



Wingstop, Inc. (\$WING) - BUY

Consumer Presentation to the General Body, February 5th, 2026

Consumer Pitch Team

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Table Of Contents

A. Company Overview

B. Industry Overview

C. Investment Highlights

D. Risks to Thesis

E. Valuation & Recommendation



A. Company Overview

Company Overview

Wingstop is a quick-service chain serving made-to-order chicken wings, tenders, and more. It operates a franchised, asset-light model focused on digital ordering and off-premise dining.

Investment Thesis

Wingstop has built a highly standardized, asset-light model that enables consistent execution at scale. This repeatable system supports rapid international expansion while preserving attractive unit economics. Demand is driven by precision marketing tailored to a younger, digital-native audience, complemented by disciplined menu expansion that increases per-visit spend. Smart Kitchen technology enhances production capacity and labor efficiency, while a resilient supply chain mitigates commodity volatility. As consumer preferences shift toward protein-forward, crave-driven meals, Wingstop is well-positioned for durable, long-term growth.

Financial Overview

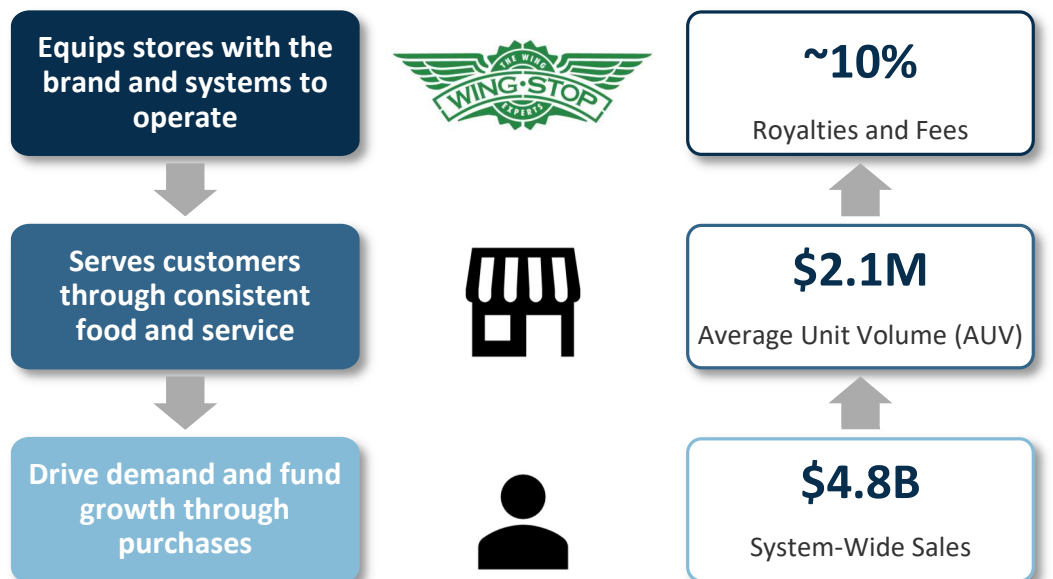
Millions (USD)	FY 2021	FY 2022	FY 2023	FY 2024	CAGR
Revenue	\$282.5	\$357.5	\$460.1	\$625.8	30.4%
<i>Growth % Y/Y</i>		26.6%	28.7%	36.0%	
Gross Profit	\$225.1	\$294.1	\$389.4	\$534.2	33.4%
<i>Margin %</i>	79.7%	82.3%	84.6%	85.4%	
Free Cash Flow	\$20.9	\$52.3	\$80.8	\$105.7	71.6%
<i>Margin %</i>	28.5%	30.2%	28.1%	30.8%	
Net Income (Loss)	\$40.0	\$55.2	\$74.2	\$109.5	39.9%
<i>Margin %</i>	14.2%	15.4%	16.1%	17.5%	

Key Highlights

\$4.8B (System Wide Sales)	\$7.5B (Market Cap)	2,563 (Total Restaurants)
12 (Global Markets)	#19 (QSR Rank)	70% (Digital Sales Mix)
25.8% (System Wide Sales 5-yr CAGR)		50M+ (Unique Digital Guests)

Wingstop Business Model

The Franchise Business



A Recipe for Success

Top 10 Global Restaurant Brand

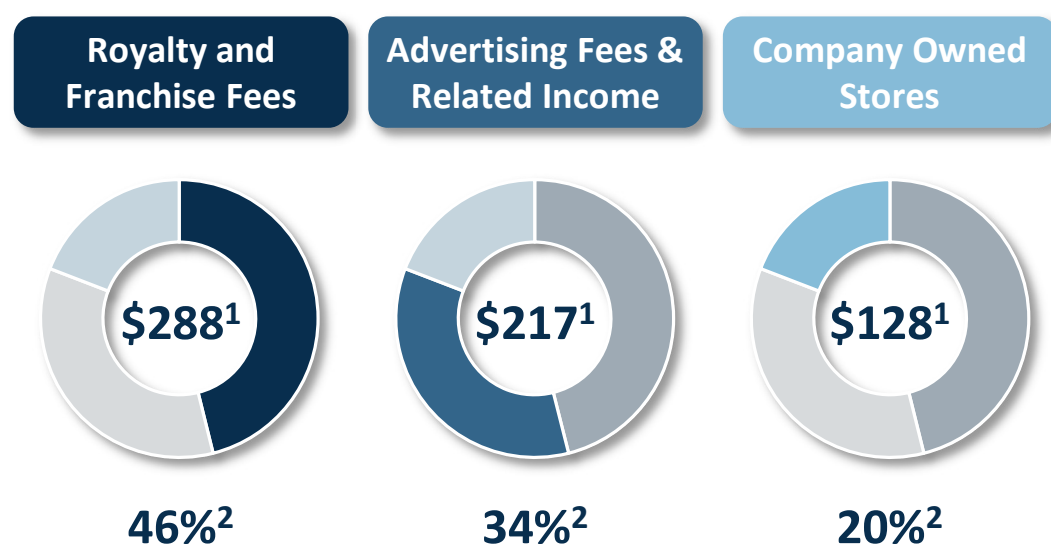
\$3.0M
Average Unit Volume Target

Current AUV: \$2.1M

10,000+
Global Restaurant Potential

Current Locations: 2,563

Breaking it Down



Franchisee Friendly

Same Store Sales Streak

Wingstop has delivered positive same-store sales growth for 21 consecutive years, demonstrating durable demand, pricing power, and a highly repeatable model across economic cycles

Top-Tier Unit Returns

Wingstop generates industry-leading cash-on-cash returns of over 70% through its high AUVs, efficient operations, and low build-out costs—fueling reinvestment and capital-light expansion

Digital Sales Mix

With 70% of sales coming from digital channels, Wingstop drives higher average checks and AUV growth while limiting incremental labor and complexity

(1) In Millions of USD, 2025E Revenue (2) Percent of 2025E Revenue
Sources: Company Reports, Bloomberg Intelligence

Company Management

Wingstop's management team boasts a combined 50+ years of relevant experience



Michael Skipworth
President & CEO

- Brings deep financial and operational expertise across the restaurant and logistics industries
- Played a key role in Wingstop's strategic growth and 2015 IPO success
- Began career in audit and assurance at KPMG LLP, focusing on reporting
- Prior experience includes Senior Vice President of Finance and Accounting at Cardinal Logistics Holdings, LLC



Alex Kaleida
Chief Financial Officer

- Joined Wingstop as Vice President, Financial Planning & Analysis
- Expanded leadership to include FP&A, Internal Audit, and Investor Relations
- Previously held finance and strategic leadership positions at the Wendy's Company and H.J. Heinz Company
- Known for strong financial planning, reporting, and strategic partnership across operations and with investors



Marisa Carona
Chief US Franchise Officer

- Joined Wingstop in 2015, leading guest experience, and operations integration
- Prior to Wingstop, led initiatives on strategy at 7-Eleven focusing on innovation, growth and transformation
- Began career at Lockheed Martin in engineering and operations leadership
- Previously served as Chief Growth Officer and Chief US Franchise Operations & Development Officer





