Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2015

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

W BBQ HOLDINGS, INC.

1265 THIRD AVENUE
NEW YORK, NY 10021

2b Employer Identification Number (EIN)
47-5557300

2c Plan Sponsor's telephone number
212-772-9393

2d Business code (see instructions)
722511

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	02/14/2018	JOSEPH SHPIGEL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	1096
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	1095
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	855
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	75
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	930
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	930
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	913
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	214
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2P 2Q 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [ ]	Insurance	**(1)** [ ]	Insurance
(2) [ ]	Code section 412(e)(3) insurance contracts	**(2)** [ ]	Code section 412(e)(3) insurance contracts
(3) [X]	Trust	**(3)** [X]	Trust
(4) [ ]	General assets of the sponsor	**(4)** [ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
W BBQ HOLDINGS, INC.

D Employer Identification Number (EIN)
47-5557300

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	4811609	4876861
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	6119
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	28880000
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	4811609	33762980
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i	0	90920695
j	Other liabilities	1j	0	949443
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	91870138
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	4811609	-58107158

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	8204701	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		8204701
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	-70007309	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-70007309

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		-61802608
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		0
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		1116159
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1116159
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-62918767
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MEISEL, TUTEUR, AND LEWIS, P.C. **(2)** EIN: 22-3123305

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n		X	
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

Part V Trust Information

6a Name of trust
W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP TRUST

6b Trust's EIN
813407038

6c Name of trustee or custodian
ARGENT TRUST COMPANY

6d Trustee's or custodian's telephone number
678-397-1973

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
W BBQ HOLDINGS, INC.

D Employer Identification Number (EIN)
47-5557300

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... | 1 | 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... | 3 |

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... | 6a |

b Enter the amount contributed by the employer to the plan for this plan year ..... | 6b |

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... | 6c |

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☐ N/A

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☒ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☒ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☒ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

Meisel, Tuteur & Lewis, P.C.

Certified Public Accountants
Management Consultants

W BBQ HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

DECEMBER 31, 2016 AND 2015

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Meisel,
Tuteur &
Lewis, P.C.
Certified Public Accountants
Management Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
W BBQ Holdings, Inc. Employee Stock Ownership Plan
New York, New York

We have audited the accompanying financial statements of W BBQ Holdings, Inc. Employee Stock Ownership Plan (the "Plan" or "ESOP"), which comprise the statements of net assets (deficit) available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets (deficit) available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets (deficit) available for benefits of W BBQ Holdings, Inc. Employee Stock Ownership Plan as of December 31, 2016 and 2015, and the changes in net assets available for benefits for the year ended December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information in the accompanying schedules of assets (held at end of year) as of December 31, 2016 and reportable transactions for the year then ended are presented for the purpose of additional analysis and are not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplemental information has been subjected to the audited procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

Meisel, Tuteur & Lewis, P.C.

MEISEL, TUTEUR & LEWIS, P.C.

Roseland, New Jersey
February 14, 2018

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS

DECEMBER 31, 2016

	Allocated	Unallocated	Total
ASSETS:			
INVESTMENT IN W BBQ HOLDINGS, INC. COMMON STOCK, AT FAIR VALUE	$ 3,770,818	$ 25,109,182	$ 28,880,000
EMPLOYER CONTRIBUTIONS RECEIVABLE	4,876,861	-	4,876,861
CASH AND CASH EQUIVALENTS	6,119	-	6,119
TOTAL ASSETS	8,653,798	25,109,182	33,762,980
LIABILITIES:			
INTEREST PAYABLE	-	949,443	949,443
NOTES PAYABLE - RELATED PARTIES	-	90,920,695	90,920,695
TOTAL LIABILITIES	-	91,870,138	91,870,138
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	$ 8,653,798	$ (66,760,956)	$ (58,107,158)

The accompanying notes are an integral part of these financial statements.

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2015

	Allocated	Unallocated	Total
ASSETS:			
EMPLOYER CONTRIBUTIONS RECEIVABLE	$ 4,811,609	$ -	$ 4,811,609
TOTAL ASSETS	4,811,609	-	4,811,609
NET ASSETS AVAILABLE FOR BENEFITS	$ 4,811,609	$ -	$ 4,811,609

The accompanying notes are an integral part of these financial statements.

