

Shake Shack Inc.
Form 424B3
January 30, 2015

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You should rely only on the information contained in this prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. We and the underwriters have not authorized anyone to provide you with different information. We are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our Class A common stock.

For investors outside the United States: We have not and the underwriters have not done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of Class A common stock and the distribution of this prospectus outside the United States. See "Underwriting (Conflicts of Interest)."

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BASIS OF PRESENTATION

In connection with the closing of this offering, we will effect certain organizational transactions. Unless otherwise stated or the context otherwise requires, all information in this prospectus reflects the consummation of the organizational transactions and this offering, which we refer to collectively as the "Transactions." See "The Transactions" for a description of the Transactions and a diagram depicting our organizational structure after giving effect to the Transactions, including this offering.

As used in this prospectus, unless the context otherwise requires, references to:

"we," "us," "our," the "Company," "Shake Shack" and similar references refer: (i) following the consummation of the Transactions, including this offering, to Shake Shack Inc., and, unless otherwise stated, all of its subsidiaries, including SSE Holdings, LLC, which we refer to as "SSE Holdings," and, unless otherwise stated, all of its subsidiaries, and (ii) on or prior to the completion of the Transactions, including this offering, to SSE Holdings and, unless otherwise stated, all of its subsidiaries.

"Continuing SSE Equity Owners" refer to those Original SSE Equity Owners (including USHG (as defined below), Daniel Meyer and the S Corporations (as defined below), certain affiliates of LGP (as defined below), certain affiliates of SEG (as defined below) and certain of our executive officers) that will continue to own LLC Interests (as defined below) after the Transactions and who may, following the consummation of this offering, exchange their LLC Interests for shares of our Class A common stock as described in "Certain Relationships and Related Party Transactions SSE Holdings LLC Agreement."

"Former SSE Equity Owners" refer to those Original SSE Equity Owners who will transfer their LLC Interests for shares of our Class A common stock in connection with the consummation of this offering.

"Former UAR Plan Participants" refer to certain individuals who hold existing awards under SSE Holdings' Unit Appreciation Rights Plan, which we refer to as the "UAR Plan," and will receive shares of Class A common stock in settlement of their awards under the UAR Plan in connection with the consummation of this offering.

"LLC Interests" refer to the single class of newly-issued common membership interests of SSE Holdings.

"Original SSE Equity Owners" refer to the owners of SSE Holdings prior to the Transactions, including, the members of the Voting Group (as defined below).

"USHG" refer to Union Square Hospitality Group, LLC.

"Voting Group" refer collectively to (i) Daniel Meyer (including a trust affiliate), (ii) Union Square Cafe Corp. and Gramercy Tavern Corp., each of which are controlled by Mr. Meyer, which we refer to collectively as the "S Corporations," (iii) USHG, which, together with Mr. Meyer and the S Corporations, we refer to collectively as the "Meyer Group," (iv) certain affiliates of Leonard Green & Partners, L.P., which we refer to as "LGP," (v) certain affiliates of Select Equity Group, which we refer to as "SEG," and (vi) certain other Original SSE Equity Owners, all of whom will be parties to the Stockholders Agreement as described in "Certain Relationships and Related Party Transactions Stockholders Agreement." The Voting Group will hold Class A common stock and Class B common stock representing in the aggregate a majority of the combined voting power of our common stock.

We will be a holding company and the sole managing member of SSE Holdings, and upon completion of this offering and the application of proceeds therefrom, our principal asset will be LLC Interests of SSE Holdings. SSE Holdings, LLC is the predecessor of the issuer, Shake Shack Inc., for

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financial reporting purposes. Shake Shack Inc. will be the audited financial reporting entity following this offering. Accordingly, this prospectus contains the following historical financial statements:

Shake Shack Inc. Other than the inception balance sheet, dated as of September 23, 2014, and the unaudited balance sheet, dated as of September 24, 2014, the historical financial information of Shake Shack Inc. has not been included in this prospectus as it is a newly incorporated entity, has no business transactions or activities to date and had no assets or liabilities during the periods presented in this prospectus.

SSE Holdings, LLC. As we will have no other interest in any operations other than those of SSE Holdings, LLC and its subsidiaries, the historical consolidated financial information included in this prospectus is that of SSE Holdings, LLC and its subsidiaries.

The unaudited pro forma financial information of Shake Shack Inc. presented in this prospectus has been derived by the application of pro forma adjustments to the historical consolidated financial statements of SSE Holdings, LLC and its subsidiaries included elsewhere in this prospectus. These pro forma adjustments give effect to the Transactions as described in "The Transactions," including the completion of this offering, as if all such transactions had occurred on December 27, 2012, in the case of the unaudited pro forma consolidated statement of operations data, and as of September 24, 2014, in the case of the unaudited pro forma consolidated balance sheet. See "Unaudited Pro Forma Consolidated Financial Information" for a complete description of the adjustments and assumptions underlying the pro forma financial information included in this prospectus.