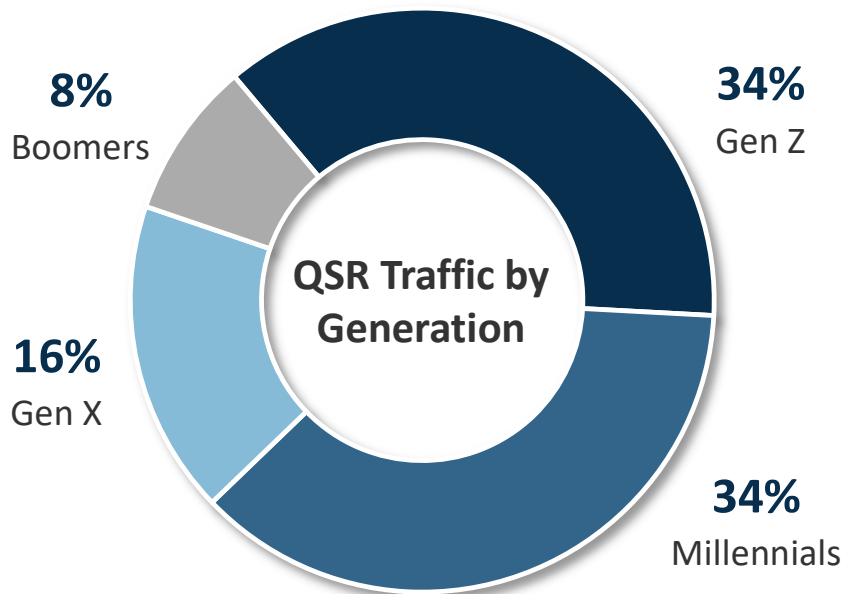
B. Industry Overview

Industry Landscape

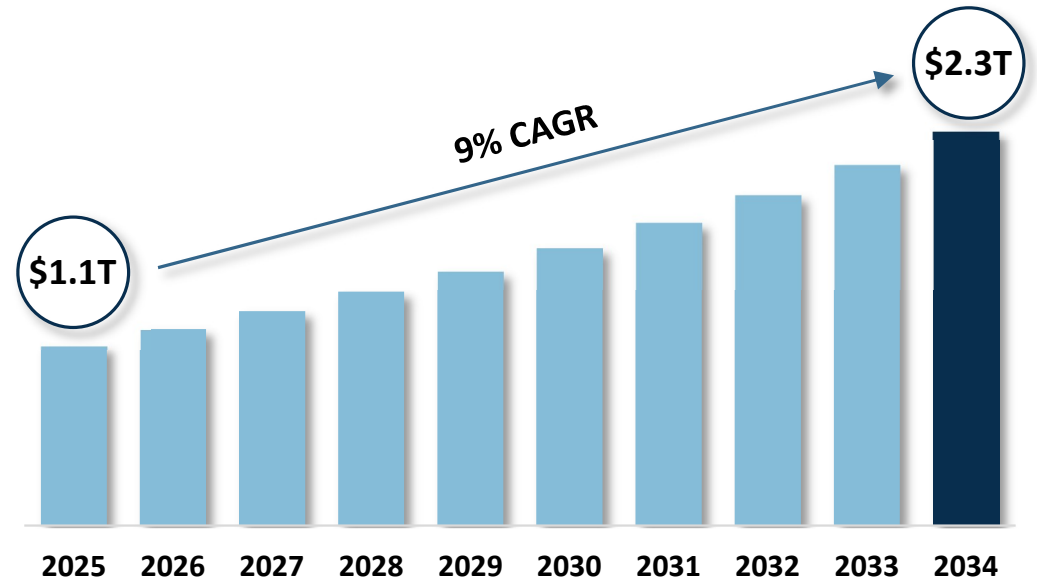
Consumers Are Choosing QSRs

- The QSR category continues to gain share as consumers prioritize convenience, speed, and predictable value over full-service dining experiences
- Traffic growth is driven primarily by increased visit frequency rather than price increases, signaling sustained demand despite macro pressure
- Consumers are trading down in format, not in occasions, maintaining dining frequency while shifting toward quicker, lower-commitment meals
- Large brands are best positioned through faster innovation cycles, menu flexibility, and supply-chain efficiencies

