121,494)</b>	<b>\$ (18,719)</b>	<b>\$ 1,657</b>		<b>\$ (138,556)</b>
<b>Weighted average common shares outstanding</b>					
Basic	18,408,247	—	2,904,629	4(c)	21,312,876
Diluted	18,624,447	—	2,904,629	4(c)	21,529,076
Net loss per common share					
Basic	\$ (6.60)	—	—		\$ (6.50)
Diluted	\$ (7.20)	—	—		\$ (7.02)

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

## Notes to Unaudited Pro Forma Condensed Combined Financial Information

### Note 1. Basis of presentation

The Pro Forma Statement of Operations is derived from the historical financial statements of BurgerFi and Hot Air to give effect to the Transaction with Hot Air as if it had occurred on January 1, 2021.

Hot Air's fiscal year ends on the Monday closest to December 31. The Hot Air consolidated statement of operations presented herein represents the fiscal period from January 5, 2021 through November 1, 2021. The revenue and income for the fiscal period is not materially different than what would be reported for BurgerFi's fiscal period through the acquisition date (January 1, 2021 through November 3, 2021).

The Pro Forma Financial Information has been prepared using the acquisition method of accounting for business combinations under accounting principles generally accepted in the United States. In order to prepare the Pro Forma Financial Information, BurgerFi performed a review of Hot Air accounting policies to identify significant differences from BurgerFi's accounting policies used to prepare BurgerFi's historical financial statements and no significant differences were noted.

The Pro Forma Statement of Operations is provided for illustrative purposes only and does not purport to represent what the combined Company's actual consolidated results of operations would have been had the Transaction occurred on the date assumed, nor is it indicative of the combined Company's future consolidated results of operations. The actual results reported in periods following the Transaction may differ significantly from those reflected in the Pro Forma Statement of Operations for a number of reasons, including, but not limited to, differences between the assumptions used to prepare these Pro Forma Statement of Operations and actual amounts, cost savings or associated costs to achieve such savings from operating efficiencies, synergies, debt refinancing, or other restructuring that may result from the Transaction.

### Note 2. Purchase price

The purchase price presented below was based on the terms of the acquisition. The Pro Forma Financial Information includes various assumptions, including those related to the Company's shares issued in connection with the acquisition and the fair value of BurgerFi's stock. The purchase price is summarized as follows (in thousands, except for share and per share amounts):

Total BurgerFi common shares issued*	3,076,031
BurgerFi share price**	\$ 8.31
Fair value of common stock issued	\$ 25,562
Fair value of preferred stock issued	\$ 46,906
Fair value of option consideration shares***	\$ 3,403
Total fair value of stock issued	\$ 75,871

\* Common shares were calculated based on the 30-day volume-weighted average price per share (with a per day cap of \$14.25 per share and a minimum per day of \$10.25) calculated based on the 30-day period prior to the closing date.

\*\* BurgerFi's closing stock price as of November 2, 2021

\*\*\* Represents the estimated fair value of Hot Air's in-the-money outstanding stock options that were converted to common stock of BurgerFi (**Option Consideration Shares**) attributable to pre-combination service recorded as part of the purchase consideration.

The \$46.9 million is an estimate of the fair value of the preferred stock, as determined by a third-party valuation firm. The terms of the preferred stock include the future accrual of dividends beginning upon the earlier of (1) September 15, 2024 and (2) the date on which Hot Air's lenders are refinanced or repaid in full. From and after this date, dividends will accrue on paid-in-kind (PIK) and cumulative basis at 7% per annum, compounded quarterly, increasing at 0.35% per quarter with no maximum interest rate. In the event Hot Air's bank debt is refinanced or repaid in full prior to September 15, 2024 and the preferred stock is not redeemed in full, the dividend rate will be 5% per annum, compounded quarterly, until September 15, 2024, at which time the dividend rate will resume to 7%. In the event BurgerFi fails to timely redeem the preferred stock as required by the following paragraph, the dividend rate will increase to the lesser of (a) 10% (increasing by an additional 0.35% each quarter thereafter) or (b) the maximum rate allowed under applicable law, unless waived by a majority of the holders of the preferred stock.

### Notes to Unaudited Pro Forma Condensed Combined Financial Information

At any time upon BurgerFi's election or upon a Deemed Liquidation Event (including a change of control) or Qualified Financing, as defined in the Certificate of Designation, the preferred stock will be redeemable at a per share amount equal to the Series A original issue price (\$25.00 per share, adjusted for any stock dividend, split or similar event) plus any accrued and unpaid dividends for each share held. In addition, the preferred stock will be mandatorily redeemable upon the sixth anniversary of the closing date (November 3, 2021).