SSE Holdings, LLC is, and Shake Shack Inc. will be, on a 52- or 53-week fiscal year ending on the last Wednesday of the calendar year. Accordingly, references to fiscal 2012 and fiscal 2013 represent the financial results of SSE Holdings, LLC and its subsidiaries for the fiscal years ended December 26, 2012 and December 25, 2013, respectively. In a 52-week fiscal year, each quarter contains 13 weeks of operations; in a 53-week fiscal year, each of the first, second and third quarters includes 13 weeks of operations and the fourth quarter includes 14 weeks of operations. Every five or six years, a 53-week fiscal year occurs. Fiscal 2012 and fiscal 2013 were both 52-week years. Fiscal 2014 was a 53-week year and ended on December 31, 2014, which may cause our revenue, expenses and other results of operations to be higher due to an additional week of operations.

TRADEMARKS

This prospectus includes our trademarks, trade names and service marks, such as "Shake Shack®," "ShackBurger®," "ShackMeister®," "Shack 0®," "Pooch-ini®" and "Stand for Something Good®," which are protected under applicable intellectual property laws and are our property. This prospectus also contains trademarks, trade names and service marks of other companies, which are the property of their respective owners. Solely for convenience, trademarks, trade names and service marks referred to in this prospectus may appear without the ®, orSM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, trade names and service marks. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources (including industry publications, surveys and forecasts, as well as market analyses and reports prepared for us by eSite, Inc.), and management estimates. Management estimates are derived from publicly available information released by independent

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industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets which we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any third-party information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

NON-GAAP FINANCIAL MEASURES

Certain financial measures presented in this prospectus, such as same Shack sales, Average Unit Volumes, Shack-level operating profit margin, EBITDA and Adjusted EBITDA are not recognized under accounting principles generally accepted in the United States, which we refer to as "GAAP." We define these terms as follows:

"Same Shack sales" means, for any reporting period, sales for the comparable Shack base, which we define as the number of domestic company-operated Shacks open for 24 months or longer. For the fiscal years ended December 26, 2012 and December 25, 2013 and the thirty-nine weeks ended September 25, 2013 and September 24, 2014, there were five, eight, eight and 12 Shacks, respectively, in our comparable Shack base.

"Average Unit Volumes" or "AUVs" for any 12-month period consists of the average annualized sales of all domestic company-operated Shacks over that period. AUVs are calculated by dividing total sales from domestic company-operated Shacks by the number of domestic company-operated Shacks open during that period. For Shacks that are not open for the entire period, we make fractional adjustments to the number of Shacks open such that it corresponds to the period of associated sales. The measurement of AUVs allows us to assess changes in guest traffic and per transaction patterns at our domestic company-operated Shacks.

Because our AUVs are significantly higher in Manhattan, we analyze AUVs on both a domestic company-operated Manhattan Shack ("Manhattan Shack") basis and domestic company-operated non-Manhattan Shack ("non-Manhattan Shack") basis. Manhattan Shack AUVs have historically been higher than non-Manhattan Shack AUVs given the population density and overall familiarity with the Shake Shack brand. Given that the majority of our new domestic company-operated Shack growth is expected to occur outside of Manhattan, we believe that non-Manhattan Shack AUVs are a more representative measure of expected sales in new Shacks, compared to Manhattan Shack AUVs.

"Shack-level operating profit margin" is defined as Shack sales less operating expenses, including food and paper costs, labor and related expenses, other operating expenses and occupancy and related expenses as a percentage of Shack sales. Shack-level operating profit margin is not required by, or presented in accordance with, GAAP. Shack-level operating profit margin is a supplemental measure of operating performance of our Shacks and our calculations thereof may not be comparable to similar measures reported by other companies. Shack-level operating profit margin has limitations as an analytical tool and should not be considered as a substitute for analysis of our results as reported under GAAP. We believe that Shack-level operating profit margin is an important measure to evaluate the performance and profitability of each Shack, individually and in the aggregate. We use Shack-level operating profit margin information to benchmark our performance versus competitors.

"EBITDA" means, for any reporting period, net income before interest, taxes, depreciation, and amortization.

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"Adjusted EBITDA" is a supplemental measure of our performance and is also the basis for performance evaluation under our executive compensation programs. Adjusted EBITDA is defined as net income before depreciation and amortization, interest expense and provision for income taxes, adjusted for the impact of certain non-cash and other items that we do not consider in our evaluation of ongoing operating performance. These items include, among other things, equity-based compensation expense, non-cash deferred rent charges and pre-opening costs, as well as certain non-recurring charges. We believe that Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that do not relate to business performance.

EBITDA and Adjusted EBITDA are included in this prospectus because they are key metrics used by management and our board of directors to assess our financial performance. EBITDA and Adjusted EBITDA are frequently used by analysts, investors and other interested parties to evaluate companies in our industry.