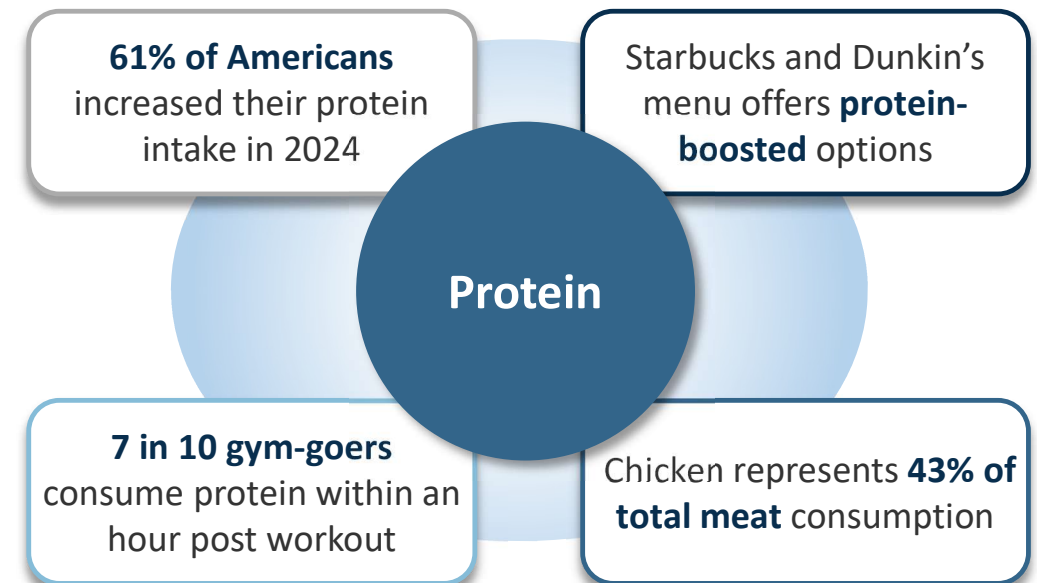
The Youth Generate Growth



A Trillion Dollar Industry Expands



Protein is In





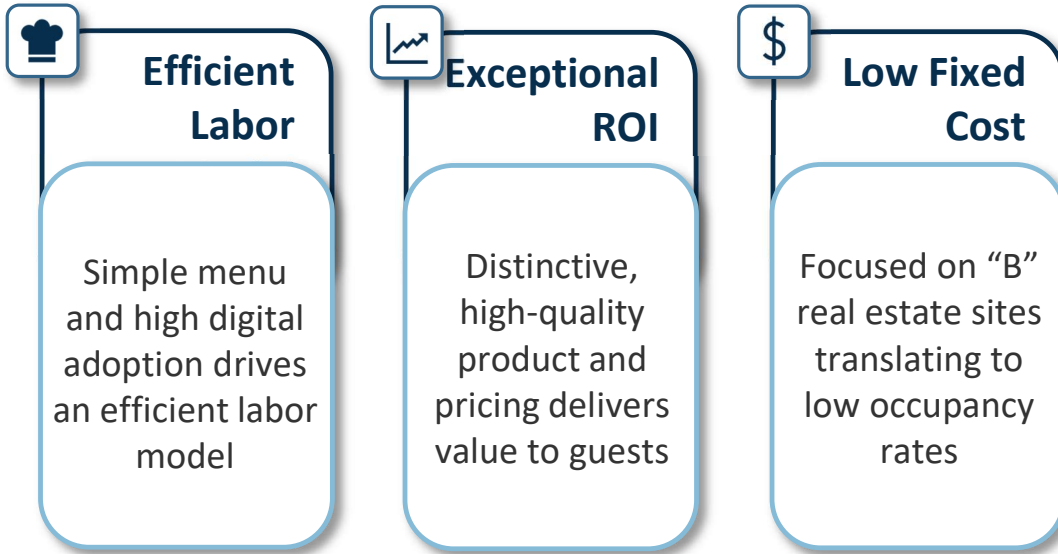
C. Investment Highlights

Investment Highlights



Standardized Operations Drive Scale

A Simple and Proven Operating Model

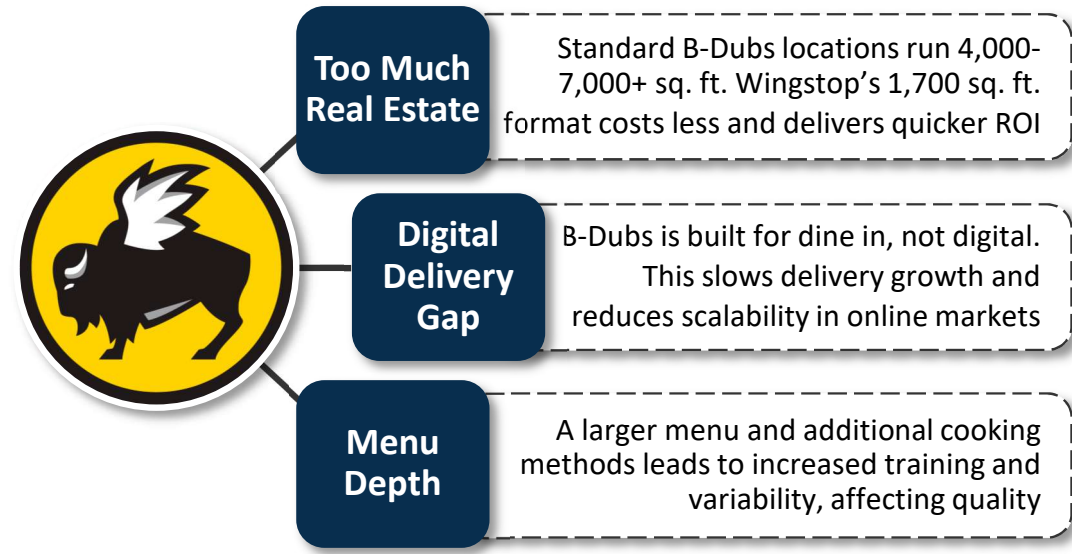


Best-in-Class Unit Economics

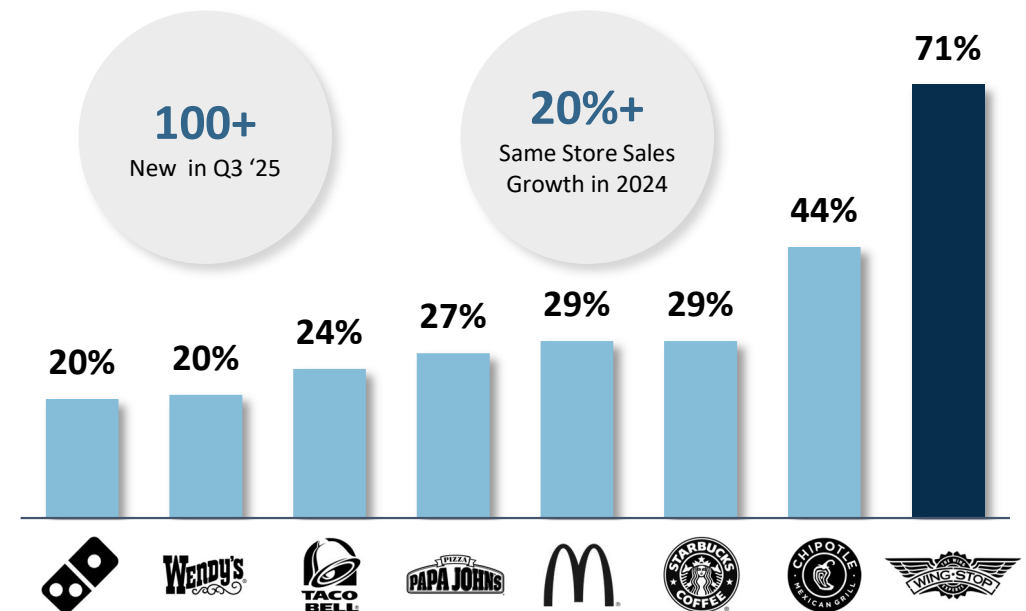
	2015	2019	2025
Domestic AUV	\$1.1M	\$1.2M	\$2.1M
Investment Cost	~370K	~400K	~\$500K
Unlevered COC Return	50%	50%	70%+