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2016

	Allocated	Unallocated	Total
ADDITIONS:			
Contributions:			
Employer contributions	$ 8,204,701	$ -	$ 8,204,701
TOTAL ADDITIONS	8,204,701	-	8,204,701
DEDUCTIONS:			
Net depreciation in fair value of investment	8,133,330	61,873,979	70,007,309
Interest expense	-	1,116,159	1,116,159
TOTAL DEDUCTIONS	8,133,330	62,990,138	71,123,468
TRANSFERS:			
Allocation of 52,227.39 Shares of W BBQ Holdings, Inc. common stock at fair value	3,770,818	(3,770,818)	-
TOTAL TRANSFERS	3,770,818	(3,770,818)	-
NET INCREASE (DECREASE)	3,842,189	(66,760,956)	(62,918,767)
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS:			
BEGINNING OF YEAR	4,811,609	-	4,811,609
END OF YEAR	$ 8,653,798	$ (66,760,956)	$ (58,107,158)

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF PLAN

The following is a brief description of W BBQ Holdings, Inc. Employee Stock Ownership Plan (the "ESOP" or the "Plan"). This description of the ESOP is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the ESOP's provisions.

General

The Plan covers eligible employees of W BBQ Holdings, Inc. and its subsidiaries and an affiliated company (collectively, the "Company"). The Plan was originally organized and adopted as a Profit Sharing Plan ("W BBQ Holdings, Inc. Profit Sharing Plan" or the "Profit Sharing Plan") on January 1, 2015. Effective January 1, 2016, the Company elected to amend and restate the Profit Sharing Plan to become the W BBQ Holdings, Inc. Employee Stock Ownership Plan. W BBQ Holdings, Inc. (the "Plan Sponsor") acts as the Plan Sponsor for the ESOP, Focus Pension LLC ("Focus" or the "Plan Administrator") serves as the Plan Administrator for the ESOP, and Argent Trust Company ("Argent" or the "Trustee") serves as the trustee for the ESOP.

The ESOP is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the "Code"), and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The ESOP holds common shares of the Company obtained through proceeds from loans received from the original shareholders (the "Seller Notes") and the Company (the "ESOP Loan") (Note 4), and holds the stock in a trust. The borrowings are to be repaid over a period of 20 years using contributions from the Company to the trust fund. As the ESOP makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. The borrowings are collateralized by unallocated shares of Company stock. The Company has no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the ESOP present separately the assets and liabilities and changes therein pertaining to the accounts of employees with vested rights in allocated stock ("Allocated") and stock not yet allocated to employees ("Unallocated").

Eligibility and Participation

Employees of the Company and its participating subsidiaries are generally eligible to participate in the Plan after one year of service, providing they worked at least 1,000 hours during such Plan year and attained the required age of 21. Participants who do not have at least 1,000 hours of service during such Plan year or are not employed on the last working day of a Plan year are generally not eligible for an allocation of Company contributions for such year. An employee is not an eligible employee if he or she is compensated principally on an hourly, daily, commission fee or retainer basis, or has waived any claim to membership in the ESOP.

Employer Contributions

Contributions are subject to certain limitations. The Company shall contribute to the ESOP an amount that, at minimum, shall serve to finance the ESOP's obligation under its outstanding borrowings from the Sellers Notes and the ESOP Loan. The Company may contribute additional amounts, if designated by the Company's Board of Directors or its Investment Committee (the "Committee"), to the ESOP, which shall be applied as a payment of principal or interest for the outstanding borrowings from the Sellers Notes and the ESOP Loan. Any additional contributions approved by the Committee shall be treated as an ESOP contribution and shall be allocated among the accounts of eligible participants in accordance with a pre-established formula. Participant contributions are not permitted.

1. DESCRIPTION OF PLAN (CONTINUED)

Vesting

If a participant's employment with the Company ends for any reason other than retirement, contract termination, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company.

The balance credited to each participant's account shall become vested in accordance with the following schedule:

Number of Years of Service	Vested Percentage
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 or more years	100%

Investments

As of December 31, 2016, the ESOP's investments consist of the investment in common stock of the Company and the investment of cash balances in a short-term investment fund administered by the ESOP trustee. The ESOP is permitted to invest in any of the following: (i) shares of the Company's common stock; (ii) such Investment Funds as may be established from time to time by the Committee; and (iii) such other investments as may be permitted under the ESOP trust agreement. The terms of the ESOP trust agreement permit investment in any commingled or group trust fund, or common trust fund that is exempt from taxes under Section 501(a) of the Code.