EBITDA and Adjusted EBITDA are not GAAP measures of our financial performance or liquidity and should not be considered as alternatives to net income (loss) as a measure of financial performance or cash flows from operations as measures of liquidity, or any other performance measure derived in accordance with GAAP. Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Additionally, EBITDA and Adjusted EBITDA are not intended to be measures of free cash flow for management's discretionary use, as they do not reflect tax payments, debt service requirements, capital expenditures, Shack openings and certain other cash costs that may recur in the future, including, among other things, cash requirements for working capital needs and cash costs to replace assets being depreciated and amortized. Management compensates for these limitations by relying on our GAAP results in addition to using EBITDA and Adjusted EBITDA supplementally. Our measures of EBITDA and Adjusted EBITDA are not necessarily comparable to similarly titled captions of other companies due to different methods of calculation.

"Cash-on-cash return" is defined as third year operating profits for our domestic company-operated Shacks open for at least three full years as of September 24, 2014, divided by their life-to-date associated build-out costs excluding any pre-opening costs. The small number of Shacks included in our calculation of our average cash-on-cash return may cause this measure to fluctuate and be subject to change.

"Payback period" is defined as the length of time required to recover the original cash investment in a Shack. It is calculated as total build-out costs (excluding any pre-opening costs) for our domestic company-operated Shacks open for at least three full years as of September 24, 2014, divided by their associated third year operating profits.

ADDITIONAL FINANCIAL MEASURES AND OTHER DATA

"Shack sales" represents the aggregate sales of food and beverages in domestic company-operated Shacks. Shack sales in any period are directly influenced by the number of operating weeks in such period, the number of open Shacks and same Shack sales.

The "number of new Shack openings" reflects the number of Shacks opened during a particular reporting period. Before we open new Shacks, we incur pre-opening costs, as described below. We expect that, beginning in fiscal 2015, we will open at least 10 domestic company-operated Shacks each fiscal year for the foreseeable future, which is the primary driver of our expected sales growth. The total number of new Shacks per year and the timing of Shack openings has, and will continue to have, an impact on our results. New Shacks sometimes experience normal

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inefficiencies in the form of higher labor and other operating expenses and, as a result, Shack-level operating profit margins are generally lower during the start-up period of operation.

"Same Shack sales growth" means, for any reporting period, the change in same Shack sales as compared to the corresponding prior reporting period. Same Shack sales growth can be generated by an increase in the number of daily transactions and/or by increases in the average amount of each transaction resulting from a shift in menu mix and/or higher prices from new products or price increases. The small number of Shacks included in our comparable Shack base may cause same Shack sales growth to fluctuate and be unpredictable.

Given our focused marketing efforts surrounding each Shack opening, new Shacks often experience an initial start-up period with considerable sales volumes, which subsequently decrease to stabilized levels after approximately 12 months. As a result, the initial comparison of second year sales to first year sales is often to higher than normal sales in the first year. Accordingly, we do not include Shacks in the comparable Shack base until they have been open 24 months or longer. We expect that this trend will continue into the foreseeable future as we continue to open and expand into new markets.

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PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our Class A common stock. You should read the entire prospectus carefully, including the "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. The principles of "Enlightened Hospitality," as defined by Danny Meyer, state that we prioritize our own people above all else, because we understand that taking care of each other is the foundation that enables us to provide uncommon excellence and hospitality to our team members, guests, our community, our suppliers and our investors. We refer to our customers as "guests," as we treat anyone who walks into our restaurants, or "Shacks," as if they were guests in our home. Except as specifically noted or as the context otherwise implies, the description of our menu, supply chain and operations in this prospectus applies to our domestic company-operated Shacks, as some of the Shacks operated by our licensees vary in menu, supply chain and operations.

Overview of Shake Shack

Shake Shack is a modern day "roadside" burger stand serving a classic American menu of premium burgers, hot dogs, crinkle-cut fries, shakes, frozen custard, beer and wine. Founded by Danny Meyer's Union Square Hospitality Group, LLC ("USHG"), Shake Shack was created leveraging USHG's expertise in community building, hospitality, fine dining, restaurant operations and sourcing premium ingredients. Danny's vision of Enlightened Hospitality guided the creation of the unique Shake Shack culture that, we believe, creates a differentiated experience for our guests across all demographics at each of the 63 Shacks around the world. As Shake Shack's Board Chairman and USHG's Chief Executive Officer, Danny has drawn from USHG's experience creating and operating some of New York City's most acclaimed and popular restaurants, including Union Square Cafe, Gramercy Tavern, Blue Smoke, The Modern, Maialino and Marta, to build what we believe is a new *fine casual* restaurant category in Shake Shack.