(1) Fiscal years 2020-2024
Sources: Company Reports, CNBC

Case Study on Buffalo Wild Wings

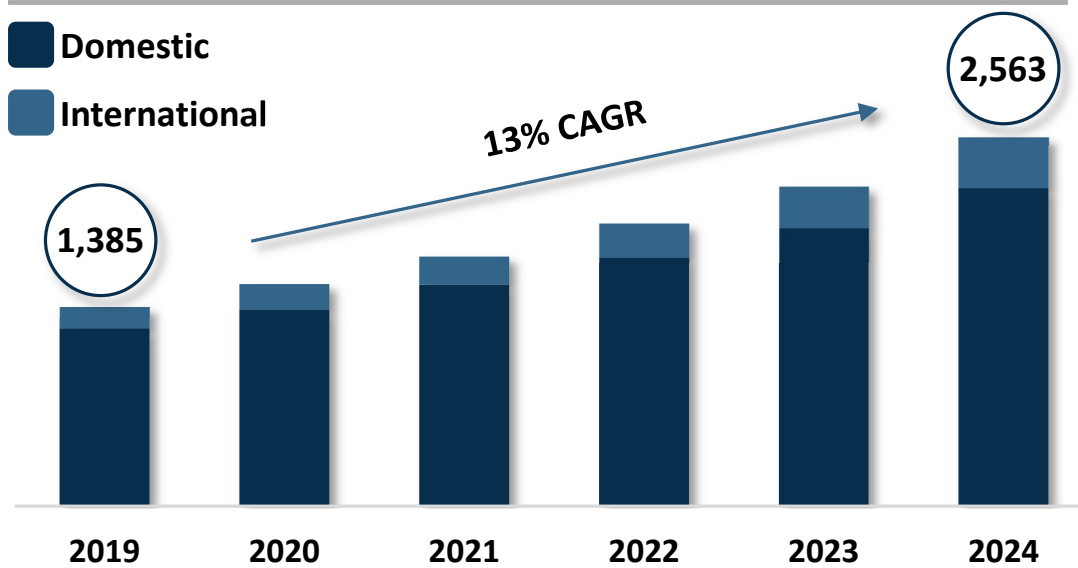


Industry Leading SSS Growth¹

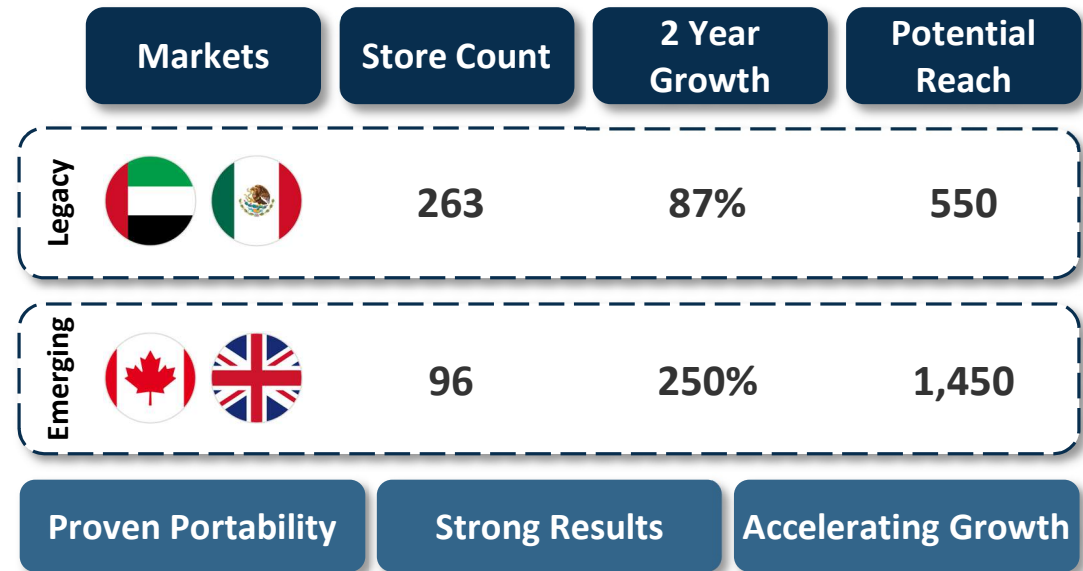


Capitalized for International Scale

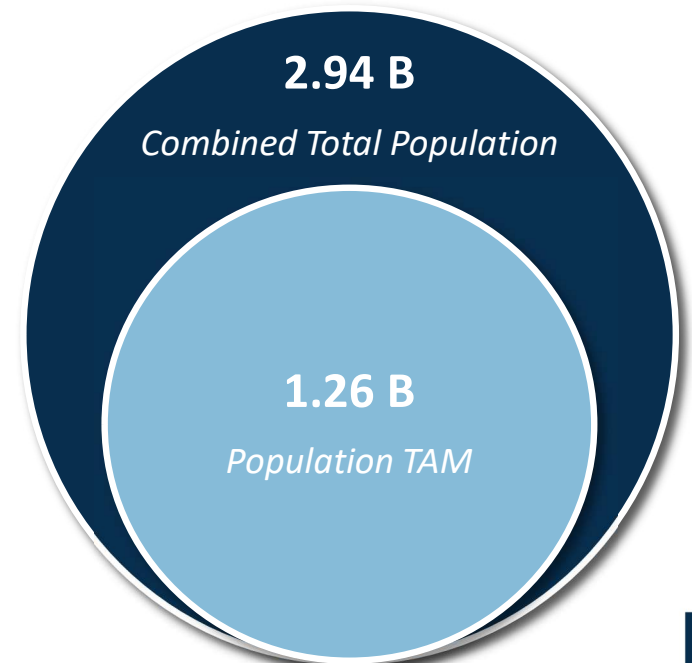
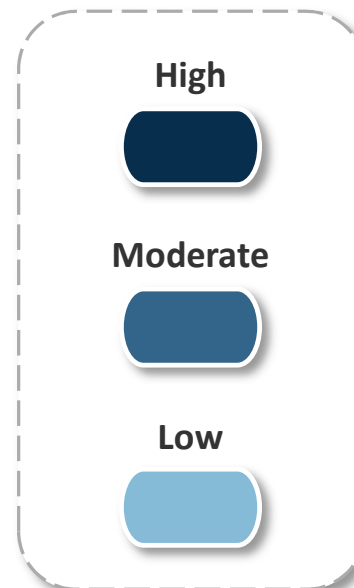
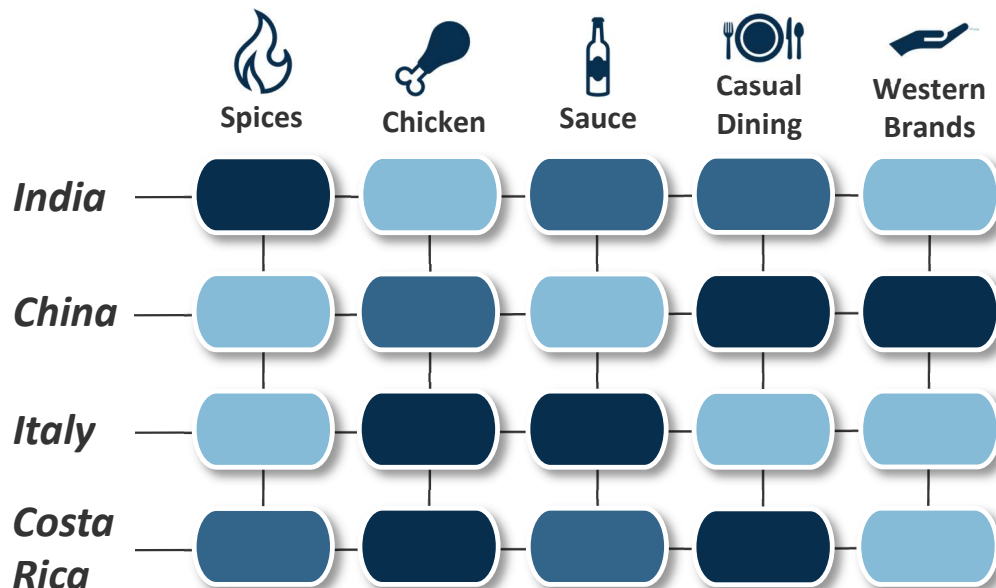
Consistent Domestic and International Growth



How It's Going



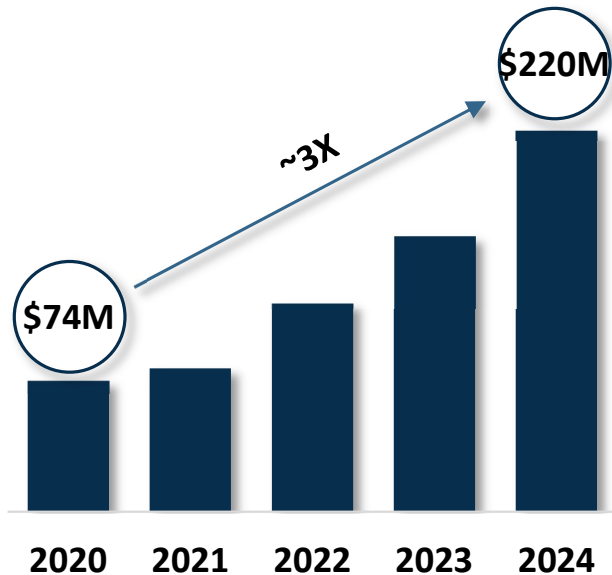
Alignment with International Cultural Preference



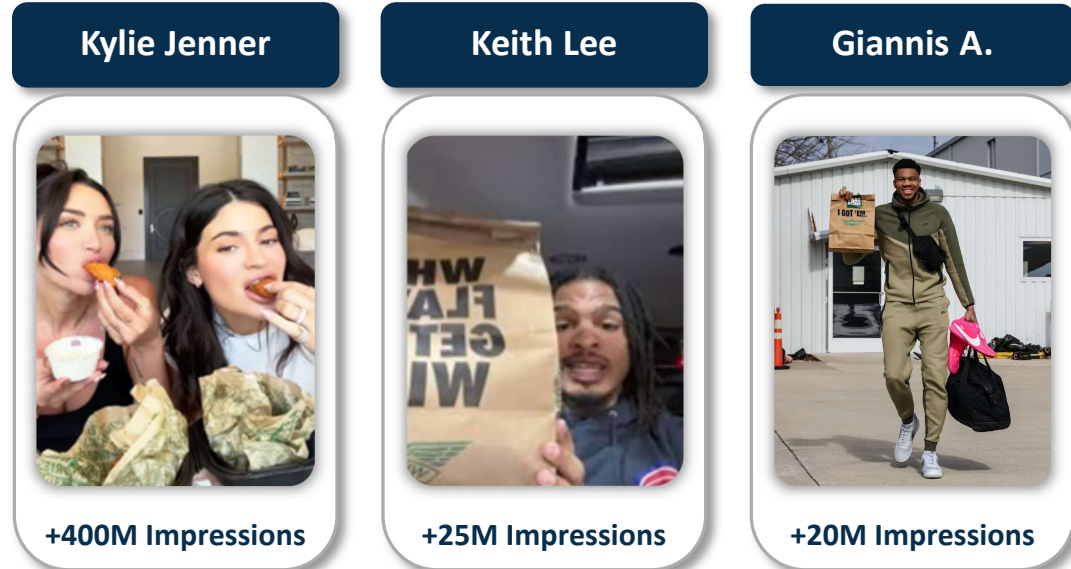
Sources: Company Reports, CNBC, Country Population, Worldometer