#### Note 3. Purchase Price Allocation

The purchase price allocation has been used to prepare the pro forma adjustments described in Note 4.

The following table summarizes the allocation of the purchase price based on the estimated fair value of the acquired assets and assumed liabilities as of November 3, 2021 (in thousands except share and per share amounts):

Common stock (3,076,031 shares x \$ 8.31 per share)	\$ 25,562
Preferred stock (2,120,000 shares x \$ 25.00 per share)	46,906
Option consideration shares	3,403
Total purchase price consideration	<u>\$ 75,871</u>
Estimated fair value of assets:	
Cash	\$ 5,522
Accounts receivable	597
Inventories	986
Prepaid expenses and other current assets	1,198
Deposits	464
Property and equipment	<u>13,534</u>
	22,301
Estimated fair value of liabilities assumed:	
Accounts payable, accrued expenses and other current liabilities	15,451
Bank debt	68,424
Related party note payable	8,639
Other long-term liabilities	<u>1,755</u>
	94,269
Net tangible assets	(71,968)
Intangible assets	67,344
Goodwill	<u>80,495</u>
Total consideration	<u>\$ 75,871</u>

**Notes to Unaudited Pro Forma Condensed Combined Financial Information**

**Note 4. Pro forma adjustments**

The following adjustments have been reflected in the unaudited pro forma condensed combined financial information:

- (a) Reflects the adjustment of historical property and equipment and intangible assets acquired by BurgerFi to their estimated fair values and the resulting change in depreciation and amortization expense.

The following table summarizes the estimated fair values of Hot Air's identifiable intangible assets and their estimated useful lives (in thousands):

	Estimated Fair Value	Estimated Useful Life In Years	Period from January 5, 2021 through November 1, 2021 Amortization Expense
Trade names	\$ 60,690	30	\$ 1,686
Liquor licenses	6,654	Indefinite	—
	\$ 67,344		
Historical amortization expense			(5,464)
Pro forma adjustment to amortization expense			\$ (3,778)

The following table summarizes the estimated fair values of Hot Air's property and equipment along with their estimated useful lives (in thousands):

	Estimated Fair Value	Estimated Useful Life In Years	Period from January 5, 2021 through November 1, 2021 Amortization Expense
Leasehold improvements	\$ 6,997	5	\$ 1,166
Kitchen equipment and other equipment	4,465	6	620
Computers and office equipment	390	6	54
Furniture & fixtures	1,626	6	226
Vehicles	55	5	9
	\$ 13,533		
Historical depreciation expense			(4,495)
Pro forma adjustment to depreciation expense			\$ (2,420)

- (b) The adjustment of \$3.2 million represents the accretion of the preferred stock to its estimated redemption value for the period from January 5, 2021 through November 1, 2021.
- (c) Represents the increase in the weighted average shares in connection with the issuance of 3,076,031 shares of common stock to finance the acquisition and 409,524 Option Consideration Shares.
- (d) BurgerFi paid down approximately \$8.3 million of Hot Air's outstanding debt at closing pursuant to the terms of the Transaction. Interest expense of \$0.3 million has been adjusted to reflect the debt principal reduction in the pro forma statement of operations for the period from January 5, 2021 through November 1, 2021.

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**Notes to Unaudited Pro Forma Condensed Combined Financial Information**

The related party note payable has no stated interest rate. The estimated fair value is approximately \$8.6 million based on the net present value using a discount rate of 5.75%. Therefore, the Pro Forma Statement of Operations includes an adjustment to increase interest expense by \$0.4 million for the period from January 5, 2021 through November 1, 2021 relating to imputed interest.

- (e) Accrued management fees of \$3.3 million were forgiven by the stockholders of Hot Air and therefore not assumed by BurgerFi as part of the transaction. Accordingly, the Pro Forma Statement of Operations includes adjustments to other expense of \$0.6 million for the period from January 5, 2021 through November 1, 2021, which represents the management fee expense recorded by Hot Air during that period.
- (f) Reflects the income tax effect of pro forma adjustments based on the estimated blended federal and state statutory tax rate of 27.05%, excluding the change in fair value of preferred stock, which represents a permanent difference for tax purposes.