Shake Shack originated from a hot dog cart that USHG established in 2001 to support the rejuvenation of New York City's Madison Square Park through its Conservancy's first art installation "I ♥ Taxi." The hot dog cart was an instant hit, with lines forming daily throughout the summer months for the next three years. In response to this success, the city's Department of Parks and Recreation awarded Shake Shack a contract to create a kiosk to help fund the park's future. In 2004, Shake Shack officially opened and immediately became a community gathering place for New Yorkers and visitors from all over the world. Over the last decade, Shake Shack has become a beloved New York City institution that generates significant media attention, critical acclaim and a passionately devoted following. We have since grown rapidly, with 63 Shacks in nine countries and 34 cities.

Our vision is to *Stand For Something Good* in all aspects of Shake Shack's business, including the exceptional team we hire and train, the premium ingredients making up our menu, our community engagement and the design of our Shacks. *Stand For Something Good* is a call to action to all of our stakeholders—our team, guests, communities, suppliers and investors—and we actively invite them all to share in this philosophy with us. This commitment drives our integration into the local communities in which we operate and fosters a lasting connection with our guests. We continually invest in our "Shack Team," as we believe that team members who are treated and trained well will deliver Enlightened Hospitality and a superior guest experience. Through our leadership development program, *The Shacksperience*, we teach our team members the principles of Enlightened Hospitality and how to live and breathe our *Shack Pact*, the agreement that encompasses our value system and brand ethos. Our people make all the difference, as they embody the sense of community necessary to create the complete Shake Shack experience. This vision reflects our goal to be the best burger company in the world, for the world and for our team.

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We believe Shake Shack has become a compelling lifestyle brand and has helped to pioneer the creation of a new *fine casual* category in restaurants. *Fine casual* couples the ease, value and convenience of fast casual concepts with the high standards of excellence in thoughtful ingredient sourcing, preparation, hospitality and quality grounded in fine dining. As a pioneer in this new category, we strive to maintain the culinary traditions of the classic American burger stand, while providing our guests a menu of chef-inspired food and drinks. Our signature items are our all-natural, hormone and antibiotic-free burgers, hot dogs, crinkle-cut fries, shakes and frozen custard. We cook our burgers and spin our shakes to order and strive to use the freshest premium ingredients available. This core menu is supplemented with seasonal and innovative culinary offerings such as those featured during our annual *Shacktoberfest* event.

Of the 63 Shacks, there are 31 domestic company-operated Shacks, five domestic licensed Shacks and 27 international licensed Shacks. We open Shacks in areas where communities gather, often with high foot traffic and substantial commercial density such as New York City's Theater District, London's Covent Garden and Dubai's Mall of the Emirates. We have been able to successfully grow across a variety of locations due to our versatile Shack formats and designs that are tailored to reflect each Shack community's core attributes. During the three fiscal years ended December 25, 2013, we grew from seven Shacks in two states to 40 Shacks across six states, Washington, D.C. and eight other countries, representing a 79% compound annual growth rate ("CAGR"). In fiscal 2013, our domestic company-operated Shacks had AUVs of approximately \$5.0 million, of which our Manhattan Shacks had AUVs of approximately \$7.4 million and our non-Manhattan Shacks had AUVs of approximately \$3.8 million. During the three fiscal years ended December 25, 2013, our total revenue grew from \$19.5 million to \$82.5 million, a 62% CAGR, our net income grew from \$0.2 million to \$5.4 million, and Adjusted EBITDA grew to \$14.5 million. For a reconciliation of Adjusted EBITDA, a non-GAAP measure, to net income, see " Summary Historical and Pro Forma Consolidated Financial and Other Data."

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- (1) Shack system-wide sales includes combined revenue from all of our domestic company-operated Shacks and our domestic and international licensed Shacks. Our total revenue is limited to Shack sales from domestic company-operated Shacks and licensing revenue from our domestic and international licensed Shacks.

The Burger Market

Shake Shack is part of the burger market of the restaurant industry, which is the largest dine-out segment in the United States with more than \$72 billion in 2013 sales, according to Technomic Inc. The burger industry is estimated to be twice the size of the pizza market, which is the next largest category. Given its role as the quintessential American meal, burgers have also proven to be the most portable concept internationally, with an estimated global market size of over \$135 billion.

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With the majority of the burger restaurant segment comprised of quick service restaurant competitors, we believe that Shake Shack is well positioned to take market share, as we believe consumers will continue to trade up to higher quality offerings given an increasing consumer focus on responsible sourcing, ingredients and preparation. Additionally, we believe that consumers will continue to move away from the added time commitment and cost of traditional casual dining.

We believe that many consumers want to associate with brands whose ethos matches that of their own, and that Shake Shack's *fine casual* position, born and raised in Manhattan, creates a distinctly differentiated global lifestyle brand opportunity.