Built for Digital-First Generations

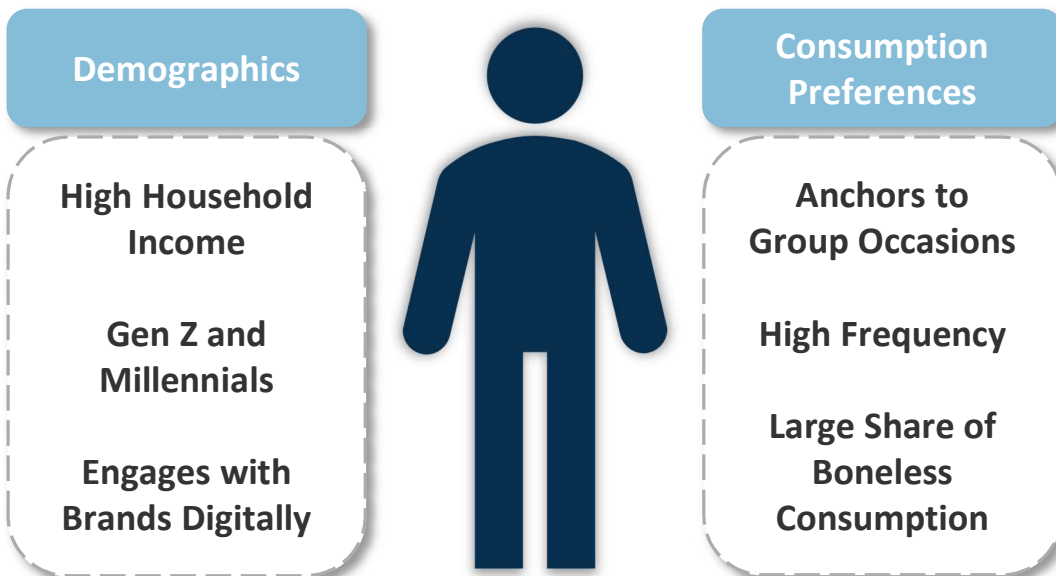
A Growing National Advertising Fund



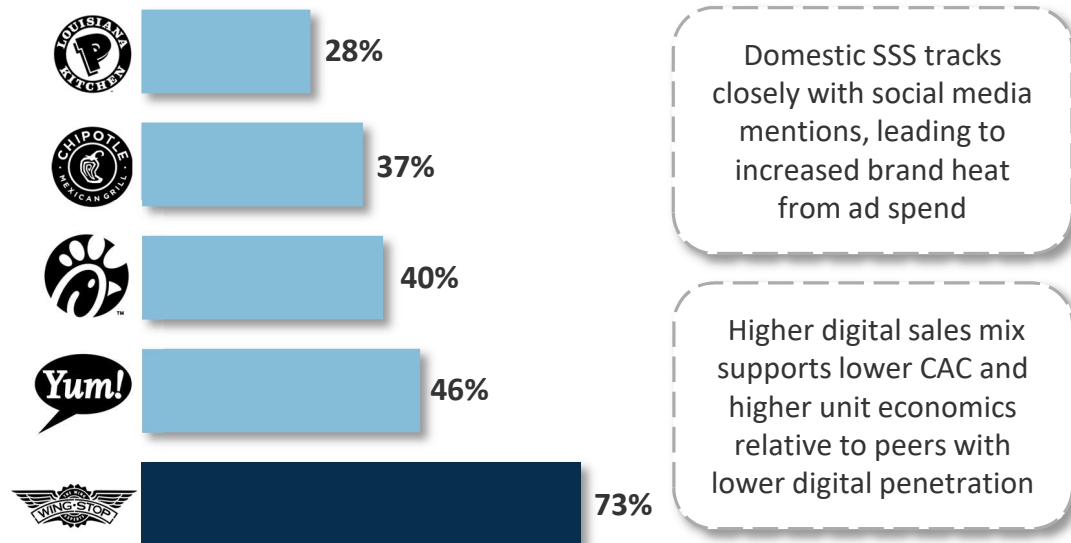
Going Viral on Social Media



Who's Wingstop for?



Digital Sales Mix Dominates Competitors

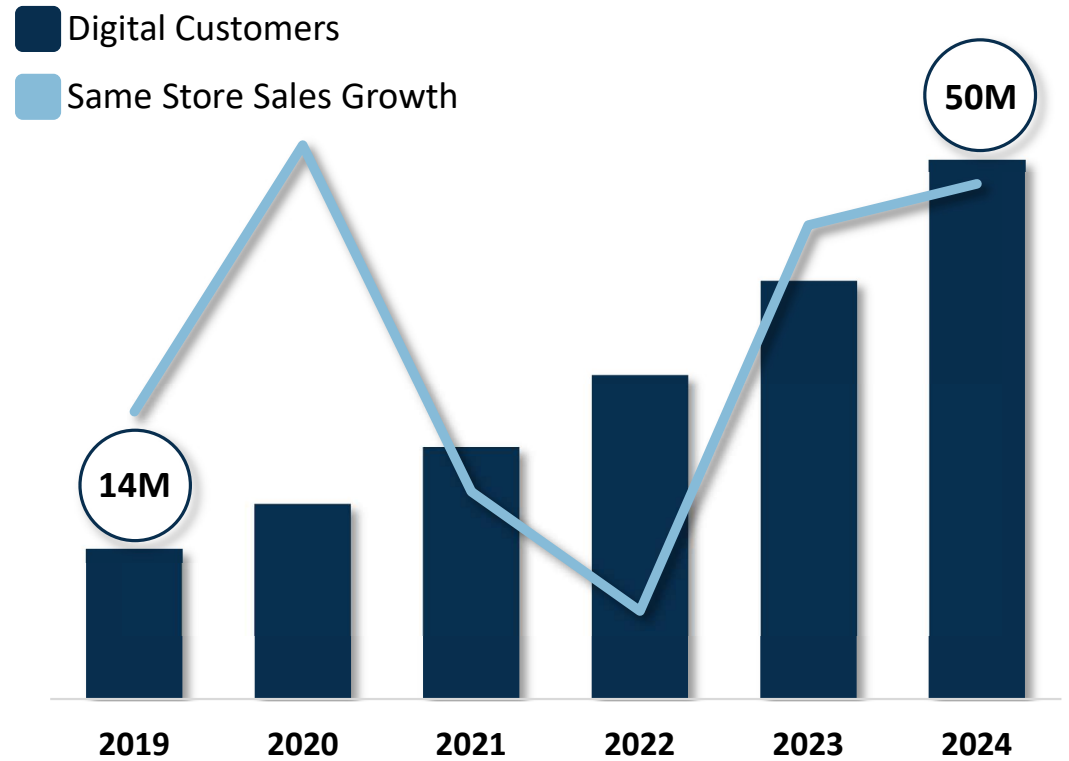


Brand-First Menu Innovation

A Powerful Product Mix



Driving Growth in Customer Database



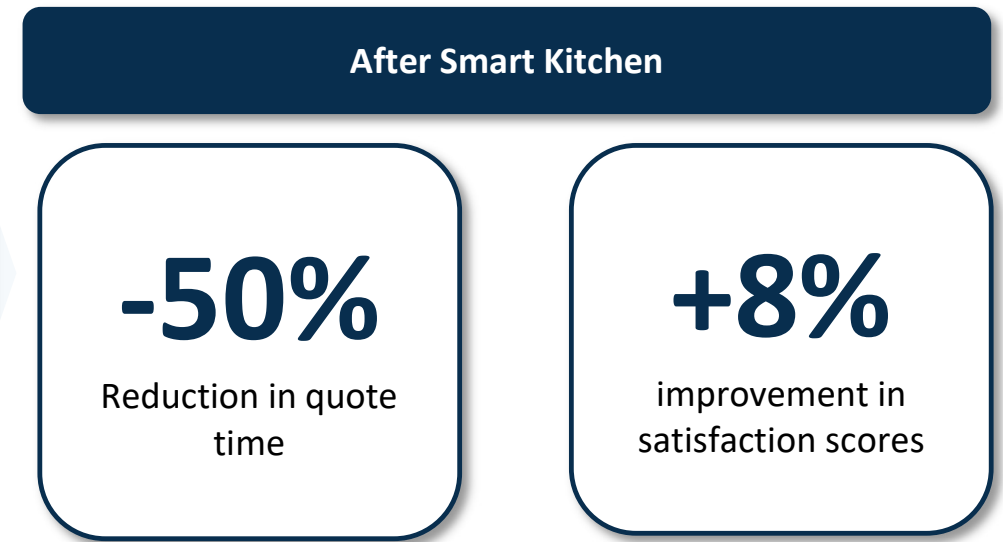
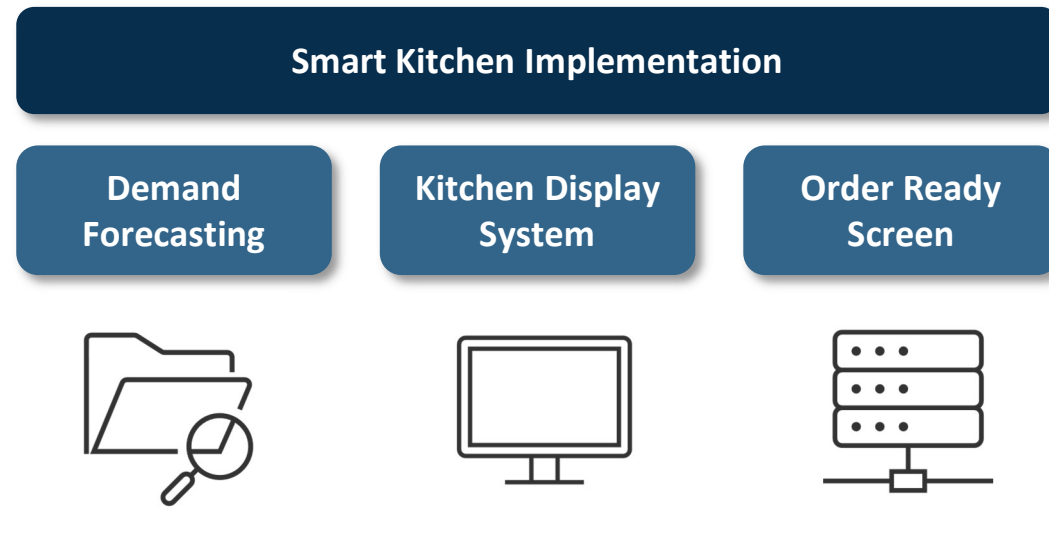
Accelerating New Menu Items



