

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 9, 2023

RED ROBIN GOURMET BURGERS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34851
(Commission
File Number)

84-1573084
(IRS Employer
Identification No.)

10000 E. Geddes Avenue, Suite 500
Englewood, Colorado 80112
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(303) 846-6000**

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	RRGB	Nasdaq (Global Select Market)

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

Emerging growth company ☐

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

ITEM 2.02 Results of Operations and Financial Condition

On January 9, 2023, Red Robin Gourmet Burgers, Inc. issued a press release describing selected preliminary unaudited financial results for the fourth fiscal quarter of 2022. A copy of this press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02, including the information set forth in Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

ITEM 7.01 Regulation FD Disclosure

On January 9, 2023, the Company is making an investor presentation that includes the slides furnished as Exhibit 99.2 to this Current Report on Form 8-K. The slides contained in Exhibit 99.2 are also posted on the Company's website at www.redrobin.com.

The information in this Item 7.01, including the information set forth in Exhibit 99.2, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Red Robin Gourmet Burgers, Inc. Press Release dated January 9, 2023</u>
<u>99.2</u>	<u>Red Robin Gourmet Burgers, Inc. Investor Presentation dated January 9, 2023</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Date: January 9, 2023

RED ROBIN GOURMET BURGERS, INC.

By:	<u>/s/ Todd Wilson</u>
Name:	Todd Wilson
Title:	Executive Vice President and Chief Financial Officer

Red Robin Gourmet Burgers, Inc. Releases “North Star” Five-Point Plan to Drive Long-Term Shareholder Value
Reports Preliminary Revenue Results for the Fourth Quarter Ended December 25, 2022
Announces Evaluation of Sale-Leaseback Transaction

Hosting Fireside Chat at the 25th Annual ICR Conference at 10:00 AM Eastern Time Today; Participating at the Jefferies 12th Annual Winter Restaurant, Foodservice, Gaming, Lodging & Leisure Summit on January 23-24

Englewood, CO – January 9, 2023 – Red Robin Gourmet Burgers, Inc. (NASDAQ: RRGB) ("Red Robin" or the "Company"), a full-service restaurant chain serving an innovative selection of high-quality gourmet burgers and American favorites in a family-friendly atmosphere, today released its “North Star” five-point plan to drive long-term shareholder value. The Company also reported preliminary, unaudited revenue results for the fourth quarter ended December 25, 2022 and announced it is evaluating a Sale-Leaseback transaction.

G.J. Hart, Red Robin’s President and Chief Executive Officer said, “We are excited to release our ‘North Star’ five-point plan, designed to drive long-term shareholder value and enhance Red Robin’s competitive positioning. With our menu of gourmet burgers and American favorites, attractive atmosphere, and playful environment that connects friends and family, the brand not only carries great memories for our most loyal guests but also appeals to a broad demographic. While the business has faced challenges in recent years due to the impact of COVID and at times execution that has not met our standards, we are committed to taking bold action through new executive leadership to deliver long term sustainable growth. We are thankful to have an excellent team of dedicated General Managers and team members and are committed to providing them with the resources necessary to ensure a great experience for guests and strong business results for their restaurants. We have identified multiple levers to build sales and increase profitability and are now moving to aggressive implementation to drive our success in 2023 and beyond.”

The “North Star” Five-Point Plan Consists of the Following:

Transform to an operations focused restaurant company:

- Empower decision making by Operators at the unit level
- Incent and reward Operators to drive business growth and results
- Restructured support organization

Elevate the guest experience:

- Invest in People, food quality, and the restaurant facility
- New cooking platform to fully deliver on our commitment of Gourmet Burgers
- Menu refresh adding variety of both offerings and price points

Remove costs and complexity:

- Optimize the supply chain to reduce costs and ensure consistent delivery of high-quality product
- Evaluate vendors for need, performance, and competitive costs
- Implement ongoing process to reduce costs through actions that uphold our commitment to a great guest experience

Optimize guest engagement:

- Engage with and support the local communities in which we operate
- Enhance the off-premise experience
- Further build and engage with guests through Red Robin Royalty® loyalty program

Drive growth in comparable restaurant revenue & unit level profitability, and deliver financial commitments:

- Regain credibility with the investment community
- Drive performance in the existing base of restaurants, earning the right to resume new unit growth
- Deliver financial guidance commitments

Hart continued, “The North Star initiatives will guide our efforts over the next 3 years, and we believe present an opportunity to more than double Adjusted EBITDA margin. In conjunction with our announcement to evaluate a Sale-Leaseback transaction, we are committed to building a successful and sustainable business, and creating value for shareholders.”