What Makes Shake Shack Special

1. Our culture of Enlightened Hospitality: taking care of each other. We believe that the culture of our team is the single most important factor in our success. We aim to recruit and develop a team with the innate "personality to please" that cannot be taught. We look for people who are warm, friendly, motivated, caring, self-aware and intellectually curious team members, or what we call "51%'ers." We use the term "51%" to describe the emotional skills needed to thrive at the job and "49%" to describe the technical skills needed for the job. Our 51%'ers are excited and committed to championship performance, remarkable and enriching hospitality, embodying our culture and actively growing themselves and the brand. Our team is trained to understand and practice the values of Enlightened Hospitality: caring for each other, caring for our guests, caring for our community, caring for our suppliers and caring for our investors. These principles have been championed by Danny Meyer throughout his career and are detailed in his *New York Times* best-selling book *Setting the Table: The Transforming Power of Hospitality in Business*; they are fundamental to the way Shake Shack operates its business. We invest in our team through extensive leadership development programs to ensure that Shake Shack remains a great place to work and an exciting career choice for team members at every level. We have built a culture of active learning and we foster an environment of leadership development throughout the entire lifecycle of employment. We seek to be the employer of choice by offering above industry average compensation in most markets, comprehensive benefits and a variety of incentive programs, including a monthly revenue-sharing program with our employees. We believe that our culture of Enlightened Hospitality enables us to develop future leaders from within and deliver a consistent Shack experience as we continue to grow.

2. Fine Casual: inspired food and drink. We embrace our Company's fine-dining heritage and are committed to sourcing premium, sustainable ingredients, such as all-natural, hormone and antibiotic-free beef, while offering excellent value to our guests. Our core menu remains focused and is supplemented with targeted innovation inspired by the best versions of the classic American roadside burger stands. As a result of culinary creativity and excellence, we attract continued interest from partners such as award-winning chefs, talented bakers, farmers and artisanal purveyors who want to collaborate with us in different and engaging ways. We never stop looking for the best culinary ingredients and the best partners in order to exceed our guests' expectations in every aspect of their experience.

3. Beloved lifestyle brand. In Shake Shack's 10-year history, we have become a globally recognized brand with outsized consumer awareness relative to our current footprint. Shake Shack is a New York City institution, a vibrant and authentic community gathering place that delivers an unparalleled experience to loyal, passionate guests and a broad, global demographic. Born in 2004, Shake Shack grew up alongside the emergence of social media and has benefited from an ongoing love affair with passionate fans who share their real-time experiences with friends. We aim to establish genuine connections with our guests and the communities in which they live. Each Shack is localized with design and menu options that we believe drive a sense of appreciation and enthusiasm for the Shake Shack brand. Shake Shack has been recognized with numerous accolades, including *Bon Appétit's* "The 20 Most Important Restaurants in America" (ranked #16), *TIME Magazine's* "17 Most Influential

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Burgers of All Time" (ranked #7 for the ShackBurger) and winning "Best Burger" in 2007 and 2014 at the South Beach Wine and Food Festival's Burger Bash.

4. Versatile real estate model built for growth. During fiscal 2013, we grew the number of our domestic company-operated Shacks by 62% with the opening of eight new Shacks, and opened 10 domestic company-operated Shacks during fiscal 2014. We will continue to not only fill in existing markets such as New York, Boston, Philadelphia, Washington, D.C., Atlanta, Chicago and South Florida to leverage operational effectiveness as we cluster in high-density markets, but also enter new markets, such as Austin, where we have signed leases. Although we currently have only 63 Shacks around the world, we have identified many attractive and differentiated markets for the Shake Shack experience. In major metropolitan areas, we seek locations where communities gather, often with characteristics such as high foot traffic, substantial commercial density, reputable co-tenants and other traffic drivers such as proximity to parks, museums, schools, hospitals and tourist attractions. For every potential domestic company-operated Shack we consider, we apply rigorous financial metrics to ensure we maintain our targeted profitability. We measure much of our financial success by analyzing Shack-level operating profit margins, cash-on-cash returns and payback periods. Our flexible model allows us to design our Shacks so that we can pursue a variety of property types. We have successfully launched different layouts and sizes of Shacks in varied locations throughout urban high density areas, suburban in-line and pad sites, regional malls, lifestyle centers, ballparks, airports and train stations. Each design is critical to the Shake Shack experience and we blend our core brand identifiers with features specifically designed for each Shack to be of its place and connect directly with its neighborhood. With a disciplined approach to new Shack development and a successful track record in site selection, we are positioned well for future growth.

5. Shack-onomics. Our brand power and thoughtful approach to growth have resulted in strong Shack performance across a variety of geographic areas and formats and during both strong and weak economic environments. Our Shack model is designed to generate attractive Shack-level operating profit margins, strong cash flow and high returns on invested capital. We have notable AUVs at both Manhattan Shacks and non-Manhattan Shacks. In fiscal 2013, our domestic company-operated Shacks had AUVs of approximately \$5.0 million, of which our Manhattan Shacks generated AUVs of approximately \$7.4 million with Shack-level operating profit margins of approximately 30% and our non-Manhattan Shacks generated AUVs of approximately \$3.8 million with Shack-level operating profit margins of approximately 22%. Historically, our domestic company-operated Shacks have delivered an attractive average cash-on-cash return of 65% and payback period of 1.5 years, of which our Manhattan Shacks generated an average cash-on-cash return of 82% and payback period of 1.2 years and our non-Manhattan Shacks generated an average cash-on-cash return of 31% and payback period of 3.2 years. Since the vast majority of future Shacks will be non-Manhattan locations, we are targeting AUVs in the \$2.8 to \$3.2 million range, Shack-level operating profit margins in the 18 to 22% range and cash-on-cash returns in the 30 to 33% range.