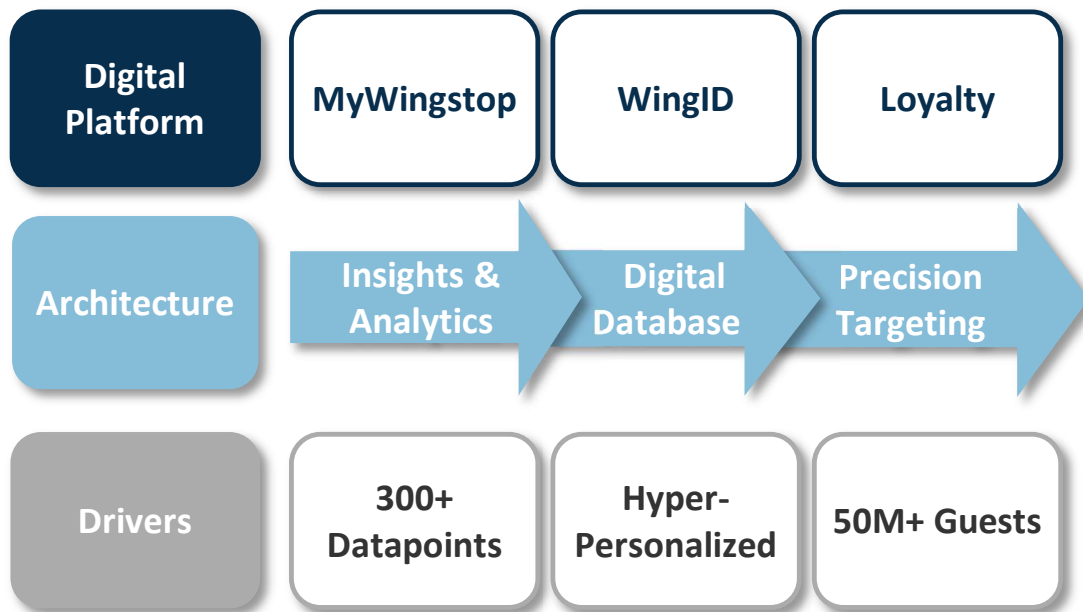
Sources: Company Reports, ESSFeed, FastBull, National Chicken Council