Participant Accounts and Allocation of Shares

The Plan establishes a separate individual account for each participant. As of the last day of each plan year during which the share acquisition loans are outstanding, a portion of the financed shares purchased with the proceeds of the loans shall be released in accordance with a predetermined formula. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

During the year ended December 31, 2016, 52,227.39 shares were released and allocated to eligible participant accounts in the proportion that each such eligible participant's compensation, as measured under the terms of the ESOP, for the portion of the plan year during which he or she was a participant, bears to the aggregate compensation of all eligible participants, as measured under the terms of the ESOP. Each participant's account reflects an allocation of the Company's contributions and ESOP earnings.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The ESOP trustee is permitted, upon grant of authority by the Plan Administrator, to vote shares for which instructions have not been given by a participant within the stated time period. Such vote is made in direct proportion to the votes received from participants. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interests of Plan participants and beneficiaries.

1. DESCRIPTION OF PLAN (CONTINUED)

Forfeitures

Upon the termination of employment of a participant or former participant for reason other than death, disability, or retirement, that portion of the balance credited to his or her account which is not vested at the date of termination shall be forfeited as of the last Valuation Date, defined as the last business day of December. Plan forfeitures are allocated to each participant's account based upon the relation of the participant's eligible compensation to total eligible compensation for the Plan year. The proceeds of such forfeitures shall be treated as loan repayments and ESOP contributions as designated by the Committee.

Benefit Payments

No benefit distributions from the ESOP are made until termination of services due to death, disability, retirement or other reason, at which time either a lump-sum or installment payment amounts equal to the value of the participant's vested interest in his or her account are made as previously instructed by the participant. Distributions are made by means of cash and/or stock payments. If a participant's vested account balances exceeds the cash-out limit, payment of his or her employer contribution account shall be made in cash payments, in equal quarterly installments over a period of 5 years. In the case of death or incapacity of the participant, payments are made to his or her beneficiary or, if none, his or her legal representatives.

During 2016, no benefit payments were made and the Plan did not distribute and the Company did not repurchase any shares from participants.

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase, with interest, over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments that are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a 6-year period. In each of the first 5 years, a participant may diversify up to 25 percent of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify receive a cash distribution.

2. SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates in the Preparation of Financial Statements

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

2. SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Allocations
The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Investment Valuation and Income Recognition
The shares of Company common stock are valued at fair value (refer to Note 3 for a discussion of the fair value measurements). Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits
Benefits are recorded when paid.

Administrative Expenses
Administrative expenses are paid by the Company as provided in the ESOP Plan Documents.

3. FAIR VALUE MEASUREMENTS

ASC 820 establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Observable market based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

3. FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the techniques and inputs used for each major class of assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016.

W BBQ Holdings, Inc. Common Stock – Valued using a combination of the market approach and income approach (including the discounted cash flow method, guideline public company method, and guideline transaction method) as determined by an independent appraiser. Unobservable inputs include EBITDA, net income, weighted average cost of capital, discount rate, discount for lack of marketability, public comparables, and revenue & EBITDA multiples. The valuation process involves the selection of an independent appraiser under contract for a term of three years with the right to cancel such contract at any time. Plan management accumulates the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a preliminary report that plan management, along with the ESOP trustee, reviews in detail, discusses, and approves. The results of this process are documented by the plan management.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents by level, within the fair value hierarchy, the Plan investment assets at fair value, as of December 31, 2016. As required by ASC 820, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
W BBQ Holdings, Inc. Common stock, at fair value	$ -	$ -	$ 28,880,000	$ 28,880,000
Total	$ -	$ -	$ 28,880,000	$ 28,880,000

The Plan recognizes transfers between the levels as of the beginning of the reporting period. There were no transfers between levels for the year ended December 31, 2016.

The following table presents additional detail for the W BBQ Holdings, Inc. Common Stock held by the Plan as of December 31, 2016:

	December 31, 2016	
	Allocated	Unallocated
W BBQ Holdings, Inc. common stock:		
Number of shares	52,227.39	347,772.61
Cost	$11,904,148	$86,983,161
Estimated fair value	$3,770,818	$25,109,182

The estimated fair value of equity per share of the Company's common stock at December 31, 2016 was $72.20.

4. NOTES PAYABLE – RELATED PARTIES

On July 29, 2016, the ESOP purchased 400,000 shares of the Company's common stock from the original shareholders through Seller Notes issued. As outlined in the Stock Purchase Agreement originally executed, the stock was purchased at a price of $230.00 per share for an aggregate purchase price of $92,000,000 as evidenced by the corresponding Seller Notes issued. The original Stock Purchase Agreement was subsequently amended to incorporate changes identified at closing and the amended aggregate purchase price and corresponding amended Seller Notes amounted to $98,887,309 ($247.22 per share). In order to partially fund amounts due to the original shareholders through the Seller Notes, the Company loaned $20,200,000 to the ESOP Plan Trust as part of a loan and pledge agreement (the "ESOP Loan") executed on the same date the Stock Purchase Agreement and Seller Notes were executed.

The outstanding principal amounts of the Seller Notes and ESOP Loan bear interest at an annual rate equal to 3.0% and the long term Applicable Federal Rate ("AFR"), respectively. The executed Seller Note and ESOP Loan Agreements call for 20 equal annual principal installments plus pro-rata accrued interest, commencing on December 31, 2016 and continuing on the same day of each year thereafter. The Plan may at any time prepay the principal amount outstanding under the Seller Notes or ESOP Loan in whole or in part without premium or penalty. If not paid sooner, the entire principal amount and all accrued interest shall be paid in full on December 31, 2035. As security for the performance of its obligation under the Seller Notes and ESOP Loan Agreements, the Plan pledged a first priority security interest in the 400,000 shares (291,304.35 and 108,695.65 shares, respectively) of common stock acquired with the Seller Notes and ESOP Loan proceeds.

At December 31, 2016, notes payable consisted of the following:

Lender / Debt Facility	Interest Rate	Maturity Dates	Portion of Stock Purchase Financed	Total Notes Payable at 12/31/2016
ESOP Loan	Long-term AFR	12/31/2035	$20,200,000	$17,033,386
Seller Notes	3.0%	12/31/2035	$73,887,309	73,887,309
Total Notes Payable – Related Parties				$90,920,695

The scheduled amortization of the loans for the next 5 years is as follows:

Year Ending December 31,	
2017	$ 4,944,365
2018	4,944,365
2019	4,944,365
2020	4,944,365
2021	4,944,365
Thereafter	66,198,870
Total	$ 90,920,695

5. RISKS AND UNCERTAINTIES

The ESOP has an equity investment concentrated solely in one equity security, which, in general, is exposed to various risks such as interest rate, credit, and liquidity risks and overall market volatility. Due to the level of risk associated with investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes would materially affect participants' account balances and the amounts reported in the financial statements.

6. TAX STATUS OF PLAN

The ESOP is intended to be qualified under Section 401(a) of the Code and is intended to be exempt from taxation under Section 501(a) of the Code. The ESOP received a favorable IRS determination letter dated July 29, 2016. The ESOP has been amended since receiving the determination letter. The Plan Administrator believes that the ESOP and its underlying trust are currently designed and being operated in compliance with the applicable requirements of the Code, and they continue to be tax exempt. Therefore, no provision for income taxes has been included in the ESOP's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. All tax years from inception are open to income tax examinations.

7. EXEMPT RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The ESOP owns an investment in the common stock of the Company, the Plan Sponsor. This investment is administered by the ESOP trustee and held in safekeeping by Argent Trust Company on behalf of the ESOP trustee.

Contributions to the ESOP are held and managed by the ESOP trustee. All contributions received during the year ended December 31, 2016 were utilized to service the principal and interest on ESOP borrowings.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the ESOP for the administrative functions they perform. All administrative expenses of the ESOP are paid by the Company.

The Plan's borrowings from the original shareholders and the Company and any related interest expense (Note 4), as well as any dividends paid to the Plan or net appreciation from the W BBQ Holdings, Inc. common stock are also considered both party-in-interest and related party transactions.

8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Board of Directors or Investment Committee should direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held as collateral to the extent it determines such sale to be necessary in order to repay the loan.

9. SUBSEQUENT EVENTS

Effective as of December 21, 2017, the Seller Notes Payable were reassigned by the original shareholders to W BBQ Holdings, Inc. through the execution of an assignment and assumption agreement making the Company the sole lender to the Plan. As part of the reassignment and amendment, the rate on the amended Seller Notes was changed to 2.64% per annum.

Subsequent events were evaluated through February 14, 2018, which is the date the financial statements were available to be issued.