6. The Shack travels abroad. With 27 licensed Shacks outside the United States, we believe that we have proven to be an internationally desirable restaurant concept. Our track record of opening successful Shacks in both the United States and overseas demonstrates the global appeal of Shake Shack and validates our belief in our significant whitespace opportunity internationally. We currently have license agreements for four major international territories, with Shacks operating in eight countries. The Middle East has been our most prominent growth market with 20 Shacks in operation, followed by Turkey with four, Russia with two and the United Kingdom with one. In fiscal 2013, our international licensed Shacks had AUVs of approximately \$6.1 million, which resulted in license fees of approximately \$3.5 million. In addition to license fees, we also receive exclusive territory fees, which help us fund further domestic growth.

7. Leaders training future leaders. Our team is led by passionate and experienced senior leaders, balanced with professionals formerly from USHG's fine dining operations and industry veterans from

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larger restaurant companies. Randy Garutti, our Chief Executive Officer, combines strategic multi-unit leadership experience with fine dining expertise. Randy has worked in restaurants since he was 13 and joined USHG in 2000 as General Manager of Tabla, followed by Union Square Cafe, and later took on the role of Director of Operations overseeing all USHG restaurants, prior to launching the first Shake Shack in 2004. Randy has led the development of the Shake Shack concept from its earliest stages and guided every aspect of the business. Jeff Uttz, our Chief Financial Officer, brings valuable experience managing high growth restaurant concepts drawing from his 22 years of restaurant finance experience, most recently as Chief Financial Officer at Yard House Restaurants. Jeff led the expansion of Yard House from three units when he began to over 40 units when Yard House was acquired by Darden Restaurants, Inc. Randy and Jeff are supported by a talented executive leadership team that has deep experience in operations, culinary arts, supply chain, finance and accounting, training and leadership development, people resources, real estate and design, construction and facilities, information technology, legal, marketing and communications.

Shake Shack is in the Very Early Stages of Growth

We believe that we are well-positioned to achieve significant, sustainable financial growth, primarily driven by:

Opening new domestic company-operated Shacks. This is where our greatest immediate opportunity for growth lies. We waited nearly five years to open our second Shack, and we are still in the very nascent stage of our story, with only 31 domestic company-operated and five domestic licensed Shacks in 10 states and Washington, D.C. We believe there is tremendous whitespace opportunity to expand in both existing and new U.S. markets, and we have invested in our infrastructure through new hires at our home office to enable us to continue to grow rapidly and with discipline. In fiscal 2013, we significantly expanded our domestic company-operated footprint by opening eight new Shacks representing 62% domestic unit growth. In fiscal 2014, we opened 10 domestic company-operated Shacks. We plan to open at least 10 new domestic company-operated Shacks each year, beginning in fiscal 2015, for the foreseeable future. Based on our experience, and analysis and research conducted for us by eSite, we believe that over the long-term we have the potential to grow our current domestic company-operated Shack footprint to at least 450 Shacks by opening domestic company-operated Shacks in new and existing markets. The rate of future Shack growth in any particular period is inherently uncertain and is subject to numerous factors that are outside of our control. As a result, we do not currently have an anticipated timeframe for such expansion. We believe we have a versatile real estate model built for growth. We have adopted a disciplined expansion strategy designed to leverage the strength of our business model and our significant brand awareness to successfully develop new Shacks in an array of markets that are primed for growth, including new and existing and small and large markets. We will use a portion of the proceeds from this offering to open new Shacks and renovate existing Shacks. See "Use of Proceeds." As we grow, we will continue to live by one principle to ensure the success of both our new and existing restaurants: "The Bigger We Get, The Smaller We Need To Act." This mantra is central to our *Stand For Something Good* vision and encompasses our commitment to continue to make decisions that focus on the core of who we are, staying true to the principles of Enlightened Hospitality.

Capitalizing on our outsized brand awareness. The Shake Shack experience has cultivated significant brand awareness relative to the small number of Shacks. We have worked tirelessly to establish a genuine connection with our guests and integrate into their communities through investment in innovative marketing and programming. We utilize various social media outlets to actively engage with our growing online following. In June 2014, we ranked #10 on *Restaurant Social Media Index's* top 250 restaurant brands, which is measured on influence, sentiment and engagement. Furthermore, we believe that our press and media impressions and industry recognition are a testament to the strength of our brand. We were named one of "The 25 Most Innovative Consumer and Retail Brands" in 2014 by

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Entrepreneur.com, ranked #11 in *The Daily Meal's* "101 Best Restaurants in America" for 2013, and were the winner of the 2013 "Most Loved Brand of the Year" from the RIZMY Awards, "Best Burger" at the 2014 South Beach Wine and Food Festival's Burger Bash and more.