Preliminary Revenue Results for the Fourth Quarter, as Compared to the Prior Year as Applicable, Included the Following:

- Total revenue of approximately \$290.2 million increased 2.4% compared to the fourth quarter of 2021
 - Red Robin Royalty® membership is approximately 11.3 million members, an increase of approximately 0.3 million
- Comparable restaurant revenue⁽¹⁾ increased 2.5% compared to the fourth quarter of 2021
 - This is the 8th consecutive quarter of positive comparable restaurant revenue⁽¹⁾ growth.
 - Comparable restaurant revenue⁽¹⁾ in the fourth quarter of 2022 includes a benefit of approximately \$2.8 million due to the Company's assessment of breakage related to its Red Robin Royalty® program. Excluding this benefit, comparable restaurant revenue⁽¹⁾ would have increased 1.5% compared to the fourth quarter of 2021.

⁽¹⁾ Comparable restaurant revenue represents revenue from Company-owned restaurants that have operated five full quarters as of the end of the period presented.

Comparable restaurant revenue⁽¹⁾ at restaurants with Donatos® outperformed restaurants without Donatos® by 6.2% in the fourth quarter of 2022 as compared to 2019. 247 restaurants offer Donatos® as of the end of fiscal 2022.

The above results are preliminary and subject to year-end closing adjustments.

Hart concluded, “The continued growth in comparable restaurant revenue demonstrates our brand strength and provides a strong foundation to support revenue and Adjusted EBITDA growth in 2023.”

Evaluation of Sale-Leaseback Transaction

Red Robin also announced it is evaluating a Sale-Leaseback transaction related to up to 35 owned properties. The Company has engaged CBRE Group to lead the process and anticipates the proceeds will be used to repay debt, fund capital investments, and repurchase shares of company stock, subject to the terms of the Company's Credit Agreement and approval by the Board of Directors. Red Robin expects the evaluation process to be complete in the first quarter of 2023 and if pursued, a transaction to be finalized in the first or second quarter of 2023.

ICR Conference and Jefferies Summit Participation

Red Robin is hosting a fireside chat at the 25th Annual ICR Investor Conference at the JW Marriott Orlando Grande Lakes today at 10:00 AM Eastern Time. The Company will also be participating in a pre-recorded fireside chat at the Jefferies 12th Annual Winter Restaurant, Foodservice, Gaming, Lodging & Leisure Summit, which will be available for on-demand viewing beginning on January 21, 2023. These webcasts will be available from the Company's website at ir.redrobin.com/news-events/ir-calendar. Red Robin will be meeting with institutional investors at both conferences – January 9-10, 2023 and January 23-24, 2023, respectively.

About Red Robin Gourmet Burgers, Inc. (NASDAQ: RRGB)

Red Robin Gourmet Burgers, Inc. (www.redrobin.com), is a casual dining restaurant chain founded in 1969 that operates through its wholly-owned subsidiary, Red Robin International, Inc., and under the trade name, Red Robin Gourmet Burgers and Brews. We believe nothing brings people together like burgers and fun around our table, and no one makes moments of connection over craveable food more memorable than Red Robin. We serve a variety of burgers and mainstream favorites to guests of all ages in a casual, playful atmosphere. In addition to our many burger offerings, Red Robin serves a wide array of salads, appetizers, entrees, desserts, signature beverages and Donatos® pizza at select locations. It's now easy to enjoy Red Robin anywhere with online ordering available for to-go, delivery and catering, or you can download our new app for easy customization, access to the Red Robin Royalty® dashboard and more. There are more than 520 Red Robin restaurants across the United States and Canada, including those operating under franchise agreements. Red Robin... YUMMM®!