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SUPPLEMENTAL INFORMATION

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2016

FORM: 5500, Schedule H-Line 4i
TAX YEAR: 2016
EIN: 47-5557300
PLAN#: 001

(a)	IDENTITY OF ISSUER, BORROWER, LESSOR (b) OR SIMILAR PARTY	DESCRIPTION OF (c) INVESTMENT	(d) COST**	CURRENT (e) VALUE
*	W BBQ Holdings, Inc.	Common stock - 25,413.9404 allocated shares - Non-leveraged	$ 6,688,229	$ 1,834,887
*	W BBQ Holdings, Inc.	Common stock - 24,102.5751 allocated shares - ESOP Loan	$ 4,479,223	$ 1,740,206
*	W BBQ Holdings, Inc.	Common stock - 2,710.8728 allocated shares - Selller Notes	$ 736,696	$ 195,725
*	W BBQ Holdings, Inc.	Common stock - 84,593.0749 unallocated shares; collateral on ESOP Loan to W BBQ Holdings, Inc. - due 12/31/35; 2.18%	$ 15,720,777	$ 6,107,620
*	W BBQ Holdings, Inc.	Common stock - 263,179.5368 unallocated shares; collateral on Seller Notes to W BBQ Holdings, Inc. - due 12/31/35; 3.00%	$ 71,262,384	$ 19,001,562
				$ 28,880,000

* Denotes party-in-interest

** Cost omitted for participant-directed investments. The allocated portion of W BBQ Holdings, Inc. common stock is participant-directed and the unallocated portion is not participant-directed. Cost information has been included for the total of this investment.

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SUPPLEMENTAL INFORMATION

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

DECEMBER 31, 2016

FORM: 5500, Schedule H-Line 4j
TAX YEAR: 2016
EIN: 47-5557300
PLAN#: 001

	(a) Identify of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current value of Asset on Transaction Date	(i) Net Gain or (Loss)
Category (i) - Single transaction in excess of 5% of plan assets:							
*	W BBQ Holdings, Inc.	Common Stock	$98,887,309	$ -	$98,887,309	$98,887,309	$ -

Note: Columns (e) and (f) are not applicable. There were no category (ii), (iii) and (iv) reportable transactions during 2016.

* Denotes party-in-interest

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ___

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☒ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☒ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
W BBQ Holdings, Inc. Employee Stock Ownership Plan

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2015

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
W BBQ Holdings, Inc.

1265 Third Avenue

New York NY 10021

2b Employer Identification Number (EIN)
47-5557300

2c Plan Sponsor's telephone number
212-772-9393

2d Business code (see instructions)
722511

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	[signature]	2/14/18	Joseph Shpigel
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SUPPLEMENTAL INFORMATION

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

DECEMBER 31, 2016

FORM: 5500, Schedule H-Line 4j
TAX YEAR: 2016
EIN: 47-5557300
PLAN#: 001

	(a) Identify of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current value of Asset on Transaction Date	(i) Net Gain or (Loss)
Category (i) - Single transaction in excess of 5% of plan assets:							
*	W BBQ Holdings, Inc.	Common Stock	$98,887,309	$ -	$98,887,309	$98,887,309	$ -

Note: Columns (e) and (f) are not applicable. There were no category (ii), (iii) and (iv) reportable transactions during 2016.

* Denotes party-in-interest

W BBQ HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

SUPPLEMENTAL INFORMATION
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2016

FORM: 5500, Schedule H-Line 4i
TAX YEAR: 2016
EIN: 47-5557300
PLAN#: 001

(a)	IDENTITY OF ISSUER, BORROWER, LESSOR (b) OR SIMILAR PARTY	DESCRIPTION OF (c) INVESTMENT	(d) COST**	CURRENT (e) VALUE
*	W BBQ Holdings, Inc.	Common stock - 25,413.9404 allocated shares - Non-leveraged	$ 6,688,229	$ 1,834,887
*	W BBQ Holdings, Inc.	Common stock - 24,102.5751 allocated shares - ESOP Loan	$ 4,479,223	$ 1,740,206
*	W BBQ Holdings, Inc.	Common stock - 2,710.8728 allocated shares - Selller Notes	$ 736,696	$ 195,725
*	W BBQ Holdings, Inc.	Common stock - 84,593.0749 unallocated shares; collateral on ESOP Loan to W BBQ Holdings, Inc. - due 12/31/35; 2.18%	$ 15,720,777	$ 6,107,620
*	W BBQ Holdings, Inc.	Common stock - 263,179.5368 unallocated shares; collateral on Seller Notes to W BBQ Holdings, Inc. - due 12/31/35; 3.00%	$ 71,262,384	$ 19,001,562
				$ 28,880,000

* Denotes party-in-interest

** Cost omitted for participant-directed investments. The allocated portion of W BBQ Holdings, Inc. common stock is participant-directed and the unallocated portion is not participant-directed. Cost information has been included for the total of this investment.