Additionally, we give back to the communities in which we operate, and strengthen awareness for philanthropic causes such as *Share Our Strength's No Kid Hungry* campaign. Our marketing focuses on interacting with our guests in an authentic, innovative manner which creates memorable, meaningful experiences. The experience that we provide for our guests and local communities has generated a growing loyal following who promote our brand through word-of-mouth. We believe that this outsized brand awareness will continue to fuel our growth in existing and new markets.

Growing Same Shack Sales. Given the significant awareness of our brand and the excitement we have been able to generate for our market launches, our Shacks have generally opened with higher volumes and operating profits relative to their second year, which have often shown a decline in sales and operating profit. In year three, our Shacks generally mature and continue to grow from the second year base and then retain these higher volumes over time. It is important to note that, while our goal is to grow same Shack sales over time, this is not our greatest growth opportunity. We expect our Shacks to deliver low same Shack sales growth for the foreseeable future as the number of new Shack openings relative to our comparable Shack base remains our primary driver of growth. We do, however, continually focus on improving our same Shack sales performance by providing an engaging and differentiated guest experience that includes new seasonal and Shack-specific offerings, unique and thoughtful integration with local communities and high standards of excellence and hospitality. We will continue to innovate around our core menu to keep our offerings fresh, while remaining focused on our signature items. For example, our SmokeShack, which debuted in 2012, has been a great success and helped drive sales.

Opportunistically increasing our licensed Shacks abroad. We will continue to grow our licensed portfolio by expanding further in the eight countries abroad in which we currently have internationally licensed operations. This strategy historically has been a low-cost, high-return method of growing our brand awareness and provides an increasing source of cash flow. We believe there are additional international markets that will embrace the Shake Shack concept. Given our position in New York and the success of our current licensed Shacks at home and abroad, we continue to attract substantial interest from potential international licensees around the world and have identified opportunities to expand our licensing footprint in existing and new international markets.

Summary Risk Factors

We are subject to a number of risks, including risks that may prevent us from achieving our business objectives or that may adversely affect our business, financial condition, results of operations, cash flows and prospects. You should carefully consider the risks discussed in the section entitled "Risk Factors," including the following risks, before investing in our Class A common stock:

our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets;

damage to our reputation could negatively impact our business, financial condition and results of operations;

food safety and food-borne illness incidents may have an adverse effect on our business by not only reducing demand but also increasing operating costs;

shortages or interruptions in the supply or delivery of food products;

risks related to our international operations and our international licensed Shacks; and

we face significant competition for guests, and our inability to compete effectively may affect our traffic, Shack sales and Shack-level operating profit margins.

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Summary of the Transactions

Prior to the consummation of this offering and the organizational transactions described below, the Original SSE Equity Owners are the only members of SSE Holdings. Shake Shack Inc. was incorporated as a Delaware corporation on September 23, 2014 to serve as the issuer of the Class A common stock offered hereby. On December 30, 2014, we paid a distribution to certain of the Original SSE Equity Owners in the amount of approximately \$21.9 million funded from borrowings under the Revolving Credit Facility (as defined in "Description of Indebtedness") in the same amount.

In connection with the closing of this offering we will consummate the following organizational transactions:

we will amend and restate the second amended and restated limited liability company agreement of SSE Holdings, as amended, effective as of the completion of this offering (the "SSE Holdings LLC Agreement"), to, among other things, (i) provide for LLC Interests that will be the single class of common membership interests in SSE Holdings, (ii) exchange all of the Original SSE Equity Owners' existing membership interests in SSE Holdings for LLC Interests and (iii) appoint Shake Shack as the sole managing member of SSE Holdings;

we will amend and restate Shake Shack's certificate of incorporation to, among other things, (i) provide for Class A common stock and Class B common stock and (ii) issue shares of Class B common stock to the Continuing SSE Equity Owners, on a one-to-one basis with the number of LLC Interests they own, for nominal consideration;

we will issue 5,000,000 shares of our Class A common stock to the purchasers in this offering;

we will use all of the net proceeds from this offering (including net proceeds received upon exercise of the underwriters' option to purchase additional shares of Class A common stock) to acquire newly-issued LLC Interests from SSE Holdings at a purchase price per interest equal to the initial public offering price per share of Class A common stock, collectively representing 14.1% of SSE Holdings' outstanding LLC Interests (or 15.9%, if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