Scalable Digital First Adoption

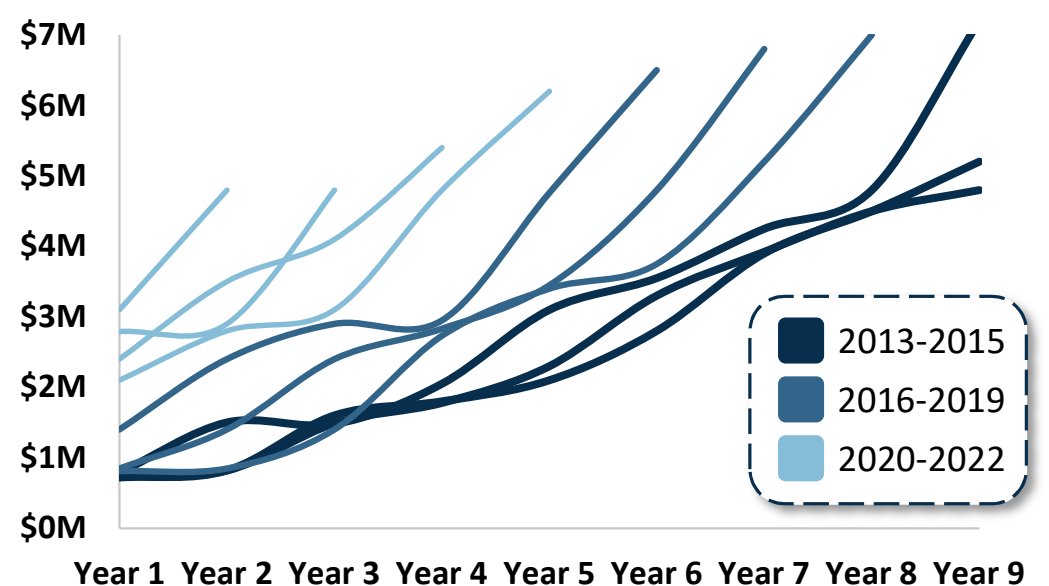
Scalable Kitchen Operating Platform



Technology Investments Drive AUV Growth

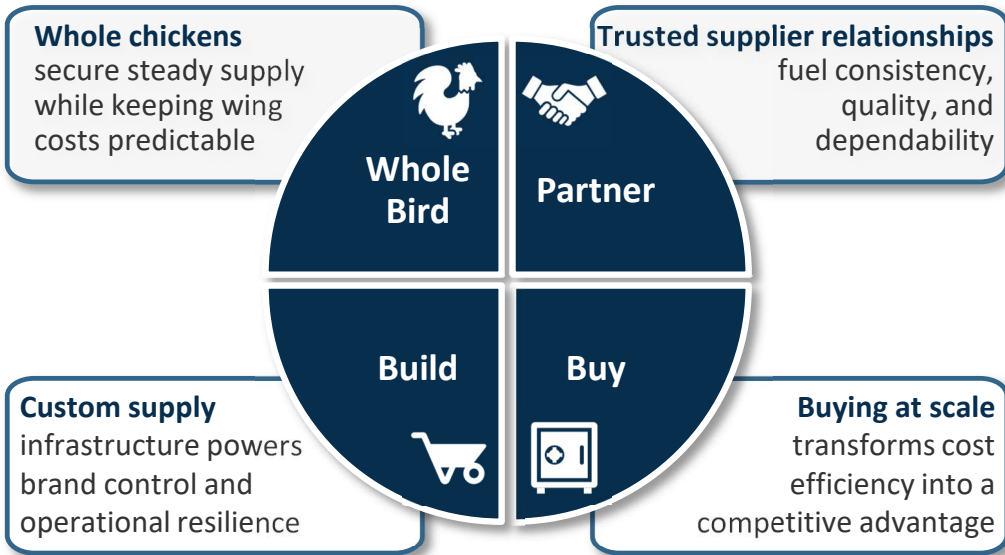


Vintage AUVs Still Climbing



Cost Control Protects Margins

Supply Chain Strategy

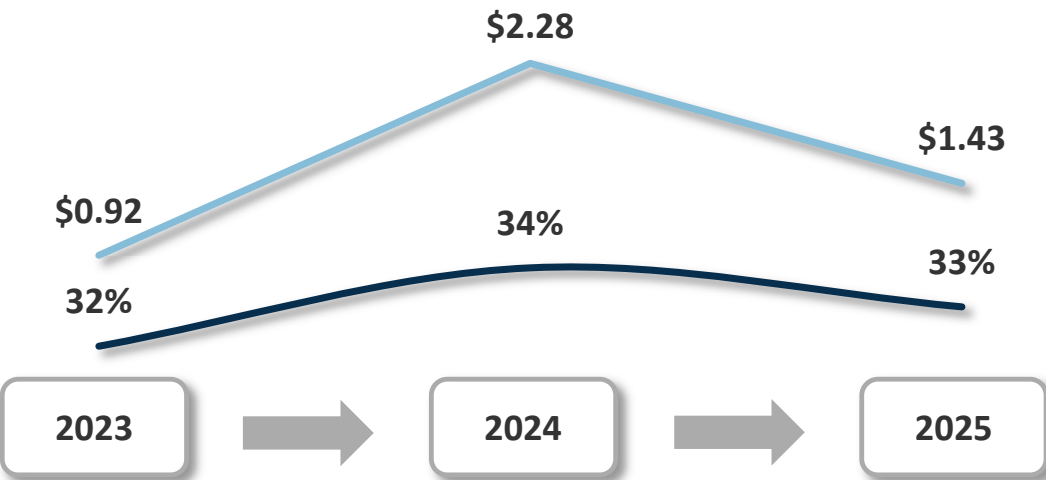


Addressed Price and Product Mix Measures

Reduced Volatility with Long-Term Mutual Agreements

Eliminating Food Cost Volatility

- Urner Berry Market Pricing
- System Food and Packaging Costs



Flavor for Food Program

- End-to-end audits and training ensure consistent food safety and temperature control while maintaining product quality across the supply chain
- All poultry suppliers meet NCC guidelines and provide cage-free housing with controlled environments proper nutrition protection and reduced animal stress
- Supplier partnerships follow a Global Code of Conduct that supports integrity, labor standards, animal welfare, sustainability, and strong management practices



D. Risks to Thesis

Regulatory and Compliance Risks

Operational Execution Risk

Risk

While promising and innovative, the Smart Kitchen Rollout is still in early stages, and execution delays could hinder efficiency gains

Wingstop's asset-light model relies heavily on franchisee performance, so deteriorations in unit economics could impact the company's growth

Mitigation

Phased Smart Kitchen rollout allows Wingstop to test ROI and efficiency gains before full deployment, reducing execution risk

Menu standardization and approved supplier networks reduce operating variability and limit downside from inefficient franchisees

Growth Roadblocks

Currency Risk

International royalty streams, creating earnings volatility that can be mitigated over time through geographic diversification and hedging

International Entry Costs

Upfront franchise support, marketing, and supply chain setup will moderate as markets mature and scale efficiencies are realized

Rising Cost

Higher costs for chicken wings, labor, and food inputs could pressure margins if pricing fails to offset inflation

Wingstop's Diverse Competition

Fast Casual in the USA



CAVA



Chicken-Focused QSRs



POPEYES



International Expansion Threats



Macroeconomic Risks

- Being part of the discretionary consumer category, Wingstop is vulnerable to macroeconomic slowdowns, especially among lower-income demographics
- High third-party delivery fees and platform dependence presents possibility of profitability erosion if consumer behavior or platforms renegotiate their terms
- As Wingstop expands its digital brand and delivery footprint, the company may face increased scrutiny around food safety, franchise compliance and labor classification
- Persistent high interest rates raise borrowing costs for franchisees, slowing down new unit openings and delaying systemwide growth, independent of consumer demand

Stock Performance

Key Events

<p>1</p> <p>Feb '25</p>	<p>Stock slides 7% as higher food, beverage and packaging costs lead to revenue shortfall</p>	<p>4</p> <p>Jun '25</p>	<p>Analysts remain optimistic around Wingstop's scale, labor model and boneless sales</p>
<p>2</p> <p>Mar '25</p>	<p>Major banks including Morgan Stanley all lower price target following slowing sales</p>	<p>5</p> <p>Aug '25</p>	<p>Shares up 24% after the company reported a record 129 new restaurants in Q2</p>
<p>3</p> <p>Apr '25</p>	<p>Positive Q1 2025 earnings and new store development push price target up</p>	<p>6</p> <p>Nov '25</p>	<p>Wingstop CEO announces that the company plans to launch in Ireland, Thailand, and Italy</p>

Stock Performance



(1) Normalized as of 2/1/2026
Sources: Company Reports, Bloomberg Intelligence

Comparable Analysis (1 of 2)

Public Comparables Analysis

(USD in millions)

<u>Name</u>	<u>Ticker</u>	<u>Mkt Cap (\$M)</u>	<u>TTM Sales (\$M)</u>	<u>Growth (%)</u>	<u>EV/EBITDA</u>	<u>P/E</u>
Dutch Bros	BROS	8,952	1,537	32.6%	32.5x	117.3x
CAVA Group	CAVA	7,031	1,132	32.3%	49.4x	54.3x
Chipotle Mexican Grill	CMG	51,397	11,787	14.6%	23.5x	34.4x
Domino's Pizza	DPZ	13,864	4,848	5.1%	18.6x	24.0x
Wingstop	WING	7,375	683	36.0%	28.6x	43.1x
25th Percentile		8,472	1,436	12.2%	22.3x	31.8x
Mean		20,311	4,826	21.1%	31.0x	57.5x
75th Percentile		23,247	6,583	32.3%	36.7x	70.1x
Lower End					\$198.76	\$195.86
Mean Implied Price					\$290.84	\$354.22
Upper End					\$351.04	\$431.68

Comparable Analysis (2 of 2)

Comps Selection Reasoning



DUTCH BROS
Coffee

Cava is a fast-casual Mediterranean restaurant offering customizable bowls and pitas made with fresh ingredients, bold flavors, and globally inspired recipes

Dutch Bros' simplified offerings, high-throughput drive-thru, and loyal customer base are similar to Wingstop's emphasis on repeat traffic and menu simplicity



CAVA

Dutch Bros is a drive-thru coffee company known for its upbeat atmosphere and strong community presence. The brand emphasizes speed and friendliness

Cava's fast-casual, limited-menu model with strong unit economics and digital ordering parallels Wingstop's focus on operational efficiency and scalable growth



CHIPOTLE
MEXICAN GRILL

Chipotle is a fast-casual Mexican grill serving customizable burritos, bowls, and tacos made with responsibly sourced ingredients and a focus on fresh cooking

Chipotle's brand strength, menu focus, and scale in fast-casual dining align with Wingstop's ability to drive consistent traffic and long-term same-store sales growth



Domino's

Domino's is a global pizza chain specializing in delivery and carryout, offering pizzas, sides, and digital ordering with a strong focus on convenience and speed.

Domino's franchise-heavy system, off-premise focus, and technology investment mirrors Wingstop's asset-light model and emphasis on delivery-driven profitability

DCF Analysis (1 of 2)

Cash Flow Projections for Wingstop

(USD in thousands)

	Year ending December 31				Projected year ending December 31				
	2021	2022	2023	2024	2025	2026	2027	2028	2029
Revenue	282,502	357,521	460,055	625,807	699,840	820,912	955,542	1,117,602	1,275,854
Cost of Goods Sold	(57,416)	(63,395)	(70,646)	(91,632)	(101,477)	(119,032)	(138,554)	(162,052)	(184,999)
Gross Profit	225,086	294,126	389,409	534,175	598,363	701,880	816,988	955,550	1,090,855
Other Operating Costs	(151,330)	(202,193)	(276,815)	(368,559)	(349,920)	(410,456)	(477,771)	(558,801)	(637,927)
Operating Profit	73,756	91,933	112,594	165,616	248,443	291,424	339,217	396,749	452,928
Taxes	(16,249)	(21,696)	(28,824)	(43,226)	(64,595)	(75,770)	(88,197)	(103,155)	(117,761)
NOPAT	57,507	70,237	83,770	122,390	183,848	215,654	251,021	293,594	335,167
Depreciation & Amortization	7,943	10,899	13,239	19,490	24,494	27,911	31,533	35,763	39,551
Other Non-Cash Operating Costs	12,584	948	14,007	20,251	25,894	30,374	35,355	41,351	47,207
Capital Expenditures	(28,021)	(7,273)	(2,963)	(3,955)	(4,199)	(4,925)	(5,733)	(6,706)	(7,655)
Change in Working Capital	10,780	4,669	2,088	283	(2,987)	4,432	4,928	5,932	5,792
Unlevered Free Cash Flow	60,793	79,480	110,141	158,459	227,050	273,445	317,103	369,935	420,062
Ratios/Assumptions									
Sales Growth		26.6%	28.7%	36.0%	11.8%	17.3%	16.4%	17.0%	14.2%
Gross Margin	79.7%	82.3%	84.6%	85.4%	85.5%	85.5%	85.5%	85.5%	85.5%
Other Operating Costs (as a % of sales)	53.6%	56.6%	60.2%	58.9%	50.0%	50.0%	50.0%	50.0%	50.0%
Effective Tax Rate	22.0%	23.6%	25.6%	26.1%	26.0%	26.0%	26.0%	26.0%	26.0%
Depreciation & Amortization (as a % of sales)	2.8%	3.0%	2.9%	3.1%	3.5%	3.4%	3.3%	3.2%	3.1%
Other Non-Cash Costs (as a % of sales)	4.5%	0.3%	3.0%	3.2%	3.7%	3.7%	3.7%	3.7%	3.7%
Capital Expenditures (as a % of sales)	9.9%	2.0%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%

DCF Analysis (2 of 2)

EBITDA Multiple Method	
WACC	9.9%
NPV of free cash flow	\$1,187,497
Terminal multiple	31.0x
Terminal value	\$15,274,259
PV of the terminal value	\$9,527,340
Enterprise value	\$10,714,838
Less: Net debt	\$1,031,991
Equity value	\$9,682,847

Diluted shares: 27,800

Equity Value Per Share \$348.30

Perpetual Growth Method	
WACC	9.9%
NPV of free cash flow	\$1,187,497
Terminal growth rate	4.0%
Terminal value	\$7,404,489
PV of the terminal value	\$4,618,560
Enterprise value	\$5,806,057
Less: Net debt	\$1,031,991
Equity value	\$4,774,066

Diluted shares: 27,800

Equity Value Per Share \$171.73

Sensitivity

	WACC				
	7.9%	8.9%	9.9%	10.9%	11.9%
Terminal multiple 30.0x	371.68	354.00	337.25	321.38	306.33
Terminal multiple 30.5x	377.74	359.79	342.78	326.66	311.38
Terminal multiple 31.0x	383.80	365.57	348.30	331.94	316.43
Terminal multiple 31.5x	389.85	371.35	353.83	337.22	321.48
Terminal multiple 32.0x	395.91	377.13	359.35	342.50	326.53

	WACC				
	7.9%	8.9%	9.9%	10.9%	11.9%
Terminal Growth Rate 3.0%	225.30	179.06	146.29	121.85	102.94
Terminal Growth Rate 3.5%	251.15	195.92	158.01	130.39	109.39
Terminal Growth Rate 4.0%	283.63	216.23	171.73	140.18	116.65
Terminal Growth Rate 4.5%	325.67	241.14	187.98	151.49	124.89
Terminal Growth Rate 5.0%	382.19	272.45	207.56	164.71	134.33

Valuation Summary

We rate Wingstop as a **buy** with a \$330.00 price target against a current price of \$266.66.

Methodology		Valuation	Commentary
Market Based	EV / EBITDA	\$290.84	Market multiples imply Wingstop is fairly valued with upside potential
	Price / Earnings	\$354.22	Industry comparables suggest Wingstop is attractively priced below peers
	52 Week High/Low	High: \$388.14 Low: \$204.00	52-week performance displays an attractive entry price for WING with room to grow
Assumption Based	DCF	\$348.30	DCF yields an implied share price of \$348.30, for an upside of 30.6%
	Street Consensus	\$327.50	83.3% of analysts (25) rate WING as a BUY, with 13.3% (4) a HOLD, yielding a 22.8% upside

Recommendation

We recommend purchasing 40 shares of Wingstop, Inc. at the market price of \$266.66

Thesis

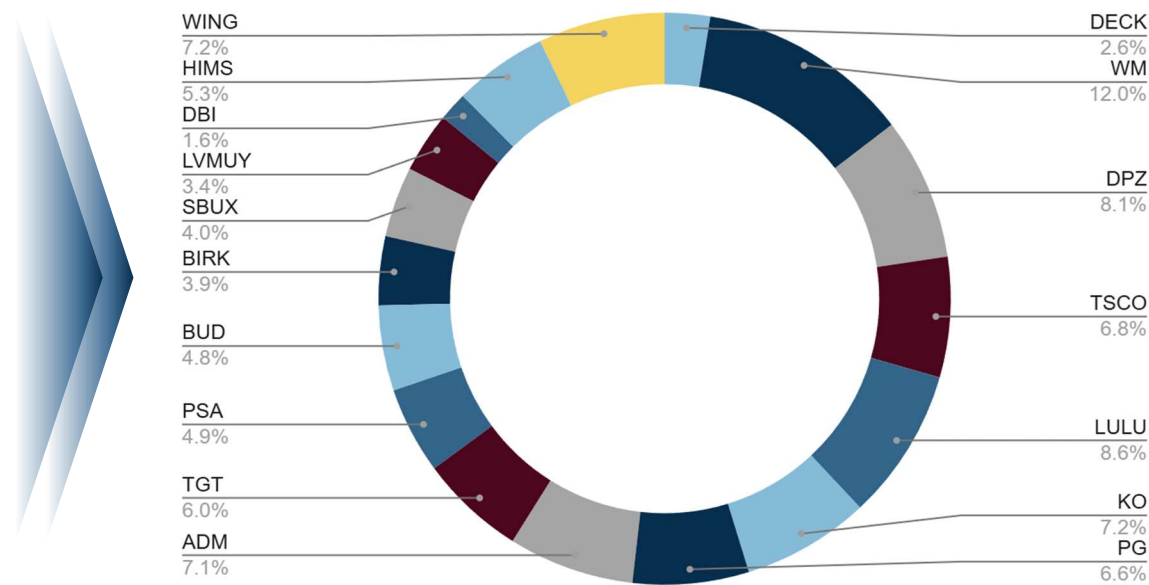
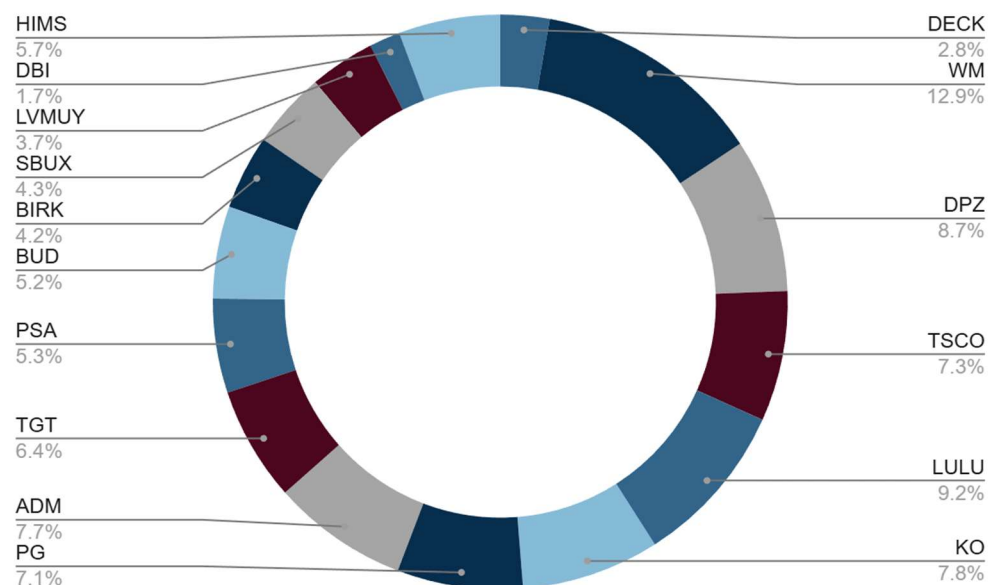
Wingstop has established itself as one of the most compelling growth stories in the global QSR landscape, powered by a highly scalable asset-light franchise model, a digitally native ordering experience, and a category-defining flavor leadership in chicken. Its disciplined focus on off-premise dining, best in-class unit economics, and data-driven marketing has created a balance of strong same-store sales, rapid unit expansion and expanding margins. As Wingstop accelerates international development and deepens its digital ecosystem through loyalty, delivery, and kitchen automation, the company is positioned to capture a growing share of the global chicken consumption.

Proposal

Buy: 40 shares
Total value: \$10,666.40

Sector Weight: 7.16%
Overall Weight 0.77%

Illustrative Impact



WF