Forward-Looking Statements

Forward-looking statements regarding the Company's future performance; “North Star” strategic plan; preliminary results including revenue; Adjusted EBITDA projections; potential Sale-Leaseback transactions, timing and anticipated uses of proceeds including potential share repurchase; capital expenditures including investment in our restaurants and systems, new restaurant growth; pricing expectations; our ability to mitigate cost inflation; and all other statements that are not historical facts are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions believed by the Company to be reasonable and speak only as of the date on which such statements are made. Without limiting the generality of the foregoing, words such as "expect," "believe," "anticipate," "intend," "plan," "project," "could," "should," "will," "outlook" or "estimate," or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. Except as required by law, the Company undertakes no obligation to update such statements to reflect events or circumstances arising after such date and cautions investors not to place undue reliance on any such forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those described in the statements based on a number of factors, including but not limited to the following: the effectiveness of the Company's strategic initiatives, including labor and service models, and operational improvement initiatives and our ability to execute on such strategic initiatives; our ability to recruit, staff, train, and retain our workforce; the impact of COVID-19 and new variants on our results of operations, staffing levels, supply chain, and liquidity; the effectiveness and timing of the Company's marketing strategies and promotions; menu changes and pricing strategy; the implementation, rollout, and timing of technology solutions; our ability to achieve revenue and cost savings; competition in the casual dining market and discounting by competitors; changes in consumer spending trends and habits; changes in the availability and cost of food products, labor, and energy; general economic and operating conditions, including changes in consumer disposable income, weather conditions, and other events affecting the regions where our restaurants are operated; the adequacy of cash flows and the cost and availability of capital or credit facility borrowings; changes in federal, state, or local laws and regulations affecting the operation of our restaurants, including minimum wage and tip credit regulations, consumer and occupational health and safety regulations, health insurance coverage and other benefits, nutritional disclosures, and employment eligibility-related documentation requirements; costs and other effects of legal claims by Team Members, franchisees, customers, vendors, stockholders, and others, including negative publicity regarding food safety or cyber security; and other risk factors described from time to time in the Company's Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) filed with the U.S. Securities and Exchange Commission.

For media relations questions:

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(410) 458-2308

For investor relations questions:

Raphael Gross, ICR

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(203) 682-8253

Red Robin

ICR 2023



FORWARD LOOKING STATEMENTS

Forward-looking statements regarding the Company's future performance; "North Star" strategic plan; preliminary results including revenue; Adjusted EBITDA projections; potential Sale-Leaseback transactions, timing, and anticipated uses of proceeds including potential share repurchases; capital expenditures including investment in our restaurants and systems, new restaurant growth; pricing expectations; our ability to mitigate cost inflation; and all other statements that are not historical facts are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions believed by the Company to be reasonable and speak only as of the date on which such statements are made. Without limiting the generality of the foregoing, words such as "expect," "believe," "anticipate," "intend," "plan," "project," "could," "should," "will," "outlook" or "estimate," or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. Except as required by law, the Company undertakes no obligation to update such statements to reflect events or circumstances arising after such date and cautions investors not to place undue reliance on any such forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those described in the statements based on a number of factors, including but not limited to the following: the effectiveness of the Company's strategic initiatives, including labor and service models, and operational improvement initiatives and our ability to execute on such strategic initiatives; our ability to recruit, staff, train, and retain our workforce; the impact of COVID-19 and new variants on our results of operations, staffing levels, supply chain, and liquidity; the effectiveness and timing of the Company's marketing strategies and promotions; menu changes and pricing strategy; the implementation, rollout, and timing of technology solutions; our ability to achieve revenue and cost savings; competition in the casual dining market and discounting by competitors; changes in consumer spending trends and habits; changes in the availability and cost of food products, labor, and energy; general economic and operating conditions, including changes in consumer disposable income, weather conditions, and other events affecting the regions where our restaurants are operated; the adequacy of cash flows and the cost and availability of capital or credit facility borrowings; changes in federal, state, or local laws and regulations affecting the operation of our restaurants, including minimum wage and tip credit regulations, consumer and occupational health and safety regulations, health insurance coverage and other benefits, nutritional disclosures, and employment eligibility-related documentation requirements; costs and other effects of legal claims by Team Members, franchisees, customers, vendors, stockholders, and others, including negative publicity regarding food safety or cyber security; and other risk factors described from time to time in the Company's Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) filed with the U.S. Securities and Exchange Commission.



RRGB OVERVIEW

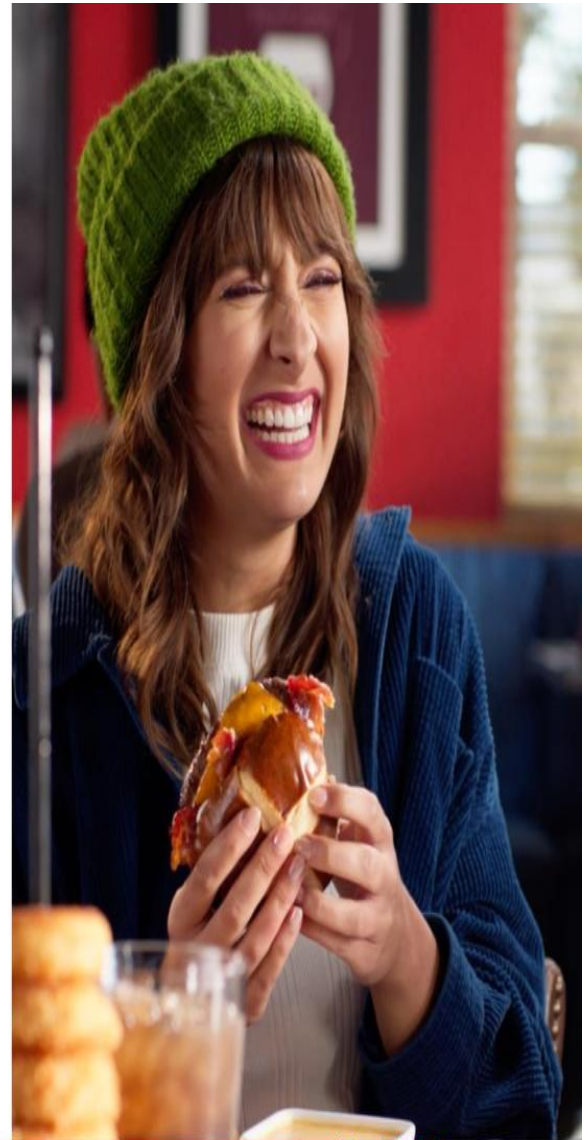
FOUNDED/HEADQUARTERS	1969/DENVER, CO
GEOGRAPHICAL PRESENCE ¹	44 STATES 1 CANADIAN PROVINCE
RESTAURANTS ¹	511 RESTAURANTS
RESTAURANT PROFILE MIX ¹	81% COMPANY-OWNED 19% FRANCHISE-OWNED
Q3'22 RED ROBIN ROYALTY® MEMBERSHIP	11M
Q3'22 RESTAURANT SALES MIX ²	72% DINE-IN 28% OFF-PREMISES
Q3'22 DINE-IN/OFF-PREMISE AVERAGE GUEST CHECK ³	\$37.43/\$30.49
TTM Q3'22 TOTAL REVENUE ¹	\$1.3B
TTM Q3'22 ADJUSTED EBITDA ⁴	\$53M
TTM Q3'22 RESTAURANT MARGIN ³	13.4%
TTM Q3'22 AVERAGE UNIT VOLUME ²	\$2.9M
AVERAGE RESTAURANT SIZE ³	6,300 SQ. FT.
LISTED EXCHANGE	NASDAQ Global Select Market



- 1) Represents total system, including Company owned and Franchise locations
- 2) Comparable Company-owned restaurants as of 10/2/2022
- 3) Total Company-owned restaurants
- 4) Adjusted EBITDA is a non-GAAP measure. See appendix for reconciliation to TTM Q3'22 Net Loss of \$54.9M.

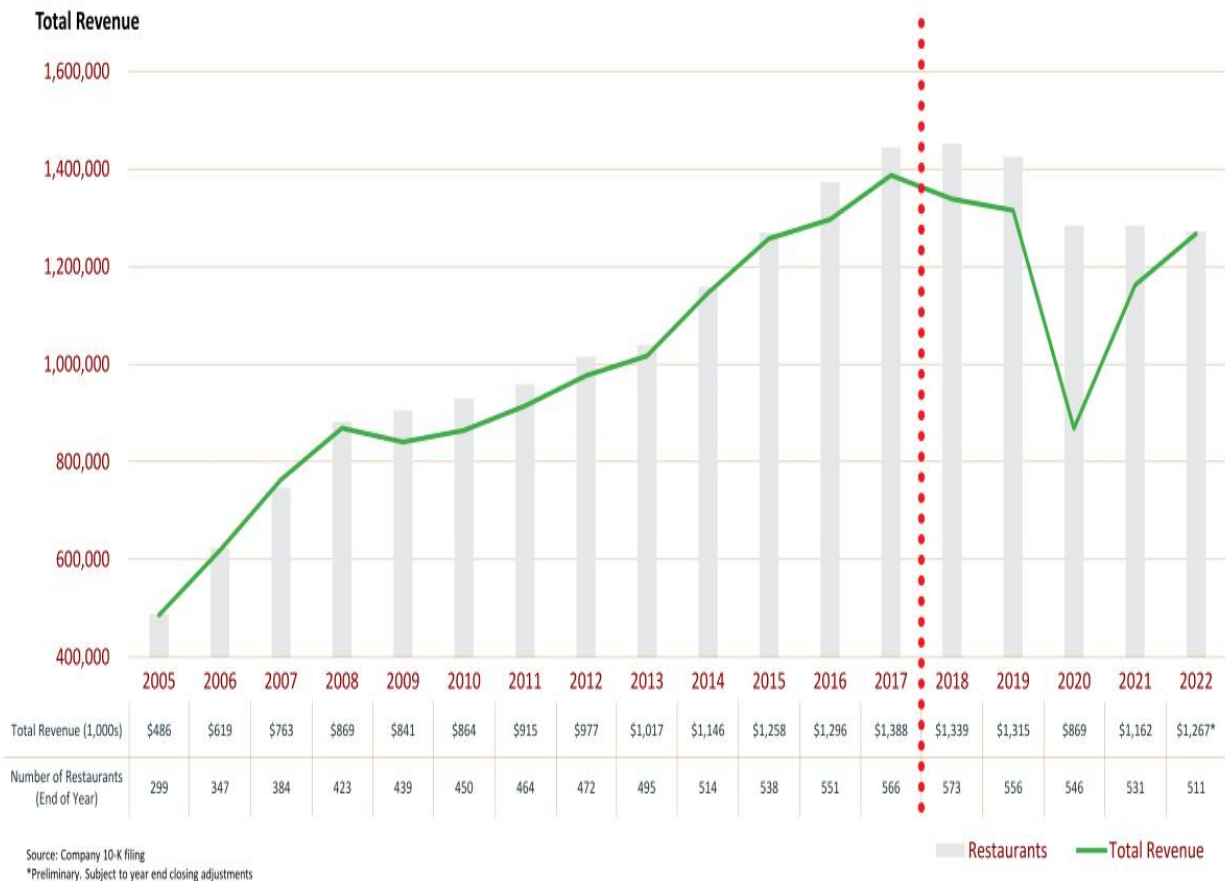
RISE TO SUCCESS

- Red Robin founded in 1969
- IPO in 2002
- Achieved significant growth throughout early 2000s
- Delivered a compelling brand promise of family and friends connecting over awesome American food and bottomless fun
- Developed competitive advantages:
 - High value
 - Unbridled hospitality
 - Family friendly, fun and lively atmosphere
- Iconic brand with broad appeal allowed unit expansion into national footprint
- Large and loyal fan base





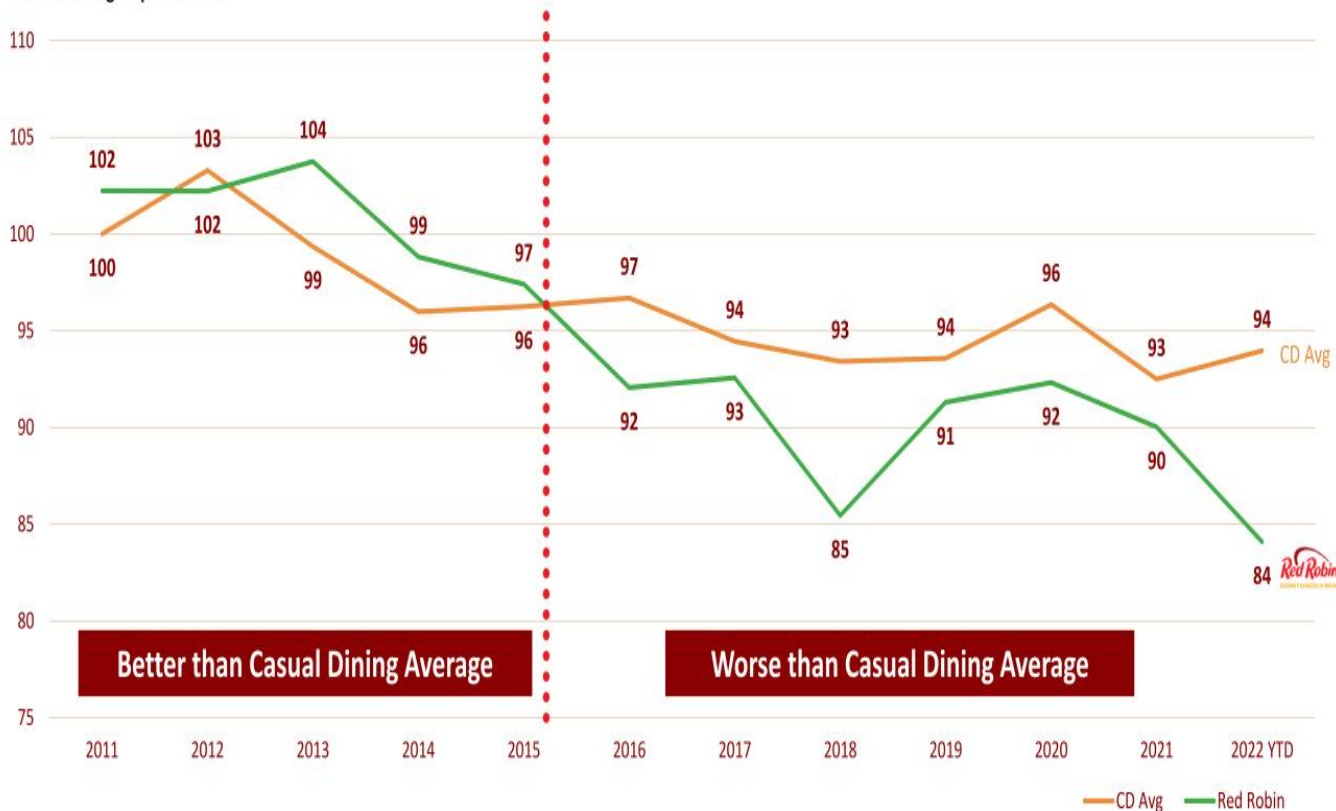
TOTAL REVENUE AND RESTAURANT COUNT GREW THROUGH 2017





AFTER HAVING ONCE BEEN A LEADER IN GUEST SATISFACTION IN THE INDUSTRY, WE HAVE SEEN A STEADY DECLINE

Overall Rating: Top Box Index



Source: Technomic, All Data Indexed to CD Avg. In 2011c





**AFTER MANY YEARS OF GROWTH, COST-CUTTING DECISIONS
THAT WERE WELL INTENDED BUT POORLY EXECUTED
DIMINISHED BOTH THE GUEST EXPERIENCE AND OUR RESULTS**



Degradation of food quality



Labor reductions that impacted the
Guest experience



Under investment in the business





WHEN WE EXECUTE ON OUR PROMISE, GUESTS GIVE US A LOT OF CREDIT

- **Burgers:** gourmet burgers, creative take on traditional burgers, we do burgers great
- **Bottomless Steak Fries and Sides**
- **Fun and Lively Atmosphere:** that allows people to be themselves
- **Family Friendly Environment:** food kids really like, welcoming to kids
- **Environment that Fosters Connection:** where Guests can catch up or connect with others



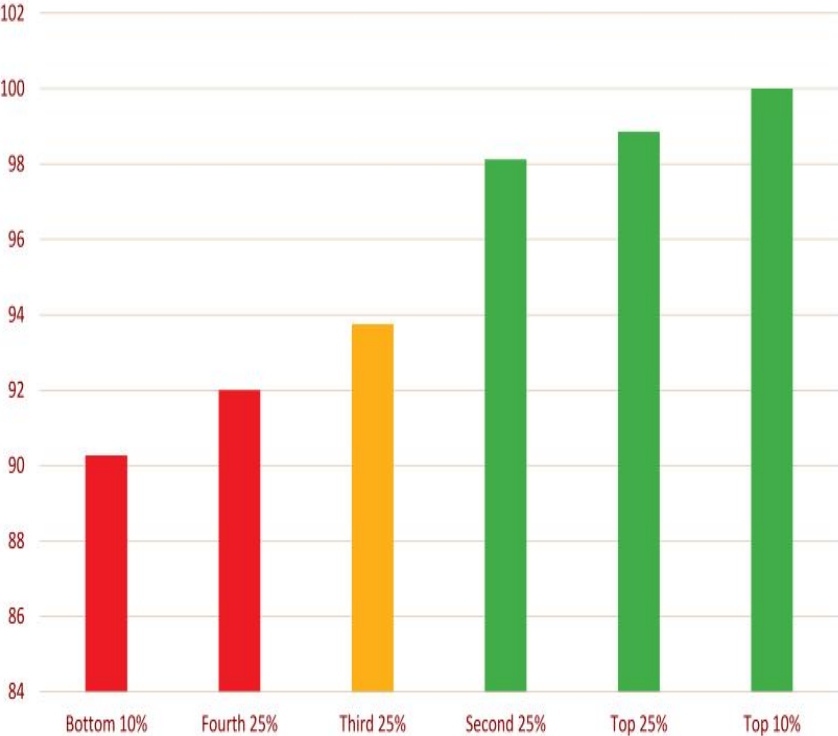
Source: Kantar custom field study research among current and prospective Guests



OVERALL SATISFACTION IS HIGHEST IN OUR TOP PERFORMING COMPARABLE RESTAURANT SALES RESTAURANTS

Overall Satisfaction

Company Owned Restaurants, Grouped by Comparable Restaurant Sales Indexed to Top 10%=100



We grouped restaurants by YTD P12.2022 comparable restaurant sales and overlaid Guest satisfaction scores (OSAT)

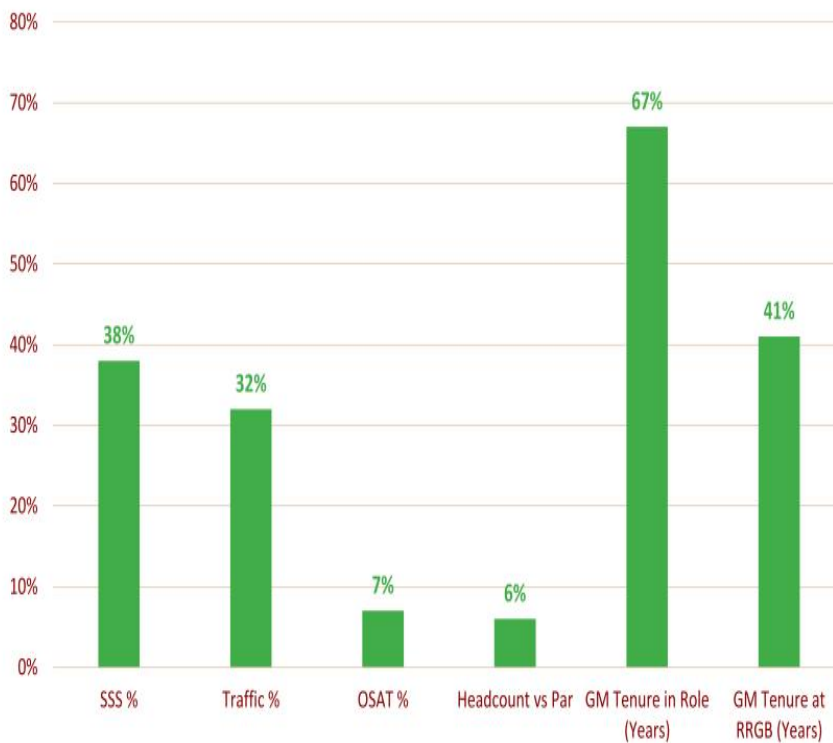




WHEN WE EXECUTE THE BRAND, WE WIN!

Top Quartile vs. Bottom Quartile Variance

Company Owned Restaurants, Grouped by Comparable Restaurant Sales



Top Quartile vs Bottom Quartile Restaurants:

- SSS: 38% better
- Traffic: 32% better
- OSAT: 7% better
- 6% better staffed (vs. Par)
- GM in role 67% longer
- GM with RRGB 41% longer



OUR NORTH STAR

Transform to an Operations Focused Restaurant Company:

- Empower decision making by Operators at the unit level
- Incent and reward Operators to drive business growth and results
- Restructured support organization

Elevate the Guest Experience:

- Invest in People, food quality, and the restaurant facility
- New cooking platform to fully deliver on our commitment of Gourmet Burgers
- Menu refresh adding variety of both offerings and price points



OUR NORTH STAR (CONT.)



Remove Costs and Complexity:

- Optimize the supply chain to reduce costs and ensure consistent delivery of high-quality product
- Evaluate vendors for need, performance, and competitive costs
- Implement ongoing process to reduce costs through actions that uphold our commitment to a great Guest experience



Optimize Guest Engagement:

- Engage and support local communities in which we operate
- Enhance the off-premises experience
- Further build and engage Guests through Red Robin Royalty® loyalty program



Drive Growth in Comparable Restaurant Revenue & Unit Level Profitability, and Deliver Financial Commitments:

- Regain credibility with the investment community
- Drive performance in the existing base of restaurants, earning the right to resume new unit growth
- Deliver financial guidance commitments





INVESTOR RELATIONS 2023 CALENDAR



January 9-11

ICR Conference



January 22-24

Jefferies Winter
Restaurant, Foodservice,
Gaming, Lodging & Leisure
Summit



February

Q4 and 2022 Earnings
Release, Including 2023
Guidance





Red Robin
GOURMET BURGERS AND MORE



APPENDIX: NON-GAAP RECONCILIATION

(in thousands, unaudited)

Fifty Two
Weeks Ended
10/2/2022

Net loss as reported	(54,918)
Interest expense, net	18,870
Income tax provision (benefit)	629
Depreciation and amortization	78,378
EBITDA	42,959

Asset impairment	18,743
Gain on sale of restaurant property	(9,204)
Change in accounting estimate, gift card breakage	(5,246)
Executive transition	1,954
Other financing costs	1,392
COVID-19 related charges	599
Restaurant closure costs (gains)	1,284
Closed corporate office, net of sublease income	267
Litigation contingencies	47
Adjusted EBITDA	52,795