SSE Holdings will use the proceeds from the sale of LLC Interests to Shake Shack as described in "Use of Proceeds," including (i) to pay fees and expenses of approximately \$3.0 million in connection with this offering and the Transactions, (ii) to repay the outstanding borrowings under our Revolving Credit Facility of approximately \$36.0 million, including approximately \$21.9 million of borrowings used to pay the distribution to certain of the Original SSE Equity Owners, and (iii) approximately \$58.7 million to pay the additional distribution described below and for general corporate purposes, including opening new Shacks and renovating existing Shacks. SSE Holdings will pay an additional distribution to certain of the Original SSE Equity Owners from the gross proceeds of this offering in an amount equal to approximately \$6.8 million (or \$11.1 million if the underwriters exercise their option to purchase additional shares of Class A Common Stock in full);

the Former SSE Equity Owners will exchange their indirect ownership of LLC Interests for 5,968,841 shares of Class A common stock on a one-to-one basis;

the Former UAR Plan Participants will receive 339,306 shares of Class A common stock in settlement of their awards under the UAR Plan, net of employee withholding taxes (and Shake Shack will receive a corresponding number of LLC Interests from SSE Holdings);

the Continuing SSE Equity Owners will continue to own the LLC Interests they received in exchange for their existing membership interests in SSE Holdings and will have no economic interests in Shake Shack despite their ownership of Class B common stock (where "economic interests" means the right to receive any distributions or dividends, whether cash or stock, in

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connection with common stock). LLC Interests, following this offering, will be redeemable, at the election of such members, for newly-issued shares of Class A common stock on a one-for-one basis (and their shares of Class B common stock will be cancelled on a one-for-one basis upon any such issuance). Shake Shack's board of directors, which will include directors who hold LLC Interests or are affiliated with holders of LLC Interests and may include such directors in the future, may, at its option, instead make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the SSE Holdings LLC Agreement; and

Shake Shack will enter into (i) a tax receivable agreement (the "Tax Receivable Agreement") with the Continuing SSE Equity Owners, (ii) a stockholders agreement (the "Stockholders Agreement") with the Voting Group and (iii) a registration rights agreement (the "Registration Rights Agreement") with the Continuing SSE Equity Owners who, upon the consummation of this offering, will own 24,191,853 shares of Shake Shack's Class B common stock, representing approximately 68.1% of the combined voting power of all of Shake Shack's common stock (or approximately 66.7%, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), and the Former SSE Equity Owners.

We refer to the foregoing distribution and organizational transactions collectively as the "Transactions." For more information regarding our structure after the completion of the Transactions, including this offering, see "The Transactions."

Immediately following this offering, Shake Shack will be a holding company and its principal asset will be the LLC Interests it purchases from SSE Holdings and acquires from the Former SSE Equity Owners. As the sole managing member of SSE Holdings, we will operate and control all of the business and affairs of SSE Holdings and, through SSE Holdings and its subsidiaries, conduct our business. Accordingly, although we will have a minority economic interest in SSE Holdings, we will have the sole voting interest in, and control the management of, SSE Holdings. As a result, we will consolidate SSE Holdings in our consolidated financial statements and will report a non-controlling interest related to the LLC Interests held by the Continuing SSE Equity Owners on our consolidated financial statements.

See "Description of Capital Stock" for more information about our certificate of incorporation and the terms of the Class A common stock and Class B common stock. See "Certain Relationships and Related Party Transactions" for more information about:

the SSE Holdings LLC Agreement, including the terms of the LLC Interests and the redemption right of the Continuing SSE Equity Owners;

the Tax Receivable Agreement;

the Registration Rights Agreement; and

the Stockholders Agreement.

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The diagram below depicts our organizational structure after giving effect to the Transactions, including this offering, assuming no exercise by the underwriters of their option to purchase additional shares of Class A common stock.

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Our Corporate Information

Shake Shack Inc., the issuer of the Class A common stock in this offering, was incorporated as a Delaware corporation on September 23, 2014. Our corporate headquarters are located at 24 Union Square East, 5th Floor, New York, NY 10003. Our telephone number is (646) 747-7200. Our principal website address is www.shakeshack.com. The information on any of our websites is deemed not to be incorporated in this prospectus or to be part of this prospectus.

Implications of Being an Emerging Growth Company

As a company with less than \$1.0 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include:

we are required to have only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;

we are not required to engage an auditor to report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");

we are not required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board (the "PCAOB") regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (*i.e.*, an auditor discussion and analysis);

we are not required to submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay," "say-on-frequency" and "say-on-golden parachutes;" and

we are not required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the completion of this offering or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than \$1.0 billion in annual revenue, have more than \$700 million in market value of our Class A common stock held by non-affiliates, or issue more than \$1.0 billion of non-convertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens. We have elected to adopt the reduced disclosure with respect to financial statements and the related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure. As a result of this election, the information that we provide stockholders may be different than you might get from other public companies in which you hold equity.

The JOBS Act permits an emerging growth company like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing