

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **July 14, 2024**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **001-34851**

RED ROBIN GOURMET BURGERS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

84-1573084

(I.R.S. Employer Identification No.)

**10000 E. Geddes Avenue, Suite 500
Englewood, Colorado 80112**

(Address of principal executive offices) (Zip Code)

(303) 846-6000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 20, 2024, there were 15,753,528 shares of the registrant's common stock, par value of \$0.001 per share outstanding.

RED ROBIN GOURMET BURGERS, INC.

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PART I — FINANCIAL INFORMATION

ITEM 1. Financial Statements (unaudited)

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in thousands, except for per share amounts)

	July 14, 2024	December 31, 2023
Assets:		
Current assets:		
Cash and cash equivalents	\$ 23,135	\$ 23,634
Accounts receivable, net	12,617	21,592
Inventories	27,252	26,839
Prepaid expenses and other current assets	13,876	11,785
Restricted cash	7,992	7,931
Total current assets	84,872	91,781
Property and equipment, net	223,350	261,258
Operating lease assets, net	352,654	361,609
Intangible assets, net	15,064	15,491
Other assets, net	13,192	11,795
Total assets	\$ 689,132	\$ 741,934
Liabilities and stockholders' equity (deficit):		
Current liabilities:		
Accounts payable	\$ 31,737	\$ 27,726
Accrued payroll and payroll-related liabilities	35,274	32,524
Unearned revenue	16,703	36,067
Current portion of operating lease obligations	51,912	43,819
Accrued liabilities and other	54,028	46,201
Total current liabilities	189,654	186,337
Long-term debt	162,309	182,594
Long-term portion of operating lease obligations	364,082	383,439
Other non-current liabilities	9,630	10,006
Total liabilities	725,675	762,376
Commitments and contingencies (see Note 8. Commitments and Contingencies)		
Stockholders' equity (deficit):		
Common stock; \$0.001 par value; 45,000 shares authorized; 20,449 shares issued; 15,755 and 15,528 shares outstanding as of July 14, 2024 and December 31, 2023	20	20
Preferred stock, \$0.001 par value; 3,000 shares authorized; no shares issued and outstanding as of July 14, 2024 and December 31, 2023	—	—
Treasury stock 4,694 and 4,921 shares, at cost, as of July 14, 2024 and December 31, 2023	(166,585)	(174,702)
Paid-in capital	224,425	229,680
Accumulated other comprehensive loss, net of tax	(36)	(22)
Accumulated deficit	(94,367)	(75,418)
Total stockholders' equity (deficit)	(36,543)	(20,442)
Total liabilities and stockholders' equity (deficit)	\$ 689,132	\$ 741,934

See Notes to Condensed Consolidated Financial Statements

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(in thousands, except for per share amounts)	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Revenues:				
Restaurant revenue	\$ 294,457	\$ 293,281	\$ 673,025	\$ 700,174
Franchise revenue	4,287	3,544	9,628	8,826
Other revenue	1,410	1,823	6,042	7,460
Total revenues	300,154	298,648	688,695	716,460
Costs and expenses:				
Restaurant operating costs (excluding depreciation and amortization shown separately below):				
Cost of sales	69,444	71,372	159,653	171,042
Labor	113,908	109,678	262,866	255,100
Other operating	51,783	51,842	118,273	123,892
Occupancy	24,595	23,482	56,023	53,283
Depreciation and amortization	13,402	15,756	31,556	37,581
Selling, general, and administrative expenses	28,652	26,864	68,041	61,387
Pre-opening costs	—	4	—	586
Other charges (gains), net	2,931	(10,607)	(1,045)	(848)
Total costs and expenses	304,715	288,391	695,367	702,023
Income (loss) from operations	(4,561)	10,257	(6,672)	14,437
Other expense:				
Interest expense	5,107	6,483	12,587	14,252
Interest income and other, net	(139)	(304)	(451)	(655)
Income (loss) before income taxes	(9,529)	4,078	(18,808)	840
Income tax provision (benefit)	(40)	156	141	176
Net income (loss)	\$ (9,489)	\$ 3,922	\$ (18,949)	\$ 664
Income (loss) per share:				
Basic	\$ (0.61)	\$ 0.24	\$ (1.21)	\$ 0.04
Diluted	\$ (0.61)	\$ 0.24	\$ (1.21)	\$ 0.04
Weighted average shares outstanding:				
Basic	15,680	16,037	15,608	16,014
Diluted	15,680	16,291	15,608	16,367
Other comprehensive income (loss):				
Foreign currency translation adjustment	\$ 4	\$ 4	\$ (14)	\$ 11
Other comprehensive income (loss), net of tax	4	4	(14)	11
Total comprehensive income (loss)	\$ (9,485)	\$ 3,926	\$ (18,963)	\$ 675

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

(in thousands)	Common Stock		Treasury Stock		Paid-in Capital	Accumulated Other Comprehensive Income/(Loss), net of tax	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, December 31, 2023	20,449	\$ 20	4,921	\$ (174,702)	\$ 229,680	\$ (22)	\$ (75,418)	\$ (20,442)
Exercise of options, issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(84)	3,011	(3,382)	—	—	(371)
Non-cash stock compensation	—	—	—	—	1,190	—	—	1,190
Net loss	—	—	—	—	—	—	(9,460)	(9,460)
Other comprehensive income (loss), net of tax	—	—	—	—	—	(18)	—	(18)
Balance, April 21, 2024	<u>20,449</u>	<u>\$ 20</u>	<u>4,837</u>	<u>\$ (171,691)</u>	<u>\$ 227,488</u>	<u>\$ (40)</u>	<u>\$ (84,878)</u>	<u>\$ (29,101)</u>
Exercise of options, issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(143)	5,106	(4,919)	—	—	187
Non-cash stock compensation	—	—	—	—	1,856	—	—	1,856
Net loss	—	—	—	—	—	—	(9,489)	(9,489)
Other comprehensive income (loss), net of tax	—	—	—	—	—	4	—	4
Balance, July 14, 2024	<u>20,449</u>	<u>\$ 20</u>	<u>4,694</u>	<u>\$ (166,585)</u>	<u>\$ 224,425</u>	<u>\$ (36)</u>	<u>\$ (94,367)</u>	<u>\$ (36,543)</u>

(in thousands)	Common Stock		Treasury Stock		Paid-in Capital	Accumulated Other Comprehensive Income/(Loss), net of tax	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance, December 25, 2022	20,449	\$ 20	4,515	\$ (182,810)	\$ 238,803	\$ (34)	\$ (54,190)	\$ 1,789
Exercise of options, issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(129)	5,330	(5,106)	—	—	224
Non-cash stock compensation	—	—	—	—	2,179	—	—	2,179
Net income (loss)	—	—	—	—	—	—	(3,256)	(3,256)
Other comprehensive income (loss), net of tax	—	—	—	—	—	8	—	8
Balance, April 16, 2023	20,449	\$ 20	4,386	\$ (177,480)	\$ 235,876	\$ (26)	\$ (57,445)	\$ 945
Exercise of options, issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(250)	9,933	(8,297)	—	—	1,636
Acquisition of treasury stock	—	—	382	(4,999)	—	—	—	(4,999)
Non-cash stock compensation	—	—	—	—	1,519	—	—	1,519
Net income (loss)	—	—	—	—	—	—	3,922	3,922
Other comprehensive income (loss), net of tax	—	—	—	—	—	4	—	4
Balance, July 9, 2023	20,449	\$ 20	4,518	\$ (172,546)	\$ 229,098	\$ (22)	\$ (53,524)	\$ 3,026

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(in thousands)	Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023
Cash flows from operating activities:		
Net income (loss)	\$ (18,949)	\$ 664
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	31,556	37,581
Asset impairment	1,128	2,387
Non-cash other charges (gains), net	539	(619)
Stock-based compensation expense	3,046	3,691
Gain on sale of restaurant property	(7,425)	(14,803)
Other, net	1,074	251
Changes in operating assets and liabilities, net of business acquisition:		
Accounts receivable	8,778	8,703
Income tax receivable	197	102
Inventories	(492)	(225)
Prepaid expenses and other current assets	(86)	(386)
Operating lease assets, net of liabilities	(224)	(6,879)
Trade accounts payable and accrued liabilities	16,171	500
Unearned revenue	(19,364)	(13,230)
Other operating assets and liabilities, net	(1,703)	488
Net cash provided by operating activities	14,246	18,225
Cash flows from investing activities:		
Purchases of property, equipment, and intangible assets	(13,856)	(25,814)
Net proceeds from sale-leaseback	23,271	28,451
Proceeds from sales of property and equipment and other investing activities	—	794
Acquisition of franchised restaurants	—	(3,529)
Net cash provided by (used in) investing activities	9,415	(98)
Cash flows from financing activities:		
Proceeds from borrowings on revolving credit facilities	25,500	—
Repayments of borrowings on revolving credit facilities	(25,500)	(15,000)
Repayments of borrowings on term loan	(21,232)	(1,500)
Repayments of finance lease obligations	(619)	(448)
Purchase of treasury stock	—	(4,999)
(Uses) Proceeds from other financing activities, net	(2,246)	1,861
Net cash used in financing activities	(24,097)	(20,086)
Effect of exchange rate changes on cash	(2)	—
Net change in cash and cash equivalents, and restricted cash	(438)	(1,959)
Cash and cash equivalents, and restricted cash, beginning of period	31,565	58,206
Cash and cash equivalents, and restricted cash, end of period	\$ 31,127	\$ 56,247
Supplemental disclosure of cash flow information		
Income tax paid, net	\$ 47	\$ 104
Interest paid, net of amounts capitalized	\$ 10,767	\$ 11,495
Right of use assets obtained in exchange for operating lease obligations	\$ 17,832	\$ 34,928
Right of use assets obtained in exchange for finance lease obligations	\$ —	\$ 82

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Recent Accounting Pronouncements

Red Robin Gourmet Burgers, Inc., a Delaware corporation, together with its subsidiaries ("Red Robin" or the "Company"), primarily operates, franchises, and develops full-service restaurants in North America. As of July 14, 2024, the Company owned and operated 411 restaurants located in 39 states. The Company also had 92 franchised full-service restaurants in 14 states and one Canadian province. The Company operates its business as one operating and one reportable segment.

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of Red Robin and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The results of operations for any interim period are not necessarily indicative of results for the full year.

The accompanying Condensed Consolidated Financial Statements of Red Robin have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"), including the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and footnote disclosures normally included in the Company's annual Condensed Consolidated Financial Statements on Form 10-K have been condensed or omitted. The Condensed Consolidated Balance Sheet as of December 31, 2023 has been derived from the audited Condensed Consolidated Financial Statements as of that date but does not include all disclosures required for audited annual financial statements. For further information, please refer to and read these interim Condensed Consolidated Financial Statements in conjunction with the Company's audited Condensed Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 28, 2024.

Our current, prior, and upcoming year periods, period end dates, and number of weeks included in the period are summarized in the table below:

Periods	Period End Date	Number of Weeks in Period
<i>Current, Prior and Upcoming Fiscal Quarters:</i>		
First Quarter 2024	April 21, 2024	16
First Quarter 2023	April 16, 2023	16
Second Quarter 2024	July 14, 2024	12
Second Quarter 2023	July 9, 2023	12
Third Quarter 2024	October 6, 2024	12
Third Quarter 2023	October 1, 2023	12
<i>Current and Prior Fiscal Years:</i>		
Fiscal Year 2024	December 29, 2024	52
Fiscal Year 2023	December 31, 2023	53

Reclassifications

Certain amounts presented have been reclassified to conform with the current period presentation. The reclassifications had no effect on the Company's consolidated results. We made adjustments to the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) to disaggregate franchise and other revenue and to disaggregate interest expense and interest income and other, net. Additionally, we made adjustments to the Condensed Consolidated Statements of Cash Flows to disaggregate borrowings and repayments on revolving credit facilities, repayments on the term loan and finance lease obligations and to reclassify gift card breakage within unearned revenue.

Recently Issued and Recently Adopted Accounting Standards

In December 2023, FASB issued Update 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures which updates income tax disclosures related to the rate reconciliation and requires disclosure of income taxes paid by jurisdiction. The amendment also provides further disclosure comparability. The amendment is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied prospectively. However, retrospective application is permitted. We do not expect these amended disclosures will have a material impact to the Company's Consolidated Financial Statements or Notes to the Consolidated Financial Statements upon adoption.

In November 2023, FASB issued Update 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which updates reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023 and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied retrospectively to all prior periods presented in the financial statements. Management is currently evaluating this ASU to determine its impact on the Company's disclosures.

We reviewed all other recently issued accounting pronouncements and concluded they were either not applicable or not expected to have a significant impact on the Company's Condensed Consolidated Financial Statements.

Summary of Significant Accounting Policies

Revenue Recognition - Revenues consist of sales from restaurant operations (including third party delivery), franchise revenue, and other revenue including gift card breakage and miscellaneous revenue. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a restaurant Guest, franchisee, or other customer.

The Company recognizes revenues from restaurant operations when payment is tendered at the point of sale, as the Company's performance obligation to provide food and beverage to the customer has been satisfied.

The Company sells gift cards which do not have an expiration date, and it does not deduct dormancy fees from outstanding gift card balances. We recognize revenue from gift cards as either: (i) Restaurant revenue, when the Company's performance obligation to provide food and beverage to the customer is satisfied upon redemption of the gift card, or (ii) gift card breakage, as discussed below.

Gift card breakage is recognized when the likelihood of a gift card being redeemed by the customer is remote and the Company determines there is not a legal obligation to remit the unredeemed gift card balance to the relevant jurisdiction. The determination of the gift card breakage rate is based upon the Company's specific historical redemption patterns. The Company recognizes gift card breakage by applying its estimate of the rate of gift card breakage on a pro rata basis over the period of estimated redemption.

During the second quarter of fiscal 2024, we re-launched our Red Robin Royalty™ program ("Royalty"). Under the re-launched program, Royalty members generally earn points for every dollar spent. We may also periodically offer promotions, which typically provide the customer with the opportunity to earn bonus points or other rewards. Upon reaching certain point thresholds, Royalty members earn rewards that may be redeemed for food and beverage items. Earned rewards generally expire 90 days after they are issued, and points generally expire if a qualifying purchase is not made within 365 days of the last purchase. We defer revenue based on the estimated stand-alone selling price of points or rewards earned by customers as each point or reward is earned, net of points or rewards we do not expect to be redeemed. Our estimate of points and rewards expected to be redeemed is based on historical Company-specific data. We evaluate Royalty redemption rates annually, or more frequently as circumstances warrant. Estimating future redemption rates requires judgment based on current and historical trends, and actual redemption rates may vary from our estimates.

Revenues we receive from our franchise arrangements include sales-based royalties, advertising fund contributions, and franchise fees. Red Robin franchisees are required to remit 4.0% to 5.0% of their revenues as royalties to the Company and contribute up to 3% of revenues to two national advertising funds. The Company recognizes these sales-based royalties and advertising fund contributions as the underlying franchisee sales occur. Contributions to these Advertising Funds from franchisees are recorded as revenue under Franchise revenue in the Consolidated Statements of Operations and Comprehensive Income (Loss) in accordance with ASC Topic 606, *Revenue from Contracts with Customers*.

The Company typically grants franchise rights to franchisees for a term of 20 years, with the right to extend the term for an additional 10 years if various conditions are satisfied by the franchisee.

Other revenue consists of gift card breakage, licensing income, and recycling income.

2. Revenue

Disaggregation of revenue

In the following table, revenue is disaggregated by type of good or service (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Restaurant revenue	\$ 294,457	\$ 293,281	\$ 673,025	\$ 700,174
Franchise revenue	4,287	3,544	9,628	8,826
Gift card breakage	1,025	533	5,188	5,342
Other revenue	385	1,290	854	2,118
Total revenues	\$ 300,154	\$ 298,648	\$ 688,695	\$ 716,460

Contract Liabilities

Components of Unearned revenue in the Condensed Consolidated Balance Sheets are as follows (in thousands):

	July 14, 2024	December 31, 2023
Unearned gift card revenue	\$ 14,899	\$ 28,558
Unearned Royalty revenue	1,804	7,509
Unearned revenue	\$ 16,703	\$ 36,067

Revenue recognized in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the redemption and breakage of gift cards that were included in the liability balance at the beginning of the fiscal year was as follows (in thousands):

	Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023
Gift card revenue	\$ 14,539	\$ 16,038

We recognize Royalty revenue within Restaurant revenue in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) when a customer redeems an earned reward. Unearned revenue associated with Royalty is included in Unearned revenue in our Condensed Consolidated Balance Sheets.

Changes in our unearned revenue balance related to our Royalty program (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Unearned Royalty revenue, beginning balance	\$ 8,032	\$ 11,356	\$ 7,509	\$ 11,107
Revenue deferred	715	2,247	3,039	4,763
Revenue recognized ⁽¹⁾	(6,943)	(1,980)	(8,744)	(4,247)
Unearned Royalty revenue, ending balance	\$ 1,804	\$ 11,623	\$ 1,804	\$ 11,623

⁽¹⁾ Restaurant revenue includes an approximately \$ 6.4 million credit related to the transition to the new Royalty program in the second quarter of 2024, primarily due to the cancellation of unused points that were earned more than 365 days prior to the launch of the new program.

3. Leases

The components of lease expense, including variable lease costs primarily consisting of common area maintenance charges and real estate taxes, are included in Occupancy on our Condensed Consolidated Statement of Operations and Comprehensive Income (Loss) as follows (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Operating lease cost	\$ 17,412	\$ 16,279	\$ 40,418	\$ 37,174
Finance lease cost:				
Amortization of right of use assets	216	221	504	549
Interest on lease liabilities	106	111	243	284
Total finance lease cost	\$ 322	\$ 332	\$ 747	\$ 833
Variable lease cost	4,538	4,477	10,441	10,269
Total	\$ 22,272	\$ 21,088	\$ 51,606	\$ 48,276

Refer to Footnote 5, *Other Charges (Gains), net*, for information regarding the sale-leaseback transactions completed during the year to date periods ended July 14, 2024 and July 9, 2023, respectively.

4. Earnings (Loss) Per Share

Basic earnings (loss) per share amounts are calculated by dividing net income (loss) by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share amounts are calculated based upon the weighted-average number of shares of common stock and potentially dilutive shares of common stock outstanding during the period. Potentially dilutive shares are excluded from the computation in periods in which they have an anti-dilutive effect. Diluted earnings per share reflects the potential dilution that could occur if holders of options exercised their options into common stock. As the Company was in a net loss position for both the quarter to date and year to date periods ended July 14, 2024, all potentially dilutive common shares are considered anti-dilutive.

The Company uses the treasury stock method to calculate the effect of outstanding stock options and awards. Basic weighted average shares outstanding is reconciled to diluted weighted average shares outstanding as follows (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Basic weighted average shares outstanding	15,680	16,037	15,608	16,014
Dilutive effect of stock options and awards	—	254	—	353
Diluted weighted average shares outstanding	15,680	16,291	15,608	16,367
Awards excluded due to anti-dilutive effect on diluted income (loss) per share	1,996	560	1,668	577

5. Other Charges (Gains), net

Other charges (gains), net consisted of the following (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Gain on sale of restaurant property	\$ —	\$ (14,586)	\$ (7,425)	\$ (14,586)
Litigation contingencies	356	1,240	776	5,540
Restaurant closure costs, net	423	(112)	597	1,638
Severance and executive transition	137	962	1,082	2,854
Asset impairment	1,128	1,693	1,128	2,387
Asset disposal and other, net	825	83	2,620	1,144
Closed corporate office costs, net of sublease income	62	113	177	175
Other charges (gains), net	\$ 2,931	\$ (10,607)	\$ (1,045)	\$ (848)

Gain on Sale of Restaurant Property

During the first quarter of fiscal 2024, the Company sold ten restaurant properties for total proceeds of \$23.9 million in a sale-leaseback transaction that resulted in a gain, net of expenses of \$7.4 million. During the second quarter of fiscal 2023, the Company sold nine restaurant properties for total proceeds of \$28.5 million in a sale-leaseback transaction that resulted in a gain, net of expenses of \$14.6 million.

Severance and Executive Transition

During the quarter and year to date periods of fiscal 2024, the Company incurred costs primarily related to a reduction in force of Team Members. During the second quarter and year to date periods of fiscal 2023, the Company incurred severance and executive transition costs associated with changes in leadership positions.

Asset Impairment

During the second quarter of fiscal 2024, the Company recognized non-cash impairment charges primarily related to the closure of two locations. During the second quarter and year to date periods of fiscal 2023, the Company recognized non-cash impairment charges primarily related to impairments of long-lived assets at four underperforming locations and the closed corporate office. See Note 7. Fair Value Measurements.

Asset Disposal and Other

Asset disposals and other relate primarily to terminated capital projects.

6. Borrowings

Borrowings as of July 14, 2024 and December 31, 2023 are summarized below (in thousands):

	July 14, 2024	Variable Interest Rate		December 31, 2023	Variable Interest Rate	
Term loan	\$ 167,911	12.10	%	\$ 189,143	11.62	%
Total borrowings	<u>167,911</u>			<u>189,143</u>		
Less: unamortized debt issuance costs and discounts	<u>5,602</u>			<u>6,549</u>		
Long-term debt	<u>\$ 162,309</u>			<u>\$ 182,594</u>		
Revolving line of credit unamortized deferred financing charges:	\$ 625			\$ 752		

Credit Agreement

On March 4, 2022, the Company entered into a credit agreement (the "Credit Agreement") by and among the Company, Red Robin International, Inc., as the borrower, the lenders from time to time party thereto, the issuing banks from time to time party thereto, Fortress Credit Corp., as Administrative Agent and as Collateral Agent and JPMorgan Chase Bank, N.A., as Sole Lead Arranger and Sole Bookrunner. The five-year \$225.0 million Credit Agreement provides for a \$25.0 million revolving line of credit and a \$200.0 million term loan (collectively, the "Credit Facility"). The borrower maintains the option to increase the Credit Facility in the future, subject to lenders' participation, by up to an additional \$40.0 million in the aggregate on the terms and conditions set forth in the Credit Agreement.

The Credit Facility will mature on March 4, 2027. No amortization is required with respect to the revolving Credit Facility. The term loans require quarterly principal payments in an aggregate annual amount equal to 1.0% of the original principal amount of the term loan. As of July 14, 2024, quarterly principal payments are no longer required as a result of the debt repayments from the proceeds of the recent sale-leaseback transactions. The Credit Agreement's interest rate references the Secured Overnight Financing Rate ("SOFR"), a new index calculated by short-term repurchase agreements and backed by U.S. Treasury securities, or the Alternate Base Rate, which represents the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.5% per annum, or (c) one-month term SOFR plus 1.0% per annum.

As of July 14, 2024, the Company had outstanding borrowings under the Credit Facility of \$162.3 million, in addition to amounts issued under letters of credit of \$7.7 million. As of December 31, 2023, the Company had outstanding borrowings under the Credit Facility of \$182.6 million, in addition to amounts issued under letters of credit of \$7.7 million.

Red Robin International, Inc., is the borrower under the Credit Agreement, and certain of its subsidiaries and the Company are guarantors of the borrower's obligations under the Credit Agreement. Borrowings under the Credit Agreement are secured by substantially all of the assets of the borrower and the guarantors, including the Company, and are available to: (i) refinance certain existing indebtedness of the borrower and its subsidiaries, (ii) pay any fees and expenses in connection with the Credit Agreement, and (iii) provide for the working capital and general corporate requirements of the Company, the borrower and its subsidiaries, including permitted acquisitions and capital expenditures, but excluding restricted payments.

On March 4, 2022, Red Robin International, Inc., the Company, and the guarantors also entered into a Pledge and Security Agreement (the "Security Agreement") granting to the Administrative Agent a first priority security interest in substantially all of the assets of the borrower and the guarantors to secure the obligations under the Credit Agreement.

Red Robin International, Inc. as the borrower is obligated to pay customary fees to the agents, lenders and issuing banks under the Credit Agreement with respect to providing, maintaining, or administering, as applicable, the credit facilities.

On July 17, 2023, the Company amended the Credit Agreement (the "Credit Agreement Amendment") to, among other things, remove the previously included \$50.0 million aggregate cap on sale-leasebacks of Company-owned real property that are permitted under the Credit Agreement, subject to certain conditions set forth in the Credit Agreement.

The summary descriptions of the Credit Agreement, the Security Agreement, and the Credit Agreement Amendment do not purport to be complete and are qualified in their entirety by reference to the full text of each agreement, each of which was filed February 28, 2024, as an exhibit to the Annual Report on Form 10-K.

7. Fair Value Measurements**Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The carrying amounts of the Company's cash and cash equivalents, accounts receivable, accounts payable, and current accrued expenses and other liabilities approximate fair value due to the short-term nature or maturity of the instruments.

The Company maintains a rabbi trust to fund obligations under a deferred compensation plan. Amounts in the rabbi trust are invested in mutual funds, which are designated as trading securities and carried at fair value and are included in Other assets, net in the accompanying Condensed Consolidated Balance Sheets. Fair market value of mutual funds is measured using level 1 inputs (quoted prices for identical assets in active markets).

The following tables present the Company's assets measured at fair value on a recurring basis (in thousands):

	July 14, 2024	Level 1	Level 2	Level 3
Assets:				
Investments in rabbi trust	\$ 2,055	\$ 2,055	\$ —	\$ —
Total assets measured at fair value	<u>\$ 2,055</u>	<u>\$ 2,055</u>	<u>\$ —</u>	<u>\$ —</u>
	December 31, 2023	Level 1	Level 2	Level 3
Assets:				
Investments in rabbi trust	\$ 2,079	\$ 2,079	\$ —	\$ —
Total assets measured at fair value	<u>\$ 2,079</u>	<u>\$ 2,079</u>	<u>\$ —</u>	<u>\$ —</u>

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value in the Condensed Consolidated Financial Statements on a nonrecurring basis include items such as property, plant and equipment, right of use assets, and other intangible assets. These assets are measured at fair value if determined to be impaired.

During 2024 and 2023, the Company measured non-financial assets for impairment using continuing and projected future cash flows, which were based on significant inputs not observable in the market and thus represented a level 3 fair value measurement.

During the second quarter of fiscal 2024, we impaired long-lived assets at two restaurant locations that we closed during the quarter with a carrying value of approximately \$3.1 million. We determined the fair value of these long-lived assets to be \$0.9 million as a result of the closures, resulting in a \$1.1 million impairment charge and a \$1.1 million decrease in right of use assets due to remeasurement. During the first half of fiscal 2023, we impaired long-lived assets at four restaurant locations and the closed corporate office with carrying values of \$12.4 million. We determined the fair value of these long-lived assets to be \$0.0 million, resulting in impairment charges of \$2.4 million during the quarter and year to date periods ended July 9, 2023.

Disclosures of Fair Value of Other Assets and Liabilities

The Company's liability under its credit facility is carried at historical cost in the accompanying Condensed Consolidated Balance Sheets. As of July 14, 2024, the fair value of the credit facility was approximately \$168.3 million and the principal amount carrying value was \$167.9 million. The credit facility term loan is reported net of \$5.6 million in unamortized discount and debt issuance costs in the Condensed Consolidated Balance Sheet as of July 14, 2024. The carrying value of the credit facility was \$189.1 million and the fair value of the credit facility was \$186.9 million as of December 31, 2023. The interest rate on the credit facility represents a level 2 fair value input.

8. Commitments and Contingencies

Because litigation is inherently unpredictable, assessing contingencies related to litigation is a complex process involving highly subjective judgment about potential outcomes of future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated, or unrelated to possible outcomes, and as such are not meaningful indicators of our potential liability or financial exposure. Accordingly, we review the adequacy of accruals and disclosures each quarter in consultation with legal counsel, and we assess the probability and range of possible losses associated with contingencies for potential accrual in the Condensed Consolidated Financial Statements. However, the ultimate resolution of litigated claims may differ from our current estimates.

As of July 14, 2024, we had reserves of \$8.1 million for loss contingencies included within Accrued liabilities and other on our Condensed Consolidated Balance Sheet. In the normal course of business, there are various claims in process, matters in litigation, administrative proceedings, and other contingencies. These include employment related claims and class action lawsuits, claims from Guests or Team Members alleging illness, injury, food quality, health, or operational concerns, and lease and other commercial disputes. To date, none of these claims, certain of which are covered by insurance policies, have had a material effect on the Company. While it is not possible to predict the outcome of these suits, legal proceedings, and claims with certainty, management is of the opinion that adequate provision for potential losses associated with these matters has been made in the financial statements and that the ultimate resolution of these matters will not have a material adverse effect on our financial position and results of operations. However, a significant increase in the number of these claims, or one or more successful claims resulting in greater liabilities than we currently anticipate, could materially and adversely affect our business, financial condition, results of operations, and cash flows.

As of July 14, 2024, we had non-cancellable purchase commitments primarily related to certain vendors who provide food and beverage and other supplies to our restaurants, for an aggregate of \$202.2 million. We expect to fulfill our commitments under these agreements in the normal course of business, and as such, no liability has been recorded.

9. Subsequent Events

Subsequent to the second quarter of fiscal 2024, the Company entered into the Second Amendment to our Credit Agreement (the “Second Amendment”). The Second Amendment amends the Credit Agreement to, among other things:

- increase the required Maximum Net Total Leverage Ratio beginning in the third fiscal quarter of 2024 through the third fiscal quarter of 2025;
- increase the aggregate revolving commitments by \$15.0 million to \$40.0 million on the Second Amendment effective date through the third fiscal quarter of 2025;
- remove the variable Pricing Grid and increase the Applicable Margin on all Term Loans and Revolving Facility Loans that are SOFR Loans to 7.50% per annum and that are ABR Loans to 6.50% per annum;
- add certain additional reporting requirements.

In conjunction with the Second Amendment, the Company paid certain customary amendment fees to the lenders under the credit facility totaling approximately \$2.9 million. Terms in this section that are capitalized but not defined have the meanings given to them in the Second Amendment. The summary description of the Second Amendment does not purport to be complete and is qualified in its entirety to the full text of the Second Amendment, which is attached hereto as Exhibit 10.6 and is incorporated by reference herein.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations provides a narrative of our financial performance and condition that should be read in conjunction with the accompanying Condensed Consolidated Financial Statements. References to the second quarter and year to date periods of fiscal 2024 and fiscal 2023 refer to the twelve and twenty-eight weeks ended July 14, 2024 and July 9, 2023, respectively.

Description of Business

Red Robin Gourmet Burgers, Inc., a Delaware corporation, together with its subsidiaries ("Red Robin," "we," "us," "our," or the "Company"), primarily operates, franchises, and develops full-service restaurants with 503 locations in North America. As of July 14, 2024, the Company owned 411 restaurants located in 39 states, and had 92 franchised restaurants in 14 states and one Canadian province. The Company operates its business as one operating and one reportable segment.

Our primary source of revenue is from the sale of food and beverages at Company-owned restaurants. We also earn revenue from royalties and fees from franchised restaurants.

Highlights for the Second Quarter of Fiscal 2024, Compared to the Second Quarter of Fiscal 2023:

- Total revenues are \$300.2 million, an increase of \$1.5 million.
- Comparable restaurant revenue⁽¹⁾ declined 0.8% excluding a deferred revenue benefit led by the change in the Company's loyalty program. Including this benefit, Comparable restaurant revenue⁽¹⁾ increased 1.4%.
- Net loss is \$9.5 million, compared to net income of \$3.9 million last year.
- Adjusted EBITDA⁽²⁾ is \$11.8 million compared to \$15.5 million last year.
- Subsequent to the close of the second quarter, executed an amendment to the credit agreement that revises financial covenants and expands revolver capacity.

Highlights for the Year to Date Period of Fiscal 2024, Compared to the Year to Date Period of Fiscal 2023:

- Total revenues are \$688.7 million, a decrease of \$27.8 million.
- Comparable restaurant revenue⁽¹⁾ declined 4.0% excluding a deferred revenue benefit led by the change in the Company's loyalty program. Including this benefit, Comparable restaurant revenue⁽¹⁾ declined 3.2%.
- Net loss is \$18.9 million, compared to net income of \$0.7 million last year.
- Adjusted EBITDA⁽²⁾ is \$24.0 million compared to \$51.9 million last year.
- Completed a sale-leaseback transaction for ten restaurants in the first quarter of fiscal 2024, generating net proceeds of approximately \$23.3 million and a gain, net of expenses of \$7.4 million.

⁽¹⁾ Comparable restaurant revenue represents revenue from Company-owned restaurants that have operated for 18 months as of the beginning of the period presented.

⁽²⁾ See below for a reconciliation of Adjusted EBITDA to Net income (loss).

Key Performance Indicators

Restaurant Revenue, compared to the same quarter in the prior year, is presented in the table below:

(Dollars in millions)	Twelve Weeks Ended	Twenty-Eight Weeks Ended
Restaurant Revenue for the period ended July 9, 2023	\$ 293.3	\$ 700.2
Increase/(decrease) in comparable restaurant revenue	4.1	(21.5)
Decrease in non-comparable and closed restaurant revenue	(2.9)	(5.7)
Total increase/(decrease)	1.2	(27.2)
Restaurant Revenue for the period ended July 14, 2024	\$ 294.5	\$ 673.0

Restaurant Data

The following table details restaurant unit data for our Company-owned and franchised locations for the periods presented:

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Company-owned:				
Beginning of period	413	415	415	414
Opened during the period	—	—	—	1
Acquired from franchisees	—	5	—	5
Closed during the period	(2)	(2)	(4)	(2)
End of period	411	418	411	418
Franchised:				
Beginning of period	92	96	92	97
Opened during the period	—	—	—	—
Closed during the period	—	—	—	(1)
Sold to Company during the period	—	(5)	—	(5)
End of period	92	91	92	91
Total number of restaurants	503	509	503	509

Comparable Restaurant Revenue

As of the first quarter of fiscal 2024, the Company revised its definition of comparable restaurant revenue to reflect Company-owned restaurants that have operated for 18 months as of the beginning of the period presented. The prior definition included Company-owned restaurants that have operated for five full quarters as of the beginning of the period presented. The Company believes this change will provide investors with a better understanding of our financial performance from period to period. The change did not have a material impact on previously reported results and as such, prior periods were not revised to reflect the new definition.

For the second quarter and year to date periods of fiscal 2024, there were 405 and 404 comparable restaurants, respectively.

The following table presents total Company-owned and franchised restaurants by state or province as of July 14, 2024:

<i>State:</i>	Company-Owned Restaurants	Franchised Restaurants
Arkansas	2	1
Alaska		3
Alabama	4	
Arizona	18	1
California	57	
Colorado	22	
Connecticut	3	
Delaware		5
Florida	17	
Georgia	6	
Iowa	5	
Idaho	8	
Illinois	17	
Indiana	11	
Kansas		5
Kentucky	4	
Louisiana	1	
Massachusetts	5	
Maryland	11	
Maine	2	
Michigan		19
Minnesota	4	
Missouri	8	3
Montana		1
North Carolina	17	
Nebraska	4	
New Hampshire	3	
New Jersey	11	1
New Mexico	3	
Nevada	6	
New York	14	
Ohio	16	3
Oklahoma	5	
Oregon	15	5
Pennsylvania	11	20
Rhode Island	1	
South Carolina	4	
South Dakota	1	
Tennessee	9	
Texas	18	9
Utah	1	5
Virginia	19	
Washington	37	
Wisconsin	11	
<i>Province:</i>		
British Columbia		11
Total	411	92

Results of Operations

Operating results for each fiscal period presented below are expressed as a percentage of total revenues, except for the components of restaurant operating costs, which are expressed as a percentage of restaurant revenue.

This information has been prepared on a basis consistent with our audited 2023 annual financial statements, and, in the opinion of management, includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the information for the periods presented. Our operating results may fluctuate significantly as a result of a variety of factors, and operating results for any period presented are not necessarily indicative of results for a full fiscal year.

(Dollars in thousands)	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Revenues:				
Restaurant revenue	98.1 %	98.2 %	97.7 %	97.7 %
Franchise revenue	1.4	1.2	1.4	1.2
Other revenue	0.5	0.6	0.9	1.1
Total revenues	100.0	100.0	100.0	100.0
Costs and expenses:				
Restaurant operating costs ⁽¹⁾ (excluding depreciation and amortization shown separately below):				
Cost of sales	23.6	24.3	23.7	24.4
Labor	38.7	37.4	39.1	36.4
Other operating	17.6	17.7	17.6	17.7
Occupancy	8.4	8.0	8.3	7.6
Total restaurant operating costs	88.1	87.3	88.6	86.1
Depreciation and amortization	4.5	5.3	4.6	5.2
Selling, general, and administrative expenses	9.5	9.0	9.9	8.6
Pre-opening costs	—	—	—	0.1
Other charges (gains), net	1.0	(3.6)	(0.2)	(0.1)
Income (loss) from operations	(1.5)	3.4	(1.0)	2.0
Other expense (income):				
Interest expense	1.7	2.3	1.8	2.1
Interest income and other, net	—	(0.2)	(0.1)	(0.1)
Income (loss) before income taxes	(3.2)	1.4	(2.7)	0.1
Income tax provision (benefit)	—	0.1	—	—
Net income (loss)	(3.2) %	1.3 %	(2.8) %	0.1 %

⁽¹⁾ Expressed as a percentage of restaurant revenue.

Revenues

(Dollars in thousands)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Restaurant revenue	\$ 294,457	\$ 293,281	0.4 %	\$ 673,025	\$ 700,174	(3.9) %
Franchise revenue	4,287	3,544	21.0 %	9,628	8,826	9.1 %
Other revenue	1,410	1,823	(22.7) %	6,042	7,460	(19.0) %
Total revenues	\$ 300,154	\$ 298,648	0.5 %	\$ 688,695	\$ 716,460	(3.9) %
Average weekly net sales volumes in Company-owned restaurants	\$ 59,498	\$ 58,477	1.7 %	\$ 58,220	\$ 60,124	(3.2) %
Total operating weeks	4,949	5,018	(1.4) %	11,560	11,648	(0.8) %

Restaurant revenue, which comprises primarily food and beverage sales, increased \$1.2 million, or 0.4%, in the second quarter of fiscal 2024, as compared to the comparable period of 2023. Restaurant revenue increased primarily due to a benefit resulting from a change in the Company's loyalty program. Excluding this benefit, comparable restaurant revenue declined 0.8%. Including this benefit, comparable restaurant revenue increased 1.4%. Comparable restaurant revenue reflects a 6.7% decrease in Guest count, offset in part by a 5.9% increase in average Guest check. The increase in average Guest check resulted from a 7.6% increase in menu prices, partially offset by a 0.9% decrease from menu mix and a 0.8% decrease from discounts. The decrease in menu mix was primarily driven by Guests shifting visits from third party delivery platforms with elevated menu prices, to dine in visits at standard menu prices, and reduced incidence of add on menu items. Dine-in sales comprised 76.8% of total food and beverage sales during the second quarter of 2024, as compared to 74.7% in the same period in 2023.

Restaurant revenue decreased \$27.1 million or 3.9% in the year to date period of fiscal 2024, as compared to the same period of 2023. Restaurant revenue decreased primarily due to a 4.0% decrease in comparable restaurant revenue led by the change in the Company's loyalty program. Including the benefit of loyalty adjustments, comparable restaurant revenue decreased 3.2%. Comparable restaurant revenue reflects an 8.3% decrease in Guest count, partially offset by a 4.3% increase in average Guest check. The decrease in Guest count is due in part to overlapping elevated performance in the first quarter of fiscal 2023, our exit of virtual brands in the third quarter of fiscal 2023, and adverse weather impacts during the first quarter of fiscal 2024. The increase in average Guest check resulted from a 6.4% increase in menu prices, partially offset by a 1.4% decrease from menu mix and a 0.7% decrease from discounts. The decrease in menu mix was primarily driven by Guests shifting visits from third party delivery platforms with elevated menu prices, to dine in visits at standard menu prices, and reduced incidence of add on menu items. Dine-in sales comprised 76.4% of total food and beverage sales during the year to date period of 2024, as compared to 71.4% in the same period in 2023.

Average weekly net sales volumes are calculated as the total restaurant revenue for all Company-owned Red Robin restaurants for each time period presented, divided by the number of operating weeks in the period.

Franchise revenue increased by \$0.7 million, or 21.0%, in the second quarter of fiscal 2024 compared to the same period of 2023, primarily due to an increase in franchisee contributions. The increase in 2024 follows a reduction in 2023, and returns franchisee contributions to their typical historical level. Franchise restaurants reported a decrease of 1.7% in comparable restaurant revenue in the second quarter of fiscal 2024 and a decrease of 3.2% for the year to date period of fiscal 2024 compared to the same periods in fiscal 2023.

Other revenue decreased \$0.4 million and \$1.4 million in the second quarter and year to date periods of fiscal 2024 compared to 2023, primarily related to business interruption insurance recoveries recognized in 2023.

Cost of Sales

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Cost of sales	\$ 69,444	\$ 71,372	(2.7)%	\$ 159,653	\$ 171,042	(6.7)%
As a percent of restaurant revenue	23.6 %	24.3 %	(0.7)%	23.7 %	24.4 %	(0.7)%

Cost of sales, which comprises food and beverage costs, is variable and generally fluctuates with sales volume. Cost of sales as a percentage of restaurant revenue decreased 70 basis points for the second quarter of fiscal 2024 as compared to the comparable period in 2023. The improvement was primarily driven by menu price increases and implementation of various cost savings initiatives, partially offset by negative product mix and commodity inflation.

Cost of sales as a percentage of restaurant revenue decreased 70 basis points for the year to date period of fiscal 2024 as compared to the comparable period in 2023. The improvement was primarily driven by menu price increases and implementation of various cost savings initiatives, partially offset by product mix shifts to higher cost menu items and commodity inflation.

Labor

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Labor	\$ 113,908	\$ 109,678	3.9 %	\$ 262,866	\$ 255,100	3.0 %
As a percent of restaurant revenue	38.7 %	37.4 %	1.3 %	39.1 %	36.4 %	2.7 %

Labor costs include restaurant level hourly wages and management salaries as well as related taxes and benefits. For the second quarter of fiscal 2024, labor as a percentage of restaurant revenue increased 130 basis points compared to the same period in 2023. The increase was primarily driven by strategic investments in hourly and management labor, increased incentive compensation related to a new partner bonus plan, and higher group health insurance costs.

For the year to date period of fiscal 2024, labor as a percentage of restaurant revenue increased 270 basis points compared to the same period in 2023. The increase was primarily driven by strategic investments in hourly and management labor, increased incentive compensation related to a new partner bonus plan, and higher workers compensation and group health insurance costs.

Other Operating

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Other operating	\$ 51,783	\$ 51,842	(0.1)%	\$ 118,273	\$ 123,892	(4.5)%
As a percent of restaurant revenue	17.6 %	17.7 %	(0.1)%	17.6 %	17.7 %	(0.1)%

Other operating costs include costs such as repair and maintenance costs, restaurant supplies, utilities, restaurant technology, and other miscellaneous costs. For the second quarter of fiscal 2024, other operating costs as a percentage of restaurant revenue decreased 10 basis points as compared to the comparable period in 2023. The decrease was primarily driven by reduced third party commission expenses associated with lower off premise mix and lower commission rates, partially offset by higher utilities costs.

For the year to date period of fiscal 2024, other operating costs as a percentage of restaurant revenue decreased 10 basis points as compared to the comparable period in 2023. The decrease was primarily driven by reduced third party commission expenses associated with lower off premise mix and lower commission rates.

Occupancy

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Occupancy	\$ 24,595	\$ 23,482	4.7 %	\$ 56,023	\$ 53,283	5.1 %
As a percent of restaurant revenue	8.4 %	8.0 %	0.4 %	8.3 %	7.6 %	0.7 %

Occupancy costs include fixed rents, property taxes, common area maintenance charges, general liability insurance, contingent rents, and other property costs. Occupancy costs as a percentage of restaurant revenue increased 40 basis points for the second quarter of fiscal 2024 compared to the comparable period in 2023. The increase is due to the impact of an increase in fixed rents related to the sale-leaseback of 28 locations.

Occupancy costs as a percentage of restaurant revenue increased 70 basis points for the year to date period of fiscal 2024 compared to the comparable period in 2023. The increase is due to the impact of an increase in fixed rents related to the sale-leaseback of 28 locations and the acquisition of five restaurants from a franchisee in the second quarter of fiscal 2023.

Depreciation and Amortization

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Depreciation and amortization	\$ 13,402	\$ 15,756	(14.9)%	\$ 31,556	\$ 37,581	(16.0)%
As a percent of total revenues	4.5 %	5.3 %	(0.8)%	4.6 %	5.2 %	(0.6)%

Depreciation and amortization include depreciation on capital expenditures for restaurants and corporate assets as well as amortization of reacquired franchise rights, leasehold interests, and certain liquor licenses. For the second quarter of fiscal 2024, depreciation and amortization expense as a percentage of revenue decreased 80 basis points compared to the comparable period in 2023, primarily due to asset impairments and sale-leaseback transactions reducing the depreciable asset base.

For the year to date period of fiscal 2024, depreciation and amortization expense as a percentage of revenue decreased 60 basis points compared to the comparable period in 2023, primarily due to asset impairments and sale-leaseback transactions reducing the depreciable asset base.

Selling, General, and Administrative

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Selling, general, and administrative	\$ 28,652	\$ 26,864	6.7 %	\$ 68,041	\$ 61,387	10.8 %
As a percent of total revenues	9.5 %	9.0 %	0.5 %	9.9 %	8.6 %	1.3 %

Selling, general, and administrative costs include all corporate and administrative functions. Components of this category include marketing and advertising costs; restaurant support center, regional, and franchise support salaries and benefits; travel; professional and consulting fees; corporate information systems; legal expenses; office rent; training; and Board of Directors' expenses. Selling, general and administrative expense increased \$1.8 million, or 6.7% in the second quarter of fiscal 2024 as compared to the comparable period in 2023.

General and administrative costs in the second quarter of fiscal 2024 were \$16.6 million, a decrease of \$3.5 million compared to the comparable period in 2023. The decrease is primarily related to reduced incentive compensation accruals as compared to the prior year quarter.

Selling costs in the second quarter of fiscal 2024 were \$12.0 million, an increase of \$5.3 million compared to the comparable period in 2023. The increase was primarily driven by increased marketing communication with consumers and related production costs.

General and administrative costs in the year to date period of fiscal 2024 were \$42.5 million, a decrease of \$3.8 million compared to the comparable period in 2023. The decrease is primarily related to reduced incentive compensation accruals as compared to the same period last year, partially offset by higher benefit costs.

Selling costs in the year to date period of fiscal 2024 were \$25.6 million, an increase of \$10.5 million compared to the comparable period in 2023. The increase was primarily driven by increased marketing communication with consumers and related production costs.

Pre-opening Costs

(In thousands, except percentages)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Percent Change	July 14, 2024	July 9, 2023	Percent Change
Pre-opening costs	\$ —	\$ 4	(100.0)%	\$ —	\$ 586	(100.0)%
As a percent of total revenues	—%	—%	—%	—%	0.1%	(0.1)%

Pre-opening costs, which are expensed as incurred, comprise the costs related to preparing restaurants to introduce Donatos® and other initiatives, as well as direct costs, including labor, occupancy, training, and marketing, incurred related to opening new restaurants and hiring the initial work force. Our pre-opening costs fluctuate from period to period, depending upon, but not limited to, the number of restaurants where Donatos® has been introduced, the number of restaurant openings, the size of the restaurants being opened, and the location of the restaurants. Pre-opening costs for any period will typically include expenses associated with restaurants opened during the period as well as expenses related to restaurants opening in subsequent periods.

We did not open any new restaurants or roll out any Donatos® locations in the first half of fiscal 2024. We opened one restaurant and completed the rollout of 25 Donatos® locations in the first half of fiscal 2023.

Interest Expense

Interest expense for the second quarter of fiscal 2024 and 2023 was \$5.1 million and \$6.5 million, respectively. The \$1.4 million decrease was primarily due to the \$29.6 million repayment of debt with the proceeds from the sale-leaseback transactions subsequent to the second quarter of fiscal 2023, partially offset by an increase in the weighted average interest rate to 13.6% in the second quarter of fiscal 2024 compared to 11.1% in the prior year quarter. Average outstanding debt was \$175.2 million and \$207.1 million as of July 14, 2024 and July 9, 2023, respectively.

Interest expense was \$12.6 million for the year to date period of fiscal 2024 and \$14.3 million for the year to date period of fiscal 2023. The \$1.7 million decrease was primarily due to the \$29.6 million repayment of debt with the proceeds from the sale-leaseback transactions subsequent to the second quarter of fiscal 2023, partially offset by an increase in the weighted average interest rate to 13.5% for the year to date period of fiscal 2024 compared to 12.3% in the same period last year. Average outstanding debt was \$175.2 million and \$210.7 million as of July 14, 2024 and July 9, 2023, respectively.

Income Tax Provision

The effective tax rate for the second quarter of fiscal 2024 was a 0.4% benefit, compared to a 3.8% expense for the second quarter of fiscal 2023. The effective tax rate for the year to date period of fiscal 2024 was 0.7%, compared to 21.0% for the year to date period of fiscal 2023. The effective tax rate for the quarter and year to date periods of fiscal 2024 reflects the valuation allowance recorded against the Company's net tax assets in addition to certain federal and state income taxes due to attribute limitations, minimum state income taxes, and state franchise taxes. The increase in tax rate for the fiscal 2023 periods as compared to the fiscal 2024 periods is due to the near break-even pretax book income generated in fiscal 2023.

Non-GAAP Financial Measures

Restaurant revenue and operating costs, and restaurant level operating profit for the periods presented are detailed in the table below:

(Dollars in millions)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Increase/ (Decrease)	July 14, 2024	July 9, 2023	Increase/ (Decrease)
Restaurant revenue	\$ 294.5	\$ 293.3	0.4 %	\$ 673.0	\$ 700.2	(3.9) %
Restaurant operating costs:						
Cost of sales	69.4	71.4	(2.8) %	159.7	171.0	(6.6) %
Labor	113.9	109.7	3.8 %	262.9	255.1	3.1 %
Other operating	51.8	51.8	— %	118.3	123.9	(4.5) %
Occupancy	24.6	23.5	4.7 %	56.0	53.3	5.1 %
Total Restaurant Operating Costs	\$ 259.7	\$ 256.4	1.3 %	\$ 596.9	\$ 603.3	(1.1) %
Restaurant level operating profit ⁽¹⁾	\$ 34.8	\$ 36.9	(5.7) %	\$ 76.1	\$ 96.9	(21.5) %

⁽¹⁾ Restaurant level operating profit is a non-GAAP measure. See below for a reconciliation of restaurant level operating profit to income from operations and income from operations as a percentage of total revenues.

(Dollars in millions)	Twelve Weeks Ended			Twenty-Eight Weeks Ended		
	July 14, 2024	July 9, 2023	Increase/ (Decrease)	July 14, 2024	July 9, 2023	Increase/(Decrease)
Restaurant revenue	\$ 294.5	\$ 293.3	0.4 %	\$ 673.0	\$ 700.2	(3.9) %
Restaurant operating costs:	(Percentage of Restaurant Revenue)	(Basis Points)		(Percentage of Restaurant Revenue)	(Basis Points)	
Cost of sales	23.6 %	24.3 %	(70)	23.7 %	24.4 %	(70)
Labor	38.7	37.4	130	39.1	36.4	270
Other operating	17.6	17.7	(10)	17.6	17.7	(10)
Occupancy	8.4	8.0	40	8.3	7.6	70
Total Restaurant Operating Costs	88.1 %	87.3 %	80	88.6 %	86.1 %	250
Restaurant level operating profit	11.8 %	12.6 %	(80)	11.3 %	13.8 %	(250)

Certain percentage and basis point amounts in the table above do not total due to rounding as well as restaurant operating costs being expressed as a percentage of restaurant revenue and not total revenues.

The following table summarizes net income (loss), income (loss) per diluted share, and adjusted income (loss) per diluted share for the periods presented:

<u>(in thousands, except per share amounts)</u>	<u>Twelve Weeks Ended</u>		<u>Twenty-Eight Weeks Ended</u>	
	<u>July 14, 2024</u>	<u>July 9, 2023</u>	<u>July 14, 2024</u>	<u>July 9, 2023</u>
Net income (loss) as reported	\$ (9,489)	\$ 3,922	\$ (18,949)	\$ 664
Income (loss) per share - diluted:				
Net income (loss) as reported	\$ (0.61)	\$ 0.24	\$ (1.21)	\$ 0.04
Other charges (gains), net:				
Gain on sale of restaurant property	—	(0.91)	(0.48)	(0.89)
Litigation contingencies	0.02	0.08	0.05	0.34
Restaurant closure costs, net	0.03	(0.01)	0.04	0.10
Severance and executive transition	0.01	0.06	0.07	0.17
Asset impairment	0.07	0.11	0.07	0.15
Asset disposal and other, net	0.05	0.01	0.17	0.07
Closed corporate office costs, net of sublease income	—	0.01	0.01	0.01
Income tax effect	(0.05)	0.17	0.02	0.01
Adjusted income (loss) per share - diluted	\$ (0.47)	\$ (0.24)	\$ (1.26)	\$ —
Weighted average shares outstanding:				
Basic	15,680	16,037	15,608	16,014
Diluted	15,680	16,291	15,608	16,367

The following table summarizes Net loss, EBITDA, and Adjusted EBITDA for the periods presented (in thousands):

	Twelve Weeks Ended		Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023	July 14, 2024	July 9, 2023
Net income (loss) as reported	\$ (9,489)	\$ 3,922	\$ (18,949)	\$ 664
Interest expense, net	4,997	6,305	12,311	13,881
Income tax provision (benefit)	(40)	156	141	176
Depreciation and amortization	13,402	15,756	31,556	37,581
EBITDA	8,870	26,139	25,059	52,302
Other charges (gains), net:				
Gain on sale of restaurant property	—	(14,586)	(7,425)	(14,586)
Litigation contingencies	356	1,240	776	5,540
Restaurant closure costs, net	423	(112)	597	1,638
Severance and executive transition	137	962	1,082	2,854
Asset impairment	1,128	1,693	1,128	2,387
Asset disposal and other, net	825	83	2,620	1,144
Closed corporate office costs, net of sublease income	62	113	177	175
Adjusted EBITDA	\$ 11,801	\$ 15,532	\$ 24,014	\$ 51,454

We define EBITDA as net income (loss) before interest expense, income taxes, and depreciation and amortization. Adjusted EBITDA and Adjusted income (loss) per share-diluted are supplemental measures of our performance that are not required by or presented in accordance with GAAP. We believe these non-GAAP measures give the reader additional insight into the ongoing operational results of the Company and are intended to supplement the presentation of the Company's financial results in accordance with GAAP. Adjusted EBITDA and adjusted income (loss) per share-diluted exclude the impact of non-operating or nonrecurring items including changes in estimates, asset impairments, litigation contingencies, gains (losses) on debt extinguishment, restaurant and office closure costs, gains on sale leaseback transactions, severance and executive transition costs and other non-recurring, non-cash or discrete items net of income tax impacts. Other companies may define these non-GAAP measures differently, and as a result our measures may not be directly comparable to those of other companies. Adjusted income (loss) per share-diluted and Adjusted EBITDA should be considered in addition to, and not as a substitute for, net income (loss) as reported in accordance with U.S. GAAP as a measure of performance.

The following table summarizes income (loss) from operations and restaurant level operating profit for the periods presented (dollars in thousands):

	Twelve Weeks Ended				Twenty-Eight Weeks Ended			
	July 14, 2024		July 9, 2023		July 14, 2024		July 9, 2023	
Income (loss) from operations	\$ (4,561)	(1.5)%	\$ 10,257	3.4%	\$ (6,672)	(1.0)%	\$ 14,437	2.0%
Less:								
Franchise revenue	4,287	1.4%	3,544	1.2%	9,628	1.4%	8,826	1.2%
Other revenue	1,410	0.5%	1,823	0.6%	6,042	0.9%	7,460	1.1%
Add:								
Other charges (gains), net	2,931	1.0	(10,607)	(3.6)	(1,045)	(0.2)	(848)	(0.1)
Pre-opening costs	—	—	4	—	—	—	586	0.1
Selling	12,040	4.0	6,752	2.3	25,587	3.7	15,129	2.1
General and administrative expenses	16,612	5.5	20,111	6.7	42,454	6.2	46,258	6.5
Depreciation and amortization	13,402	4.5	15,756	5.3	31,556	4.6	37,581	5.2
Restaurant level operating profit	\$ 34,727	11.8%	\$ 36,907	12.6%	\$ 76,210	11.3%	\$ 96,857	13.8%
Income (loss) from operations as a percentage of total revenues	(1.5)%		3.4%		(1.0)%		2.0%	
Restaurant level operating profit margin (as a percentage of restaurant revenue)	11.8%		12.6%		11.3%		13.8%	

The Company believes restaurant level operating profit is an important measure for management and investors because it is widely regarded in the restaurant industry as a useful metric by which to evaluate restaurant level operating efficiency and performance. The Company defines restaurant level operating profit to be income from operations less franchise revenue and other revenue, plus other charges (gains), net, pre-opening costs, selling costs, general and administrative expenses, and depreciation and amortization. The measure includes restaurant level occupancy costs that include fixed rents, percentage rents, common area maintenance charges, real estate and personal property taxes, general liability insurance, and other property costs, but excludes depreciation and amortization expense, substantially all of which is related to restaurant level assets, because such expenses represent historical sunk costs which do not reflect current cash outlay for the restaurants. The measure also excludes costs associated with selling, general, and administrative functions, and pre-opening costs, as well as, other charges (gains), net because these costs are non-operating or nonrecurring and therefore not related to the ongoing operations of its restaurants. Restaurant level operating profit is not a measurement determined in accordance with GAAP and should not be considered in isolation, or as an alternative, to income (loss) from operations as an indicator of financial performance. Restaurant level operating profit as presented may not be comparable to other similarly titled measures of other companies in the Company's industry.

Liquidity and Capital Resources

Cash and cash equivalents, and restricted cash decreased \$0.4 million to \$31.1 million as of July 14, 2024, from \$31.6 million at the beginning of the fiscal year. The Company is using available cash flow from operations to maintain existing restaurants and infrastructure, and execute on its long-term strategic initiatives. As of July 14, 2024, the Company had approximately \$48.1 million in liquidity, including cash and cash equivalents and \$25.0 million available borrowing capacity under our Credit Facility.

Cash Flows

The table below summarizes our cash flows from operating, investing, and financing activities for each period presented (in thousands):

	Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023
Net cash provided by operating activities	\$ 14,246	\$ 18,225
Net cash provided by (used in) investing activities	9,415	(98)
Net cash used in financing activities	(24,097)	(20,086)
Effect of exchange rate changes on cash	(2)	—
Net change in cash and cash equivalents, and restricted cash	\$ (438)	\$ (1,959)

Operating Cash Flows

Net cash flows provided by operating activities decreased \$4.0 million to \$14.2 million for the first half of fiscal 2024 compared to \$18.2 million for the comparable period in fiscal 2023. The decrease in net cash provided by operating activities is primarily attributable to the decrease in restaurant level profitability.

Investing Cash Flows

Net cash flows provided by investing activities increased to \$9.4 million for the first half of fiscal 2024, as compared to net cash flows used in investing activities of \$0.1 million for the comparable period in fiscal 2023. The \$9.5 million increase in cash flows provided by investing activities is primarily due to reduction in current year capital expenditures and lower proceeds from sale lease-back transactions in the current year period. In addition, cash used in investing activities in the prior year included a \$3.5 million cash outflow for the acquisition of five franchised restaurants.

The following table lists the components of our capital expenditures for the periods presented (in thousands):

	Twenty-Eight Weeks Ended	
	July 14, 2024	July 9, 2023
Restaurant improvement capital and other	\$ 7,485	\$ 12,045
Technology, infrastructure, and other	6,371	5,066
Donatos® expansion	—	7,440
New restaurants and restaurant refreshes	—	1,263
Total capital expenditures	\$ 13,856	\$ 25,814

Financing Cash Flows

Net cash flows used in financing activities increased to \$24.1 million for the first half of fiscal 2024, as compared to \$20.1 million for the comparable period in fiscal 2023. The increase in cash flows used in financing activities primarily relates to a \$21.2 million repayment of outstanding debt with sale-leaseback transaction proceeds in fiscal 2024 compared to a \$15.5 million repayment of outstanding of debt with sale-leaseback transaction proceeds in fiscal 2023.

Credit Facility

On March 4, 2022, the Company entered into a credit agreement (the "Credit Agreement"), which provides for a Senior Secured Term Loan and Revolving Credit Facility (the "Credit Facility"). The Credit Agreement's interest rate references the Secured Overnight Financing Rate ("SOFR"), a new index calculated by short-term repurchase agreements and backed by U.S. Treasury securities, or the Alternate Base Rate, which represents the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.5% per annum, or (c) one-month term SOFR plus 1.0% per annum.

As of July 14, 2024, the Company had outstanding borrowings under the Credit Facility of \$162.3 million net of \$5.6 million of unamortized deferred financing charges and discounts, none of which was classified as current. As of July 14, 2024, the Company had \$25.0 million of available borrowing capacity under its Credit Facility and \$7.7 million of letters of credit issued against cash collateral. The Company's cash collateral is reported in Restricted cash on our Condensed Consolidated Balance Sheets.

On August 21, 2024, the Company entered into the second amendment to our Credit Agreement (the "Second Amendment"). The Second Amendment among other things: provides certain relief from the financial covenant by increasing the required maximum net total leverage ratio beginning in the third quarter of 2024 through the third quarter of 2025; increases the aggregate revolving commitments by \$15.0 million to \$40.0 million through the third quarter of 2025; removes the variable pricing grid and increases the applicable margin on all term loans and revolving loans that are SOFR-based loans to 7.50% per annum and that are ABR-based loans to 6.50% per annum; and adds certain additional reporting requirements.

Covenants

We are subject to a number of customary covenants under our Credit Facility, including limitations on additional borrowings, acquisitions, stock repurchases, sales of assets, and dividend payments, as well as a net total leverage ratio covenant, as defined, that adjusts periodically as specified in the Second Amendment to our Credit Agreement. As of July 14, 2024, we were in compliance with all debt covenants.

Additionally, as noted under "Credit Facility" above, the Second Amendment increased the required maximum net total leverage ratio covenant from the third quarter of 2024 through the third quarter of 2025.

Working Capital

We typically maintain current liabilities in excess of our current assets which results in a working capital deficit. We are able to operate with a working capital deficit because restaurant sales are primarily conducted on a cash or credit card basis. Rapid turnover of inventory results in limited investment in inventories, and cash from sales is usually received before related payables for food, supplies, and payroll become due. In addition, receipts from the sale of gift cards are received well in advance of related redemptions. Rather than maintain higher cash balances that would result from this pattern of operating cash flows, we typically utilize operating cash flows in excess of those required for currently maturing liabilities to pay for capital expenditures, debt repayment, or to repurchase stock. When necessary, we utilize our Credit Facility to satisfy short-term liquidity requirements. We believe our future cash flows generated from restaurant operations combined with our borrowing capacity under the Credit Facility, as amended by the Second Amendment, and cash on hand, will be sufficient to meet our anticipated cash requirements and fund capital expenditures over the next 12 months.

Share Repurchase

On August 9, 2018, the Company's board of directors authorized the Company's current share repurchase program of up to a total of \$75.0 million of the Company's common stock. The share repurchase authorization will terminate upon completing repurchases of \$75.0 million of common stock unless otherwise terminated by the board. Pursuant to the repurchase program, purchases may be made from time to time at the Company's discretion and the Company is not obligated to acquire any particular amount of common stock. From the date of the current program approval through July 14, 2024, we have repurchased a total of 1,088,588 shares at an average price of \$15.18 per share for an aggregate amount of \$16,520,000. The Company completed no share repurchases during the quarter and year to date periods ended July 14, 2024. Accordingly, as of July 14, 2024, we had \$58.5 million of availability under the current share repurchase program. Our Credit Agreement limits our ability to repurchase shares to certain conditions set forth by the lenders in the Credit Facility.

Seasonality

Our business is subject to seasonal fluctuations. Sales in most of our restaurants were historically higher during the spring months and winter holiday season due to factors including our retail-oriented locations and family appeal. As a result, our quarterly operating results may fluctuate significantly as a result of seasonality, and seasonality of sales may shift over time. Accordingly, results for any one quarter or year are not necessarily indicative of results to be expected for any other quarter or for any year.

Contractual Obligations

There were no other material changes outside the ordinary course of business to our contractual obligations since the filing of the 2023 Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Refer to Footnote 8. Commitments and Contingencies.

Critical Accounting Estimates

Critical accounting estimates are those we believe are both significant and that require us to make difficult, subjective, or complex judgments, often because we need to estimate the effect of inherently uncertain matters. We base our estimates and judgments on historical experiences and various other factors we believe to be appropriate under the circumstances. Actual results may differ from these estimates, including our estimates of future restaurant level cash flows, which are subject to the current economic environment and potentially unknown future events, and we might obtain different results if we use different assumptions or conditions. We had no significant changes in our critical accounting estimates which were disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Forward-Looking Statements

Certain information and statements contained in this report are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA") codified at Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include statements regarding our expectations, beliefs, intentions, plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements which are other than statements of historical facts. These statements may be identified, without limitation, by the use of forward-looking terminology such as "anticipate," "assume," "believe," "could," "estimate," "expect," "future," "intend," "may," "plan," "project," "will," "would," and similar expressions. Forward-looking statements in this report relate to, among other things: (i) our business objectives and strategic plans; (ii) working capital, and the ability of our future cash flows from restaurant operations and our borrowing capacity to satisfy future working capital deficits and capital expenditures; (iii) our share repurchase program; (iv) our expectations about restaurant operating costs, including commodity and food prices and labor and energy costs, and our ability to mitigate potential increases in such costs; (v) anticipated continued investments in our partnership with Donatos® and other restaurant improvements, including the timing thereof; (vi) our expectations about anticipated uses of, and risks associated with, future cash flows, liquidity, capital expenditures, other capital deployment opportunities and taxes; (vii) the seasonality of our business; (viii) our ability to successfully implement, and our expectations regarding, our North Star five-point plan to enhance the Company's competitive positioning; (ix) litigation contingencies and the adequacy of our reserves for legal matters; (x) our expectations regarding, and our ability to mitigate changes in, interest rates, commodity prices, and other factors; (xi) our strategies to enhance our liquidity position; and (xii) transactions including sale-leaseback transactions and acquisitions of certain restaurants from a franchisee.

Although we believe the expectations reflected in our forward-looking statements are based on reasonable assumptions, such expectations may prove to be materially incorrect due to known and unknown risks and uncertainties.

In some cases, information regarding certain important factors that could cause actual results to differ materially from a forward-looking statement appears together with such statement. In addition, the factors described under Risk Factors, as well as other possible factors not listed, could cause actual results to differ materially from those expressed in forward-looking statements, including, without limitation, the effectiveness of the Company's strategic initiatives, including our "North Star" plan, labor and service models, and operational improvement initiatives and our ability to execute on such strategic initiatives; the global and domestic economic and geopolitical environment; our ability to effectively compete in the industry and attract and retain Guests; the adequacy of cash flows and the cost and availability of capital or credit facility borrowings; a privacy or security breach or a failure of our information technology systems; the effectiveness and timing of the Company's marketing and branding strategies, including the loyalty program and social media platforms; changes in consumer preferences; leasing space including the location of such leases in areas of declining traffic; changes in cost and availability of commodities; interruptions in the delivery of food and other products from third parties; pricing increases and labor costs; changes in consumer behavior or preference; expanding our restaurant base; maintaining and improving our existing restaurants; the transition and retention of our key personnel; our ability to recruit, staff, train, and retain our workforce; operating conditions, including adverse weather conditions, natural disasters, pandemics and other events affecting the regions where our restaurants are operated; actions taken by our franchisees that could harm our business or reputation; negative publicity regarding food safety or health concerns; protection of our intellectual property rights; changes in federal, state, or local laws and regulations affecting the operation of our restaurants; an increase in litigation or legal claims by Team Members, franchisees, customers, vendors, stockholders and others; and the other Risk Factors described from time to time in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no material change in the interest rate risk or commodity price risk since the filing of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

We continue to monitor our interest rate risk on an ongoing basis and may use interest rate swaps or similar instruments in the future to manage our exposure to interest rate changes related to our borrowings as the Company deems appropriate. As of July 14, 2024, we had \$167.9 million of borrowings subject to variable interest rates. A 1.0% change in the effective interest rate applied to these loans would have resulted in pre-tax interest expense fluctuation of \$1.7 million on an annualized basis.

We purchase food, supplies and other commodities for use in our operations based on prices established with our suppliers. We may or may not have the ability to increase menu prices, or vary menu items, in response to commodity price increases. A 1.0% increase in food and beverage costs would negatively impact cost of sales by approximately \$3.0 million on an annualized basis.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the management of the Company ("Management"), including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, Management recognizes that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives. The Company's CEO and CFO have concluded that, based upon the evaluation of disclosure controls and procedures (as defined in Rule 13a-15(e) or 15d-15(e) under the Exchange Act), the Company's disclosure controls and procedures were effective, as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. Legal Proceedings

Evaluating contingencies related to litigation is a complex process involving subjective judgment on the potential outcome of future events and the ultimate resolution of litigated claims may differ from our current analysis. Accordingly, we review the adequacy of accruals and disclosures each quarter in consultation with legal counsel and we assess the probability and range of possible losses associated with contingencies for potential accrual in the Condensed Consolidated Financial Statements.

For further information related to our litigation contingencies, see Note 8. Commitments and Contingencies, in the Notes to the Condensed Consolidated Financial Statements in Part 1, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 1A. Risk Factors

Risk factors associated with our business are contained in Item 1, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 28, 2024. There have been no material changes from the risk factors disclosed in the fiscal year 2023 Annual Report on Form 10-K.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the second quarter of fiscal 2024, the Company did not have any sales of securities in transactions that were not registered under the Securities Act of 1933, as amended, that have not been reported in a Current Report on Form 8-K, nor were any share repurchases made by the Company.

ITEM 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the second quarter ended July 14, 2024, none of our directors or officers adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined under Item 408 of Regulation S-K.

Second Amendment to Credit Agreement

On August 21, 2024, the Company entered into an incremental amendment to its Credit Agreement (the “Second Amendment”), by and among the Company, Red Robin International, Inc., as the borrower (the “Borrower”), certain subsidiary guarantors party thereto, certain incremental revolving lenders party thereto (the “Revolving Incremental Lenders”), the other lenders party thereto and Fortress Credit Corp., as administrative agent and as collateral agent (the “Agent”), which amends the Credit Agreement, dated as of March 4, 2022 (as amended by that certain Amendment No. 1, dated as of July 17, 2023, the “Credit Agreement”, and by the Second Amendment, the “Amended Credit Agreement”), by and among the Company, the Borrower, the lenders and issuing banks from time to time party thereto, the Agent and the other parties from time to time party thereto. All capitalized terms not defined herein have the meanings given to them in the Amended Credit Agreement.

The Second Amendment provides additional flexibility to continue to implement our business strategy, making the following changes, among others, to the Credit Agreement:

- The Revolving Incremental Lenders will extend incremental revolving facility commitments to increase the size of the existing \$25 million revolving line of credit by \$15 million to \$40 million. The \$15 million increased commitments will terminate at end of the third quarter of 2025 at which time the revolving line of credit will be reduced back to \$25 million.
- Removes the variable Pricing Grid and increases the Applicable Margin on all Term Loans and Revolving Facility Loans that are SOFR Loans to 7.50% per annum and that are ABR Loans to 6.50% per annum.
- Provides certain relief from the financial covenant by increasing the required Maximum Net Total Leverage Ratio beginning in the third quarter of 2024 through the third quarter of 2025.
- Adds certain additional reporting requirements.

The summary descriptions of the Second Amendment do not purport to be complete and are qualified in their entirety by reference to the full text of the Second Amendment, a copy of which is attached hereto as Exhibit 10.6 and is incorporated herein by reference.

ITEM 6. Exhibits

Exhibit Number	Description
(3.1)	Restated Certificate of Incorporation of Red Robin Gourmet Burgers, Inc., dated as of May 28, 2015. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on May 29, 2015.
(3.2)	Fifth Amended and Restated Bylaws dated March 20, 2023. Incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on March 24, 2023.
(10.1)*	Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan. Incorporated by reference to Appendix A to our Definitive Proxy Statement filed on April 4, 2024.
10.2*	Form of Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan Performance Stock Unit Award Agreement
10.3*	Form of Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan Restricted Stock Unit Award Agreement
10.4*	Form of Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan Cash Performance Award Agreement
10.5*	Form of Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan Nonemployee Director Restricted Stock Unit Award Agreement
10.6	Amendment No. 2, dated August 21, 2024, by and among Red Robin Gourmet Burgers, Inc., Red Robin International, Inc., Fortress Credit Corp., and the lenders party thereto, to Credit Agreement dated March 4, 2022.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a) Certification of Chief Financial Officer
32.1	Section 1350 Certifications of Chief Executive Officer and Chief Financial Officer
101	The following financial information from the Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc. for the quarter ended July 14, 2024 formatted in XBRL (extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at July 14, 2024 and December 31, 2023; (ii) Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the twenty-eight weeks ended July 14, 2024 and July 9, 2023; (iii) Condensed Consolidated Statements of Stockholders' Equity at July 14, 2024 and July 9, 2023; (iv) Condensed Consolidated Statements of Cash Flows for the twenty-eight weeks ended July 14, 2024 and July 9, 2023; and (v) the Notes to Condensed Consolidated Financial Statements, tagged as blocks of text.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

() Exhibits previously filed in the Company's periodic filings as specifically noted.

* Executive compensation plans and arrangements.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto
RED ROBIN GOURMET BURGERS, INC.
(Registrant)

August 22, 2024
(Date)

By: _____
/s/ Todd Wilson
Todd Wilson
(Chief Financial Officer)

duly authorized.

**RED ROBIN GOURMET BURGERS, INC.
2024 PERFORMANCE INCENTIVE PLAN
PERFORMANCE STOCK UNIT AWARD AGREEMENT**

THIS PERFORMANCE STOCK UNIT AWARD AGREEMENT (this "Award Agreement") between Red Robin Gourmet Burgers, Inc. (the "Company"), and _____ (the "Grantee") is dated effective _____ (the "Date of Grant").

Grantee has been granted target performance stock units as follows:

Grantee:
Date of Grant:
Target Performance Stock Units (the "Target PSUs"): _____

WHEREAS, the Board of Directors of the Company (the "Board of Directors") has adopted the Company's 2024 Performance Incentive Plan, as may be amended from time to time (the "Plan");

WHEREAS, the Plan provides for the granting of Other Stock-Based Awards, including performance stock units, to eligible participants as determined by the Committee; and

WHEREAS, the Committee has determined that Grantee is eligible to receive a performance stock unit ("PSU") award under the Plan and has determined that it would be in the best interest of the Company to grant to Grantee the PSU award provided for herein.

NOW, THEREFORE, the Company and Grantee agree as follows:

1. Grant of Award. The Company hereby grants to Grantee the Target PSUs specified above as described in this Award Agreement (the "Performance Stock Unit Award"). As more fully described in Section 4, each PSU represents the right to receive one share of Stock on the Payment Date (defined below), subject to the achievement of the applicable performance goal described in Section 4 (the "Performance Goal") at target and satisfaction of applicable vesting conditions, and Grantee's continued employment or service with the Company through and including December 27, 2026 (the "Vesting Date").

2. Award Subject to Plan. This Performance Stock Unit Award is granted pursuant to and is expressly subject to the terms and conditions of the Plan, which terms are incorporated herein by reference.

3. Performance Period. The performance period of the Performance Stock Unit Award is the period commencing May 23, 2024 and ending December 27, 2026 (the "Performance Period").

4. Calculation of Amount Earned. The amount of Grantee's Performance Stock Unit Award is measured by the following metric: Relative TSR (as defined below). The total number of PSUs earned, if any, shall be the amounts earned in respect of the performance metric as set forth below.

Relative TSR		
Amount earned in respect of this metric shall equal: (Target PSUs * Payout %)		
Performance Level of Achievement	Company's Percentile Ranking among Peer Group	Payout %*
Threshold	25 th percentile	25 %
Target	50 th percentile	100 %
Maximum	75 th percentile	200 %

* If the Company's performance during the Performance Period falls between any of the percentile rankings in the table above, the Payout %, shall be calculated using linear interpolation (e.g. if the Company's percentile ranking for the Performance Period is 40th percentile, the Payout % would be 70%; and if the Company's percentile ranking for the Performance Period is 60th percentile, the Payout % would be 140%). No PSUs shall be earned if the Company's percentile ranking for the Performance Period is less than the threshold performance level. If the Company's TSR for the Performance Period is negative, the Payout % shall not be greater than 100%.

For purposes of this Award Agreement:

(1) "**Peer Group**" includes the following companies: BJ's Restaurants, Inc.; Bloomin' Brands, Inc.; Brinker International, Inc.; Chuy's Holdings, Inc.; Cracker Barrel Old Country Store, Inc.; Dave & Buster's Entertainment, Inc.; Denny's Corporation; Dine Brands Global, Inc.; First Watch Restaurant Group, Inc.; Portillo's Inc.; Texas Roadhouse, Inc.; The Cheesecake Factory Incorporated; and The ONE Group Hospitality, Inc. If any of the foregoing companies is acquired and ceases to be publicly traded during the Performance Period, any such company shall be removed from the Peer Group (and treated as if it was never in the Peer Group). If any of the foregoing companies files for (or is otherwise placed into) bankruptcy during the Performance Period, any such company's TSR shall be treated as having (or being tied for having) the lowest TSR in the Peer Group for the Performance Period.

(2) "**Relative TSR**" means the relative total shareholder return percentile ranking of the Company as compared to the companies in the Peer Group, ranked by TSR over the Performance Period.

(3) "**TSR**" for any company is determined as the Ending Share Price minus the Starting Share Price plus Dividends, where:

- "**Ending Share Price**" is the average closing price of a share of such company's common stock on each trading day during the 30-consecutive-day period ending on the last day of the Performance Period.
- "**Starting Share Price**" is the average closing price of a share of such company's common stock on each trading day during the 30-consecutive-day period ending on the first day of the Performance Period.
- "**Dividends**" are the dividends actually paid (as of the payment date) by such company during the Performance Period.

Pursuant to its authority under the Plan, the Committee may make appropriate adjustments to reflect any changes in capitalization of the Company or any company in the Peer Group (e.g., spin-offs) in determining the TSR, and otherwise shall make all determinations required under this Award Agreement.

5. Payment of Performance Stock Unit Award. Subject to early termination of this Award Agreement pursuant to Section 6 or Section 7, the Company will issue to Grantee shares of Stock representing the aggregate earned PSUs, if any, based upon the extent of achievement of the Performance Goal established by the Committee in accordance with Section 4, and subject to Grantee's continued employment or service with the Company through the Vesting Date. Such issuance, if any, will be made by the Company after the Vesting Date but by no later than March 15 of the year after the year in which the Vesting Date occurs (the "**Payment Date**"). Neither dividends nor dividend equivalents will accrue or be paid on Grantee's PSUs. Such issuance of shares, if any, will be made by the Company entering the Grantee on its books and records as the owner of such number of shares, subject to the

Company's collection of applicable withholding taxes in accordance with Section 8 below. Notwithstanding any other provisions of this Award Agreement, the issuance or delivery of any shares of Stock may be postponed for such period as may be required to comply with any requirements under any law or regulation applicable to the issuance or delivery of such shares. The Company shall not be obligated to issue or deliver any shares of Stock if the issuance or delivery thereof shall constitute a violation of any provision of any law or of any regulation of any governmental authority.

6. Vesting; Termination of Employment. Except as set forth in this Section 6 and in Section 7, Grantee's Performance Stock Unit Award will remain unvested until the Vesting Date and, in the event that Grantee experiences a Termination of Employment prior to the Vesting Date, this Award Agreement will terminate and be of no further force or effect as of the date of any such Termination of Employment, except to the extent otherwise provided by the Committee in accordance with the Plan. Notwithstanding the foregoing, in the event of Grantee's death, Disability or Retirement (each, a "Vesting Event") prior to the Vesting Date, each Performance Stock Unit Award will be payable at the time set forth in Section 5 as follows:

- a If the Vesting Event occurs after the completion of the Performance Period, the number of shares of Stock earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved; and
- b If the Vesting Event occurs before completion of the Performance Period, the number of shares of Stock earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved as of the last day of such Performance Period, except that the number of shares of Stock earned will be pro-rated based on (i) the number of days which have elapsed during such Performance Period up to and including the day such Vesting Event occurs, divided by (ii) the number of days in the Performance Period.

For purposes of this Section 6, the term "Retirement" means the voluntary termination of employment by Grantee from the Company when Grantee's age plus years of service with the Company (in each case measured in complete, whole years) equals or exceeds 67, provided that at the date of termination Grantee is at least 58 years of age and has completed at least five (5) years of service with the Company.

7. Change in Control. In the event the Company experiences a Change in Control prior to the Vesting Date, then, effective as of the date of such Change in Control, the Performance Stock Unit Award will be deemed to have been earned as follows:

- a If the Change in Control occurs on or prior to the completion of 50% of the Performance Period, the number of shares of Stock earned will equal the number of Target PSUs (in other words, the earned shares of Stock will be determined as if the Performance Goal had been achieved at target);
- b If the Change in Control occurs after the completion of the Performance Period, the number of shares of Stock earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved; and
- c If the Change in Control occurs after completion of 50% or more but less than all of the Performance Period, the number of shares of Stock earned will be based upon the extent to which the Performance Goal established under Section 4 has been achieved, except that the Performance Period will end on the date on which the Change in Control occurs, and the Company's stock price on such date shall be deemed to be the value of the consideration paid to shareholders generally in connection with the Change in Control or, if the Change in Control does not result in any payment to shareholders, the fair market value of the Company on a per share basis as of the date of the Change in Control, in each case as determined by the Board of Directors in good faith (the "Company CIC Share Value"). Without limiting the foregoing, the Company's performance against such Performance Goal shall be determined by the Committee in good faith as of the date of the Change in Control.

The value of each earned share as of the Change in Control shall be based on the Company CIC Share Value. Payment shall be made in cash as soon as practicable after the Change in Control, but in any event within five (5) business days following the Change in Control.

8. Tax Withholding. In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Grantee, are withheld or collected from Grantee. In accordance with the terms of the Plan, and such rules as may be adopted by the Committee under the Plan, to satisfy Grantee's federal and state tax withholding obligations arising from the vesting and payment of the Performance Stock Unit Award, in the case where shares of Stock are to be delivered to Grantee, the Company shall be permitted in its discretion to withhold shares of Stock otherwise to be delivered to Grantee having a Fair Market Value equal to the amount of such taxes. The Company will not deliver any fractional shares of Stock. Any additional withholding amounts owed by Grantee due to the inability to deliver fractional shares will be deducted from Grantee's next paycheck.

9. Tax Consideration. The Company has advised Grantee to seek Grantee's own tax and financial advice with regard to the federal and state tax considerations resulting from Grantee's receipt of the Performance Stock Unit Award pursuant to this Award Agreement. Grantee understands that the Company will report to appropriate taxing authorities the payment to Grantee of compensation income upon the vesting and payment of the Performance Stock Unit Award. Grantee understands that he or she is solely responsible for the payment of all federal and state taxes resulting from this grant of Performance Stock Unit Award. With respect to tax withholding amounts, the Company has all of the rights specified in Section 8 of this Award Agreement and has no obligations to Grantee except as expressly stated in Section 8 of this Award Agreement.

10. Non-Solicitation. Grantee, for the twelve (12)-month period immediately following the date of Grantee's Termination of Employment, shall not, either on his or her own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner, or shareholder, or otherwise on behalf of any other person, firm, or corporation, directly or indirectly, solicit or attempt to solicit away from the Company any of its employees or offer employment to any person who, on or during the six (6) months immediately preceding the date of such solicitation or offer, is or was an employee of the Company. Grantee agrees that the covenant set forth in this Section 10 is reasonable with respect to its duration, geographical area and scope. In the event that the geographic or temporal scope of the covenant contained herein or the nature of the business or activities restricted hereby shall be declared by a court of competent jurisdiction to exceed the maximum restrictiveness such court deems enforceable, such provisions shall be deemed to be replaced herein by the maximum restriction deemed enforceable by such court.

11. Injunctive Relief. The parties hereto agree that either party hereto would suffer irreparable harm from a breach by the other party of any of the covenants or agreements contained in Section 10, for which there is no adequate remedy at law. Therefore, in the event of the actual or threatened breach by a party of any of the provisions of this Award Agreement, the other party, and in the case of the Company, its respective successors or assigns, may, in addition and supplementary to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive or other relief (without the necessity of posting bond or security) in order to enforce compliance with, or prevent any violation of, the provisions hereof; and that, in the event of such breach or threat thereof by one party, the other party shall be entitled to obtain a temporary restraining order and/or a preliminary injunction restraining the other party from engaging in activities prohibited hereby or such other relief as may be required to specifically enforce any of the covenants contained herein.

12. Notices. Any notice to be given under the terms of this Award Agreement shall be in writing and addressed to the Company at its principal office to the attention of the Secretary, and to Grantee at the address last reflected on the Company's payroll records (including via e-mail if Grantee is then employed by the Company), or at such other address as either party may hereafter designate in writing to the other. Any such notice (if not sent via e-mail) shall be delivered in person or shall be enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or branch post office regularly maintained by the United States Government. Any such notice shall be given only when received, but if Grantee is no longer employed by the Company or a Subsidiary, shall be deemed to have been duly given five business days after the date mailed in accordance with the foregoing provisions in this Section 12.

13. Conflicts and Interpretation. In the event of a conflict or inconsistency between the terms and conditions of this Award Agreement and of the Plan, the terms and conditions of the Plan shall govern. Grantee agrees to be bound by the terms of the Plan and this Award Agreement. Grantee acknowledges having read and understanding the Plan, the prospectus for the Plan, and this Award Agreement. Unless otherwise expressly provided in other

sections of this Award Agreement, provisions of the Plan that confer discretionary authority on the Board of Directors or the Committee do not and shall not be deemed to create any rights in Grantee unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Board of Directors or the Committee so conferred by appropriate action of the Board of Directors or the Committee under the Plan after the date hereof.

14. Entire Agreement; Amendment. Except as may otherwise be provided in any employment, severance or other agreement between the Company and Grantee, or any Company plan in which Grantee participates, this Award Agreement and the Plan together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. The Company may modify, amend or waive the terms of the Performance Stock Unit Award, prospectively or retroactively, but no such modification, amendment or waiver shall materially and adversely affect the rights of Grantee without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by such party of a provision of this Award Agreement.

15. Choice of Law. This Award Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflict of law principles thereunder.

16. Binding Effect. This Award Agreement shall bind Grantee and the Company and their beneficiaries, survivors, executors, administrators and transferees.

17. Limitations: No Employment/Service Commitment. Nothing contained in this Award Agreement or the Plan constitutes a continued employment or service commitment by the Company or any of its Subsidiaries, affects Grantee's status, if he or she is an employee, as an employee at will who is subject to termination without cause, confers upon Grantee any right to remain employed by or in service to the Company or any Subsidiary, interferes in any way with the right of the Company or any Subsidiary at any time to terminate such employment or service, or affects the right of the Company or any Subsidiary to increase or decrease Grantee's other compensation. Payment of any Performance Stock Unit Award amount is not secured by a trust, insurance contract or other funding medium, and Grantee does not have any interest in any fund or specific assets of the Company or any of its Affiliates by reason of this Performance Stock Unit Award. Grantee has no rights as a stockholder of the Company pursuant to this Award Agreement until and unless shares of Stock are actually delivered to Grantee.

18. Code Section 409A. The Performance Stock Unit Award granted under this Award Agreement is intended to fit within the "short-term deferral" exemption from Section 409A of the Code. In administering this Award Agreement, the Company shall interpret this Award Agreement in a manner consistent with such exemption.

19. Forfeiture. Grantee must reimburse or forfeit to the Company any payment received or to be received hereunder by Grantee to the extent required by the clawback policy adopted by the Board of Directors.

20. Non-Transferability. Performance Stock Units shall not be transferable except by will or the laws of descent and distribution or pursuant to a beneficiary designation, or as otherwise permitted by the Plan. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities, or torts of Grantee. Grantee agrees that the Performance Stock Units will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Any purported assignment, alienation, pledge, attachment, sale, transfer or other encumbrance of shares of unvested Performance Stock Units that does not satisfy the requirements of this Award Agreement and the Plan shall, prior to the payment or forfeiture of the Performance Stock Unit Award, be void and unenforceable against the Company.

21. Definitions. To the extent not specifically defined in this Award Agreement, each capitalized term used in this Award Agreement has the meaning ascribed to such term in the Plan.

22. Committee Administration. The Committee has sole and exclusive responsibility for construing and interpreting this Award Agreement and for resolving all questions arising under this Award Agreement. Any decision or action taken by the Committee arising out of, or in connection with, the construction, administration, interpretation and effect of this Award Agreement will be conclusive and binding upon all persons.

23. Severability. The invalidity or unenforceability of any provision of this Award Agreement will not affect the validity or enforceability of the other provisions of this Award Agreement, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

IN WITNESS WHEREOF, the Company has executed this Award Agreement as of the Date of Grant.

Red Robin Gourmet Burgers, Inc.

By:

Its:

**RED ROBIN GOURMET BURGERS, INC.
2024 PERFORMANCE INCENTIVE PLAN
RESTRICTED STOCK UNIT GRANT AGREEMENT**

THIS RESTRICTED STOCK UNIT GRANT AGREEMENT (this "Award Agreement") between RED ROBIN GOURMET BURGERS, INC. (the "Company") and _____ (the "Grantee") is dated effective _____ (the "Date of Grant").

Grantee has been granted an award of restricted stock units as follows:

Grantee:
Date of Grant:
Number of restricted stock units:

These units are restricted until the vesting date(s) shown below, at which time you will receive shares of Company Stock.

Vesting Schedule: This award will vest in accordance with the following schedule:

<u>Vesting Date</u>	<u># of Shares</u>
_____	_____
_____	_____
_____	_____

RECITALS

- A. The Board of Directors has adopted, and the stockholders have approved, the Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan, as may be amended from time to time (the "Plan");
- B. The Plan provides for the granting of restricted stock unit awards to eligible participants as determined by the Committee; and
- C. The Committee has determined that Grantee is eligible to receive a restricted stock unit award under the Plan and has determined that it would be in the best interest of the Company to grant the restricted stock unit award provided for herein.

AGREEMENT

- 1. Grant of Restricted Stock Unit.
 - (a) Award. Pursuant to the Plan, Grantee is hereby awarded the number of Restricted Stock Units set forth above, each of which represents the right to receive one share of Stock, subject to the conditions of the Plan and this Award Agreement (the "Restricted Stock Units"). Unless and until the Restricted Stock Units vest, Grantee will have no right to receive shares of Stock under such Restricted Stock Units.
 - (b) Plan Incorporated. Grantee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Award Agreement.
- 2. Vesting Schedule: The Restricted Stock Units awarded by this Award Agreement will vest in accordance with the vesting schedule set forth above. Each date upon which vesting occurs is referred to herein as a "Vesting Date". The foregoing notwithstanding, vesting pursuant to the foregoing schedule shall occur on a Vesting Date

only if Grantee remains employed by or provides services to the Company from the Date of Grant to such Vesting Date. If Grantee ceases to be employed by or ceases to provide services to the Company at any time prior to the final Vesting Date, all unvested Restricted Stock Units shall be canceled immediately on the date that Grantee's employment or service is terminated and Grantee shall cease to have any right or entitlement to receive any shares of Stock under such canceled Restricted Stock Units; except to the extent otherwise provided by the Committee in accordance with the Plan.

3. Accelerated Vesting of Restricted Stock Units

(a) If a Change in Control occurs, the acquiror or successor company in such Change in Control agrees to provide for the substitution, assumption, exchange or other continuation of this award of Restricted Stock Units, and Grantee's employment with or service to the Company or any Affiliate is terminated by the Company or Affiliate without Cause (as defined below) within the 24-month period following such Change in Control, then any unvested Restricted Stock Units held by Grantee will become fully vested.

(b) For purposes of this Award Agreement, "Cause" means that Grantee:

(i) has been negligent in the discharge of his or her duties to the Company or any of its Subsidiaries, has refused to perform stated or assigned duties or is incompetent in or (other than by reason of a Disability or analogous condition) incapable of performing those duties;

(ii) has been dishonest or committed or engaged in an act of theft, embezzlement or fraud, a breach of confidentiality, an unauthorized disclosure or use of inside information, customer lists, trade secrets or other confidential information; has breached a fiduciary duty, or willfully and materially violated any other duty, law, rule, regulation or policy of the Company, any of its Subsidiaries or any affiliate of the Company or any of its Subsidiaries; or has been convicted of a felony or misdemeanor (other than minor traffic violations or similar offenses);

(iii) has materially breached any of the provisions of any agreement with the Company, any of its Subsidiaries or any affiliate of the Company or any of its Subsidiaries; or

(iv) has engaged in unfair competition with, or otherwise acted intentionally in a manner injurious to the reputation, business or assets of, the Company, any of its Subsidiaries or any affiliate of the Company or any of its Subsidiaries; has improperly induced a vendor or customer to enter into, break or terminate any contract with the Company, any of its Subsidiaries or any affiliate of the Company or any of its Subsidiaries; or has induced a principal for whom the Company, any of its Subsidiaries or any affiliate of the Company or any of its Subsidiaries acts as agent to terminate such agency relationship.

4. Limits on Transferability. Restricted Stock Units shall not be transferable except by will or the laws of descent and distribution or pursuant to a beneficiary designation, or as otherwise permitted by the Plan. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities, or torts of Grantee. Grantee agrees that the Restricted Stock Units will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Any purported assignment, alienation, pledge, attachment, sale, transfer or other encumbrance of shares of unvested Restricted Stock Units that does not satisfy the requirements of this Award Agreement and the Plan shall, prior to the lapse of the restrictions on such shares pursuant to Section 2, be void and unenforceable against the Company.

5. Issuance and Certificates. Unless the Restricted Stock Units are forfeited prior to the Vesting Date as provided in Section 2 above, the shares of Stock issuable upon vesting of the Restricted Stock Units shall be deemed issued as of the Vesting Date. As soon as administratively practicable following a Vesting Date, the Company shall enter the Participant on its books and records as the owner of such number of shares equal to the number of Restricted Stock Units vested on such Vesting Date, subject to the Company's collection of applicable withholding taxes in accordance with Section 7 below. Notwithstanding any other provisions of this Award Agreement, the issuance or delivery of any shares of Stock may be postponed for such period as may be required to comply with any requirements under any law or regulation applicable to the issuance or delivery of such shares. The Company shall not be obligated to issue or deliver any shares of Stock if the issuance or delivery thereof shall constitute a violation of any provision of any law or of any regulation of any governmental authority.

6. Stockholder Rights. Grantee shall not have any stockholder rights, including voting or dividend rights, with respect to the shares of Stock subject to the Restricted Stock Units until such shares are issued on the applicable Vesting Date.

7. Withholding. In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Grantee, are withheld or collected from Grantee. In accordance with the terms of the Plan, and such rules as may be adopted by the Committee under the Plan, to satisfy Grantee's federal and state tax withholding obligations arising from the vesting of the Restricted Stock Units, the Company shall be permitted in its discretion to withhold shares of Stock otherwise to be delivered to Grantee having a Fair Market Value equal to the amount of such taxes. The Company will not deliver any fractional shares of Stock. Any additional withholding amounts owed by Grantee due to the inability to deliver fractional shares will be deducted from Grantee's next paycheck.

8. Tax Consideration. The Company has advised Grantee to seek Grantee's own tax and financial advice with regard to the federal and state tax considerations resulting from Grantee's receipt of Restricted Stock Units pursuant to this Award Agreement. Grantee understands that the Company will report to appropriate taxing authorities the payment to Grantee of compensation income upon the vesting of the Restricted Stock Units. Grantee understands that he or she is solely responsible for the payment of all federal and state taxes resulting from this grant of Restricted Stock Units. With respect to tax withholding amounts, the Company has all of the rights specified in Section 7 of this Award Agreement and has no obligations to Grantee except as expressly stated in Section 7 of this Award Agreement.

9. Non-Solicitation. Grantee, for the twelve (12) month period immediately following the date of Grantee's Termination of Employment, shall not, either on his or her own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner, or shareholder, or otherwise on behalf of any other person, firm, or corporation, directly or indirectly solicit or attempt to solicit away from the Company any of its employees or offer employment to any person who, on or during the six (6) months immediately preceding the date of such solicitation or offer, is or was an employee of the Company. Grantee agrees that the covenant set forth in this Section 9 is reasonable with respect to its duration, geographical area and scope. In the event that the geographic or temporal scope of the covenant contained herein or the nature of the business or activities restricted hereby shall be declared by a court of competent jurisdiction to exceed the maximum restrictiveness such court deems enforceable, such provisions shall be deemed to be replaced herein by the maximum restriction deemed enforceable by such court.

10. Injunctive Relief. The parties hereto agree that either party hereto would suffer irreparable harm from a breach by the other party of any of the covenants or agreements contained in Section 9, for which there is no adequate remedy at law. Therefore, in the event of the actual or threatened breach by a party of any of the provisions of this Award Agreement, the other party, and in the case of the Company, its respective successors or assigns, may, in addition and supplementary to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive or other relief (without the necessity of posting bond or security) in order to enforce compliance with, or prevent any violation of, the provisions hereof; and that, in the event of such breach or threat thereof by one party, the other party shall be entitled to obtain a temporary restraining order and/or a preliminary injunction restraining the other party from engaging in activities prohibited hereby or such other relief as may be required to specifically enforce any of the covenants contained herein.

11. Notices. Any notice to be given under the terms of this Award Agreement shall be in writing and addressed to the Company at its principal office to the attention of the Secretary, and to Grantee at the address last reflected on the Company's payroll records (including via e-mail if Grantee is then employed by the Company), or at such other address as either party may hereafter designate in writing to the other. Any such notice (if not sent via e-mail) shall be delivered in person or shall be enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or branch post office regularly maintained by the United States Government. Any such notice shall be given only when received, but if Grantee is no longer employed by the Company or a Subsidiary, shall be deemed to have been duly given five business days after the date mailed in accordance with the foregoing provisions in this Section 11.

12. Conflicts and Interpretation. In the event of a conflict or inconsistency between the terms and conditions of this Award Agreement and of the Plan, the terms and conditions of the Plan shall govern. Grantee agrees to be bound by the terms of the Plan and this Award Agreement. Grantee acknowledges having read and understanding the Plan, the prospectus for the Plan, and this Award Agreement. Unless otherwise expressly provided in other sections of this Award Agreement, provisions of the Plan that confer discretionary authority on the Board of Directors or the Committee do not and shall not be deemed to create any rights in Grantee unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Board of Directors or the Committee so conferred by appropriate action of the Board of Directors or the Committee under the Plan after the date hereof.

13. Entire Agreement; Amendment. Except as may otherwise be provided in any employment, severance or other agreement between the Company and Grantee, or any Company plan in which Grantee participates, this Award Agreement and the Plan together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. The Company may modify, amend or waive the terms of the Restricted Stock Unit award, prospectively or retroactively, but no such modification, amendment or waiver shall materially and adversely affect the rights of Grantee without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by such party of a provision of this Award Agreement.

14. Applicable Law. This Award Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflict of law principles thereunder.

15. Binding Effect. This Award Agreement shall bind Grantee and the Company and their beneficiaries, survivors, executors, administrators and transferees.

16. No Employment/Service Commitment. Nothing contained in this Award Agreement or the Plan constitutes a continued employment or service commitment by the Company or any of its Subsidiaries, affects Grantee's status, if he or she is an employee, as an employee at will who is subject to termination without cause, confers upon Grantee any right to remain employed by or in service to the Company or any Subsidiary, interferes in any way with the right of the Company or any Subsidiary at any time to terminate such employment or service, or affects the right of the Company or any Subsidiary to increase or decrease Grantee's other compensation. Payment of any Restricted Stock Unit Award amount is not secured by a trust, insurance contract or other funding medium, and Grantee does not have any interest in any fund or specific assets of the Company or any of its Affiliates by reason of this Restricted Stock Unit Award.

17. Compliance with Code Section 409A. The Restricted Stock Units granted under this Award Agreement are intended to fit within the "short-term deferral" exemption from Section 409A of the Code. In administering this Award Agreement, the Company shall interpret this Award Agreement in a manner consistent with such exemption.

18. Forfeiture. Grantee must reimburse or forfeit to the Company any payment received or to be received hereunder by Grantee to the extent required by the clawback policy adopted by the Board of Directors.

19. Definitions. To the extent not specifically defined in this Award Agreement, each capitalized term used in this Award Agreement has the meaning ascribed to such term in the Plan.

20. Committee Administration. The Committee has sole and exclusive responsibility for construing and interpreting this Award Agreement and for resolving all questions arising under this Award Agreement. Any decision or action taken by the Committee arising out of, or in connection with, the construction, administration, interpretation and effect of this Award Agreement will be conclusive and binding upon all persons.

21. Severability. The invalidity or unenforceability of any provision of this Award Agreement will not affect the validity or enforceability of the other provisions of this Award Agreement, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

RED ROBIN GOURMET BURGERS, INC., a Delaware corporation

By:

Title:

**RED ROBIN GOURMET BURGERS, INC.
2024 PERFORMANCE INCENTIVE PLAN
CASH PERFORMANCE AWARD AGREEMENT**

THIS CASH PERFORMANCE AWARD AGREEMENT (this "Award Agreement") between Red Robin Gourmet Burgers, Inc. (the "Company"), and _____ (the "Grantee") is dated effective [] (the "Date of Grant").

Grantee has been granted a Cash Performance Award as follows:

Grantee:
Date of Grant:
Target Value (the "Target Value");

WHEREAS, the Board of Directors of the Company (the "Board of Directors") has adopted the Company's 2024 Performance Incentive Plan, as may be amended from time to time (the "Plan");

WHEREAS, the Plan provides for the granting of Cash Performance Awards to eligible participants as determined by the Committee; and

WHEREAS, the Committee has determined that Grantee is eligible to receive a Cash Performance Award under the Plan and has determined that it would be in the best interest of the Company to grant to Grantee the Cash Performance Award provided for herein.

NOW, THEREFORE, the Company and Grantee agree as follows:

- 1. Grant of Award.** The Company hereby grants to Grantee the right to receive a cash bonus (the "Cash Award") with a target value specified above, the payment of which is subject to the achievement of the applicable performance goal described in Section 4 (the "Performance Goal") at target and satisfaction of applicable vesting conditions, and Grantee's continued employment or service with the Company through and including December 27, 2026 (the "Vesting Date").
- 2. Award Subject to Plan.** The Cash Award is granted pursuant to and is expressly subject to the terms and conditions of the Plan, which terms are incorporated herein by reference.
- 3. Performance Period.** The performance period of the Cash Award is the period commencing May 23, 2024 and ending December 27, 2026 (the "Performance Period").
- 4. Calculation of Amount Earned.** The amount of Grantee's Cash Award is measured by the following metric: Relative TSR (as defined below). The total Cash Award amount, if any, shall be the amounts earned in respect of the performance metric as set forth below.

Relative TSR		
Amount earned in respect of this metric shall equal: (Target Value * Payout %)		
Performance Level of Achievement	Company's Percentile Ranking among Peer Group	Payout %*
Threshold	25 th percentile	25 %
Target	50 th percentile	100 %
Maximum	75 th percentile	200 %

* If the Company's performance during the Performance Period falls between any of the percentile rankings in the table above, the Payout %, shall be calculated using linear interpolation (e.g. if the Company's percentile ranking for the Performance Period is 40th percentile, the Payout % would be 70%; and if the Company's percentile ranking for the Performance Period is 60th percentile, the Payout % would be 140%). No Cash Award shall be earned if the Company's percentile ranking for the Performance Period is less than the threshold performance level. If the Company's TSR for the Performance Period is negative, the Payout % shall not be greater than 100%.

For purposes of this Award Agreement:

(1) "**Peer Group**" includes the following companies: BJ's Restaurants, Inc.; Bloomin' Brands, Inc.; Brinker International, Inc.; Chuy's Holdings, Inc.; Cracker Barrel Old Country Store, Inc.; Dave & Buster's Entertainment, Inc.; Denny's Corporation; Dine Brands Global, Inc.; First Watch Restaurant Group, Inc.; Portillo's Inc.; Texas Roadhouse, Inc.; The Cheesecake Factory Incorporated; and The ONE Group Hospitality, Inc. If any of the foregoing companies is acquired and ceases to be publicly traded during the Performance Period, any such company shall be removed from the Peer Group (and treated as if it was never in the Peer Group). If any of the foregoing companies files for (or is otherwise placed into) bankruptcy during the Performance Period, any such company's TSR shall be treated as having (or being tied for having) the lowest TSR in the Peer Group for the Performance Period.

(2) "**Relative TSR**" means the relative total shareholder return percentile ranking of the Company as compared to the companies in the Peer Group, ranked by TSR over the Performance Period.

(3) "**TSR**" for any company is determined as the Ending Share Price minus the Starting Share Price plus Dividends, where:

- "**Ending Share Price**" is the average closing price of a share of such company's common stock on each trading day during the 30-consecutive-day period ending on the last day of the Performance Period.
- "**Starting Share Price**" is the average closing price of a share of such company's common stock on each trading day during the 30-consecutive-day period ending on the first day of the Performance Period.
- "**Dividends**" are the dividends actually paid (as of the payment date) by such company during the Performance Period.

Pursuant to its authority under the Plan, the Committee may make appropriate adjustments to reflect any changes in capitalization of the Company or any company in the Peer Group (e.g., spin-offs) in determining the TSR, and otherwise shall make all determinations required under this Award Agreement.

5. Payment of Cash Award. Subject to early termination of this Award Agreement pursuant to Section 6 or Section 7, the Company will pay to Grantee the aggregate earned Cash Award, if any, based upon the extent of achievement of the Performance Goals established by the Committee in accordance with Section 4, and subject to Grantee's continued employment or service with the Company through the Vesting Date. Such payment, if any, will be made by the Company after the Vesting Date but by no later than March 15 of the year after the year in which the Vesting Date occurs (the "**Payment Date**").

6. Vesting; Termination of Employment. Except as set forth in this Section 6 and in Section 7, Grantee's Cash Award will remain unvested until the Vesting Date and, in the event that Grantee experiences a Termination of

Employment prior to the Vesting Date, this Award Agreement will terminate and be of no further force or effect as of the date of any such Termination of Employment, except to the extent otherwise provided by the Committee in accordance with the Plan. Notwithstanding the foregoing, in the event of Grantee's death, Disability, or Retirement (each, a "Vesting Event") prior to the Vesting Date, the Cash Award will vest and be payable at the time set forth in Section 5 as follows:

- a If the Vesting Event occurs after the completion of the Performance Period, the amount of the Cash Award earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved; and
- b If the Vesting Event occurs before completion of the Performance Period, the amount of the Cash Award earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved as of the last day of the Performance Period, except that the amount of the Cash Award earned will be pro-rated based on (i) the number of days which have elapsed during such Performance Period up to and including the day such Vesting Event occurs, divided by (ii) the number of days in the Performance Period.

For purposes of this Section 6, the term "Retirement" means the voluntary termination of employment by Grantee from the Company when Grantee's age plus years of service with the Company (in each case measured in complete, whole years) equals or exceeds 67, provided that at the date of termination Grantee is at least 58 years of age and has completed at least five (5) years of service with the Company.

7. Change in Control. In the event the Company experiences a Change in Control prior to the Vesting Date, then, effective as of the date of such Change in Control, the Cash Award will be deemed to have been earned as follows:

- a If the Change in Control occurs on or prior to the completion of 50% of the Performance Period, the amount of the Cash Award earned will equal the Target Value (in other words, Grantee's Cash Award will be determined as if the Performance Goal had been achieved at target);
- b If the Change in Control occurs after the completion of the Performance Period, the amount of the Cash Award earned will be based on the extent to which the Performance Goal established under Section 4 has been achieved; and
- c If the Change in Control occurs after completion of 50% or more but less than all of the Performance Period, the amount of the Cash Award earned will be based upon the extent to which the Performance Goal established under Section 4 has been achieved, except that the Performance Period will end on the date on which the Change in Control occurs, and the Company's stock price on such date shall be deemed to be the value of the consideration paid to shareholders generally in connection with the Change in Control or, if the Change in Control does not result in any payment to shareholders, the fair market value of the Company on a per share basis as of the date of the Change in Control, in each case as determined by the Board of Directors in good faith (the "Company CIC Share Value"). Without limiting the foregoing, the Company's performance against such Performance Goal shall be determined by the Committee in good faith as of the date of the Change in Control.

Payment shall be made in cash as soon as practicable after the Change in Control, but in any event within five (5) business days following the Change in Control.

8. Tax Withholding. In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Grantee, are withheld or collected from Grantee.

9. Tax Consideration. The Company has advised Grantee to seek Grantee's own tax and financial advice with regard to the federal and state tax considerations resulting from Grantee's receipt of the Cash Award pursuant to this Award Agreement. Grantee understands that the Company will report to appropriate taxing authorities the payment to Grantee of compensation income upon the vesting and payment of the Cash Award. Grantee understands that he or she is solely responsible for the payment of all federal and state taxes resulting from this grant

of Cash Award. With respect to tax withholding amounts, the Company has all of the rights specified in Section 8 of this Award Agreement and has no obligations to Grantee except as expressly stated in Section 8 of this Award Agreement.

10. Non-Solicitation. Grantee, for the twelve (12)-month period immediately following the date of Grantee's Termination of Employment, shall not, either on his or her own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner, or shareholder, or otherwise on behalf of any other person, firm, or corporation, directly or indirectly, solicit or attempt to solicit away from the Company any of its employees or offer employment to any person who, on or during the six (6) months immediately preceding the date of such solicitation or offer, is or was an employee of the Company. Grantee agrees that the covenant set forth in this Section 10 is reasonable with respect to its duration, geographical area and scope. In the event that the geographic or temporal scope of the covenant contained herein or the nature of the business or activities restricted hereby shall be declared by a court of competent jurisdiction to exceed the maximum restrictiveness such court deems enforceable, such provisions shall be deemed to be replaced herein by the maximum restriction deemed enforceable by such court.

11. Injunctive Relief. The parties hereto agree that either party hereto would suffer irreparable harm from a breach by the other party of any of the covenants or agreements contained in Section 10, for which there is no adequate remedy at law. Therefore, in the event of the actual or threatened breach by a party of any of the provisions of this Award Agreement, the other party, and in the case of the Company, its respective successors or assigns, may, in addition and supplementary to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive or other relief (without the necessity of posting bond or security) in order to enforce compliance with, or prevent any violation of, the provisions hereof; and that, in the event of such breach or threat thereof by one party, the other party shall be entitled to obtain a temporary restraining order and/or a preliminary injunction restraining the other party from engaging in activities prohibited hereby or such other relief as may be required to specifically enforce any of the covenants contained herein.

12. Notices. Any notice to be given under the terms of this Award Agreement shall be in writing and addressed to the Company at its principal office to the attention of the Secretary, and to Grantee at the address last reflected on the Company's payroll records (including via e-mail if Grantee is then employed by the Company), or at such other address as either party may hereafter designate in writing to the other. Any such notice (if not sent via e-mail) shall be delivered in person or shall be enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or branch post office regularly maintained by the United States Government. Any such notice shall be given only when received, but if Grantee is no longer employed by the Company or a Subsidiary, shall be deemed to have been duly given five business days after the date mailed in accordance with the foregoing provisions in this Section 12.

13. Conflicts and Interpretation. In the event of a conflict or inconsistency between the terms and conditions of this Award Agreement and of the Plan, the terms and conditions of the Plan shall govern. Grantee agrees to be bound by the terms of the Plan and this Award Agreement. Grantee acknowledges having read and understanding the Plan, the prospectus for the Plan, and this Award Agreement. Unless otherwise expressly provided in other sections of this Award Agreement, provisions of the Plan that confer discretionary authority on the Board of Directors or the Committee do not and shall not be deemed to create any rights in Grantee unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Board of Directors or the Committee so conferred by appropriate action of the Board of Directors or the Committee under the Plan after the date hereof.

14. Entire Agreement; Amendment. Except as may otherwise be provided in any employment, severance or other agreement between the Company and Grantee, or any Company plan in which Grantee participates, this Award Agreement and the Plan together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. The Company may modify, amend or waive the terms of the Cash Award, prospectively or retroactively, but no such modification, amendment or waiver shall materially and adversely affect the rights of Grantee without his or her consent, except as required by applicable law, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by such party of a provision of this Award Agreement.

15. **Choice of Law.** This Award Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflict of law principles thereunder.

16. **Binding Effect.** This Award Agreement shall bind Grantee and the Company and their beneficiaries, survivors, executors, administrators and transferees.

17. **Limitations: No Employment/Service Commitment.** Nothing contained in this Award Agreement or the Plan constitutes a continued employment or service commitment by the Company or any of its Subsidiaries, affects Grantee's status, if he or she is an employee, as an employee at will who is subject to termination without cause, confers upon Grantee any right to remain employed by or in service to the Company or any Subsidiary, interferes in any way with the right of the Company or any Subsidiary at any time to terminate such employment or service, or affects the right of the Company or any Subsidiary to increase or decrease Grantee's other compensation. Payment of Grantee's Cash Award, if any, is not secured by a trust, insurance contract or other funding medium, and Grantee does not have any interest in any fund or specific assets of the Company or any of its Affiliates by reason of this Cash Award.

18. **Code Section 409A.** The Cash Award granted under this Award Agreement is intended to fit within the "short-term deferral" exemption from Section 409A of the Code. In administering this Award Agreement, the Company shall interpret this Award Agreement in a manner consistent with such exemption.

19. **Forfeiture.** Grantee must reimburse or forfeit to the Company any payment received or to be received hereunder by Grantee to the extent required by the clawback policy adopted by the Board of Directors.

20. **Non-Transferability.** Neither this Award nor any rights under this Award Agreement may be assigned, transferred, or in any manner encumbered except as permitted under the Plan. Any purported assignment, alienation, pledge, attachment, sale, transfer or other encumbrance of this Award that does not satisfy the requirements of this Award Agreement and the Plan shall, prior to the payment or forfeiture of this Award, be void and unenforceable against the Company.

21. **Definitions.** To the extent not specifically defined in this Award Agreement, each capitalized term used in this Award Agreement has the meaning ascribed to such term in the Plan.

22. **Committee Administration.** The Committee has sole and exclusive responsibility for construing and interpreting this Award Agreement and for resolving all questions arising under this Award Agreement. Any decision or action taken by the Committee arising out of, or in connection with, the construction, administration, interpretation and effect of this Award Agreement will be conclusive and binding upon all persons.

23. **Severability.** The invalidity or unenforceability of any provision of this Award Agreement will not affect the validity or enforceability of the other provisions of this Award Agreement, which will remain in full force and effect. Moreover, if any provision is found to be excessively broad in duration, scope or covered activity, the provision will be construed so as to be enforceable to the maximum extent compatible with applicable law.

IN WITNESS WHEREOF, the Company has executed this Award Agreement as of the Date of Grant.

Red Robin Gourmet Burgers, Inc.

By:
Its:

RED ROBIN GOURMET BURGERS, INC.
2024 PERFORMANCE INCENTIVE PLAN
RESTRICTED STOCK UNIT GRANT AGREEMENT
(NON-EMPLOYEE DIRECTORS)

Red Robin Gourmet Burgers, Inc.
10000 E. Geddes Avenue, Suite 500
Englewood, CO 80112

Name:
Participant ID:
Address1:
Address2:
City:
State:
Zip Code:

Award No.:
Plan: 2024

This Restricted Stock Unit Grant Agreement (this "Award Agreement") between RED ROBIN GOURMET BURGERS, INC. (the "Corporation") and _____ (the "Participant") is dated effective _____ (the "Date of Grant").

RECITALS

- A. The Board of Directors has adopted, and the stockholders have approved, the Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan, as may be amended from time to time (the "Plan");
- B. The Plan provides for the granting of restricted stock unit awards to eligible participants as determined by the Committee; and
- C. The Committee has determined that Participant is a person eligible to receive a restricted stock unit award under the Plan and has determined that it would be in the best interest of the Corporation to grant the restricted stock unit award provided for herein.

AGREEMENT

1. Grant of Restricted Stock Units.

(a) Award. Pursuant to the Plan, Participant is hereby awarded _____ restricted stock units (the "Stock Units"), subject to the conditions of the Plan and this Award Agreement. Each Stock Unit represents the right to receive one share of Stock on the vesting schedule set forth below. Unless and until the Stock Units vest, Participant shall have no right to receive shares of Stock under such Stock Units.

(b) Plan Incorporated. Participant acknowledges receipt of a copy of the Plan, and agrees that this award of Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Award Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. Vesting and Payment.

(a) Except as otherwise provided herein, Participant shall vest in his or her rights under the Stock Units on the later to occur of (i) 50 weeks following the Date of Grant, and (ii) the date of the next annual meeting of the Corporation's stockholders (such date being referred to herein as the "Vesting Date").

Notwithstanding the foregoing, vesting pursuant to the foregoing schedule shall occur on the Vesting Date only if Participant provides continuous services to the Corporation from the Date of Grant to such Vesting Date. Upon vesting, the Corporation shall deliver to Participant a number of shares of Stock equal to the aggregate number of Stock Units that vested, with such delivery to occur within 30 days of the Vesting Date; provided, however, that if Participant has made a timely election to defer the receipt of shares of Stock in accordance with the procedures established by the Board of Directors, and in a manner that complies with Section 409A of the Code, then the delivery of such shares shall be made in accordance with the terms of such election.

(b) Any unvested Stock Units shall vest, and the Corporation shall deliver to Participant shares of Stock equal to the aggregate number of Stock Units still outstanding in a lump sum, upon the occurrence of a Change in Control Event. For purposes of this Award Agreement, the term "Change in Control Event" shall include only a transaction that would constitute a "change in ownership or effective control or in the ownership of a substantial portion of the assets" of the Corporation under Code Section 409A.

(c) Except as provided in Section 2(d) below, if Participant ceases to provide services to the Corporation at any time prior to the Vesting Date and prior to a Change in Control Event, all unvested Stock Units shall be cancelled immediately on the date that Participant's service is terminated, and Participant shall cease to have any right or entitlement to receive any shares of Stock under such cancelled Stock Units.

(d) Notwithstanding any other provision of this Award Agreement, in accordance with Section 3.1(h) of the Plan, the Committee may, in its discretion, waive the vesting requirements above in the event of Participant's Separation from Service on account of Participant's death, Disability, or Change in Control (as determined by the Committee). In the event the Committee exercises its discretion pursuant to this Section 2(d) to waive the vesting requirements, the Corporation shall deliver to Participant shares of Stock equal to the aggregate number of Stock Units still outstanding in a lump sum within 30 days of Participant's Separation from Service.

3. Issuance and Limits on Transferability. As soon as administratively practicable following the vesting of the Stock Units in accordance with Section 2, the Company shall enter the Participant on its books and records as the owner of such number of shares equal to the number of vested Stock Units. Notwithstanding any other provision of this Award Agreement, the issuance or delivery of any shares of Stock may be postponed for such period as may be required to comply with any requirements under any law or regulation applicable to the issuance or delivery of such shares. The Corporation shall not be obligated to issue or deliver any shares of Stock if the issuance or delivery thereof shall constitute a violation of any provision of any law or of any regulation of any governmental authority. Stock Units shall not be transferable except by will or the laws of descent and distribution or pursuant to a beneficiary designation, or as otherwise permitted by the Plan. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities, or torts of Participant. Participant agrees that the Stock Units will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Any purported assignment, alienation, pledge, attachment,

sale, transfer or other encumbrance of Stock Units that does not satisfy the requirements of this Award Agreement and the Plan shall be void and unenforceable against the Corporation.

4. Stockholder Rights. Participant shall not have any stockholder rights, including voting or dividend rights, with respect to the shares of Stock subject to the Stock Units until any such shares are delivered pursuant to Section 2.

5. Tax Consideration. The Corporation has advised Participant to seek Participant's own tax and financial advice with regard to the federal and state tax considerations resulting from Participant's receipt of Stock Units pursuant to this Award Agreement. Participant understands that the Corporation will report to appropriate taxing authorities the payment to Participant of compensation income upon the payment of the shares of Stock. Participant understands that he or she is solely responsible for the payment of any federal and state taxes resulting from this grant of Stock Units.

6. Binding Effect. This Award Agreement shall bind Participant and the Corporation and their beneficiaries, survivors, executors, administrators and transferees.

7. Applicable Law. This Award Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflict of law principles thereunder.

8. Conflicts and Interpretation. In the event of any conflict between this Award Agreement and the Plan, the Plan shall control. Participant agrees to be bound by the terms of the Plan and this Award Agreement. Participant acknowledges having read and understanding the Plan, the prospectus for the Plan, and this Award Agreement. In the event of any ambiguity in this Award Agreement, or any matters as to which this Award Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

9. Amendment. The Corporation may modify, amend or waive the terms of this Award Agreement, prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of Participant without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. Prior to the effectiveness of any modification, amendment or waiver required by tax or accounting rules, the Corporation will provide notice to Participant and the opportunity for Participant to consult with the Corporation regarding such modification, amendment or waiver. The waiver by either party of compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by such party of a provision of this Award Agreement.

10. Compliance with Code section 409A. The Stock Units granted under this Award Agreement are intended to be exempt from the requirements of Code Section 409A as "short-term deferrals" and the provisions herein shall be interpreted accordingly.

RED ROBIN GOURMET BURGERS, INC., a Delaware corporation

By:

Title:

AMENDMENT NO. 2 (this “**Amendment**”), dated as of August 21, 2024, to the Credit Agreement, dated as of March 4, 2022 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the Amendment No. 2 Effective Date (as defined below), the “**Existing Credit Agreement**”), by and among RED ROBIN INTERNATIONAL, INC. (the “**Borrower**”), RED ROBIN GOURMET BURGERS, INC. (“**Holdings**”), the LENDERS and the ISSUING BANKS from time to time party thereto, FORTRESS CREDIT CORP., as Administrative Agent and Collateral Agent and JPMORGAN CHASE BANK, N.A., as Sole Lead Arranger and Sole Bookrunner.

WHEREAS, subject to the satisfaction of the conditions set forth in Section 5 below, the Loan Parties have requested that each of the financial institutions signatory hereto as a “Second Amendment Incremental Revolving Facility Lender” and listed on Exhibit A attached hereto as holding a “Second Amendment Incremental Revolving Facility Commitment” (each, a “**Second Amendment Incremental Revolving Facility Lender**” and collectively, the “**Second Amendment Incremental Revolving Facility Lenders**”) agree, effective as of the Amendment No. 2 Effective Date, to extend Incremental Revolving Facility Commitments (the “**Second Amendment Incremental Revolving Facility Commitment**”, and the Incremental Revolving Loans extended thereunder, the “**Second Amendment Incremental Revolving Loans**”) in the amount set forth opposite such Second Amendment Incremental Revolving Facility Lender’s name in Exhibit A attached hereto, with the proceeds of which to be used for purposes permitted under the Credit Agreement (the “**Second Amendment Incremental Revolving Facility**”);

WHEREAS, pursuant to Section 9.08 of the Existing Credit Agreement, the Required Lenders and the Borrower may amend the Existing Credit Agreement, including the amendments contemplated herein.

WHEREAS, the Borrower, the Administrative Agent and the Lenders party hereto (constituting the Required Lenders) desire to enter into this Amendment to effect the amendments to the Existing Credit Agreement set forth herein subject to the conditions set forth in Section 5 hereof.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Existing Credit Agreement, as amended by this Amendment (the “**Amended Credit Agreement**”).

SECTION 2. Second Amendment Incremental Revolving Facility Commitment. Each of the parties hereto agrees that, effective on the Amendment No. 2 Effective Date:

(a) Each Second Amendment Incremental Revolving Facility Lender severally and not jointly agrees, on the terms and subject to the conditions set forth herein, to extend to the Borrower on the Amendment No. 2 Effective Date, the Second Amendment Incremental Revolving Facility Commitment in the amount set forth opposite such Second Amendment Incremental Revolving Facility Lender’s name on Exhibit A attached hereto under the heading “Second Amendment Incremental Revolving Facility Commitment” and to make Second Amendment Incremental Revolving Loans to the Borrower at any time from time to time on and after the Amendment No. 2 Effective Date in accordance with the Amended Credit Agreement. The Second Amendment Incremental Revolving Facility

Commitment shall be deemed to be made in addition to the Revolving Facility Commitment as an increase thereto and shall constitute a portion of the Revolving Facility Commitment for all purposes under the Amended Credit Agreement and each Loan Document. Each party hereto acknowledges and agrees that, effective as of the Amendment No. 2 Effective Date, (i) each Second Amendment Incremental Revolving Facility Lender shall become a “Revolving Facility Lender”, (ii) all Second Amendment Incremental Revolving Facility Commitments shall be deemed to be “Revolving Facility Commitments” and (iii) once funded, all Second Amendment Incremental Revolving Loans shall be deemed to be “Revolving Facility Loans”, in each case, for all purposes under the Amended Credit Agreement and each Loan Document. The Second Amendment Incremental Revolving Loans shall have the same terms and provisions as, the Initial Revolving Loans, as further set forth herein and in the Credit Agreement, including with respect to the Applicable Margin. It is agreed and understood that the Second Amendment Incremental Revolving Facility Commitments are Incremental Revolving Facility Commitments under Section 2.19 of the Existing Credit Agreement.

(b) Notwithstanding any notice or other requirements set forth in Section 2.06 of the Amended Credit Agreement, on October 6, 2025 (x) the Second Amendment Incremental Revolving Facility Commitments of the Second Amendment Incremental Revolving Facility Lenders to make any Second Amendment Incremental Revolving Loans under the Credit Agreement or the other Loan Documents shall be automatically terminated (such that, for the avoidance of doubt, the then current Revolving Facility Commitments shall be reduced by \$15,000,000), and no Second Amendment Incremental Revolving Facility Lender shall have any further obligation to make any Second Amendment Incremental Revolving Loans to the Borrower and (y) the Borrower shall repay in full in immediately available funds any outstanding Revolving Facility Loans to the extent the Revolving Facility Credit Exposure exceeds the Revolving Facility Commitments after giving effect to such reduction. Such reduction shall be made ratably among the Revolving Facility Lenders in accordance with their Revolving Facility Commitments.

(c) The Administrative Agent and the Required Lenders party hereto agree that the requirements to make any Incremental Facilities Offer and/or deliver any Incremental Facilities Notice shall be deemed conclusively satisfied as of the Amendment No. 2 Effective Date.

SECTION 3. Amendment. Each of the parties hereto agrees that, effective on the Amendment No. 2 Effective Date:

(a) the definitions of “Adjustment Date” and “Pricing Grid” contained in Section 1.01 of the Existing Credit Agreement are deleted in their entirety.

(b) the definition of “Applicable Margin” contained in Section 1.01 of the Existing Credit Agreement is amended and restated in its entirety with the following:

“Applicable Margin” shall mean for any day (i) with respect to any Initial Term Loan, 7.50% per annum in the case of any SOFR Loan and 6.50% per annum in the case of any ABR Loan, (ii) with respect to any Initial Revolving Loan, 7.50% per annum in the case of any SOFR Loan and 6.50% per annum in the case of any ABR Loan and (iii) with respect to any Other Term Loan or Other Revolving Loan, the “Applicable Margin” set forth in the Incremental Assumption Agreement relating thereto.

(c) a definition of “Financial Covenant Relief Period End Date” shall be inserted in Section 1.01 of the Credit Agreement in the appropriate alphabetical order and state in its entirety the following:

“Financial Covenant Relief Period End Date” means October 5, 2025.

(d) Section 5.04 of the Existing Credit Agreement is amended by (i) deleting the “and” at the end of clause (d), (ii) deleting the “.” at the end of clause (e) and replacing in lieu thereof “;” and (iii) adding the following new clauses (f) and (g):

(f) Solely during the period commencing on August 21, 2024 and ending on the Financial Covenant Relief Period End Date, on or before the fifth (5th) Business Day after the end of each week, the Loan Parties shall deliver to the Administrative Agent, a reasonably-detailed report setting forth same-restaurant sales and traffic for the immediately preceding week, with such supporting materials as the Administrative Agent may reasonably request; and

(g) Solely during the period commencing on August 21, 2024 and ending on the Financial Covenant Relief Period End Date, on or before the thirtieth (30th) day after the end of each four-week accounting period, the Loan Parties shall deliver to the Administrative Agent, a profit and loss statement for each restaurant for such four-week accounting period, with such supporting materials as the Administrative Agent may reasonably request.

(e) Section 6.11 of the Existing Credit Agreement is amended and restated in its entirety with the following:

Section 6.11 Financial Covenant. The Borrower shall not permit the Net Total Leverage Ratio as of any date set forth below to be greater than the maximum ratio set forth in the table below opposite such date (beginning with the end of the first full fiscal quarter ending after the Closing Date):

<u>Date</u>	<u>Maximum Net Total Leverage Ratio</u>
July 10, 2022	4.50:1.00
October 2, 2022	4.50:1.00
December 25, 2022	4.50:1.00
April 16, 2023	4.50:1.00
July 9, 2023	4.00:1.00
October 1, 2023	4.00:1.00
December 31, 2023	4.00:1.00
April 21, 2024	4.00:1.00
July 14, 2024	3.50:1.00
October 6, 2024	5.00:1.00
December 29, 2024	5.50:1.00
April 20, 2025	5.00:1.00
July 13, 2025	4.25:1.00
October 5, 2025	3.25:1.00
December 28, 2025 and the last day of each fiscal quarter thereafter	3.00:1.00

(f) Clause (iii) of Section 7.01(d) of the Existing Credit Agreement is amended and restated in its entirety with the following:

(iii) Section 5.04(a), (b), (c), (f) and (g) and such default under this clause (iii) shall continue unremedied for a period of five (5) Business Days.

(g) Schedule 2.01 of the Existing Credit Agreement is hereby amended by adding thereto the Second Amendment Incremental Revolving Facility Commitment schedule set forth on Exhibit A hereto.

SECTION 4. Representations and Warranties. To induce the other parties hereto to enter into this Amendment, each Loan Party represents and warrants (as to itself) to the other parties hereto on the Amendment No. 2 Effective Date that:

(a) each Loan Party (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and (ii) has all requisite power and authority to execute and deliver this Amendment;

(b) this Amendment has been duly authorized by all corporate, shareholder, partnership, limited liability company or similar action required to be obtained by such Loan Party;

(c) this Amendment does not and will not (i) (A) violate any provision of law, statute, rule or regulation applicable to such Loan Party, (B) the certificate or articles of incorporation, amalgamation or other constitutive documents (including any partnership, limited liability company, operating or shareholders' agreements) or by-laws of such Loan Party, (C) any applicable order of any court or any rule, regulation or order of any Governmental Authority applicable to such Loan Party or (D) any provision of any indenture, certificate of designation for preferred shares, agreement or other instrument to which such Loan Party is a party or by which any of them or any of its property is or may be bound, (ii) result in a breach of or constitute (alone or with due notice or lapse of time or both) a default under, give rise to a right of or result in any cancellation or acceleration of any right or obligation (including any payment) under any such indenture, certificate of designation for preferred shares, agreement or other instrument, where any such conflict, violation, breach or default referred to in clause (i) (other than clause (B) thereof) or this clause (ii), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, or (iii) result in the creation or imposition of any Lien upon or with respect to any property or assets now owned or hereafter acquired by such Loan Party, other than the Liens created by the Loan Documents and Permitted Liens.

(d) this Amendment does not and will not require any action, consent or approval or, registration or filing with or any other action by any Governmental Authority, except (i) such as have been made or obtained and are in full force and effect, (ii) such actions, consents and approvals the failure or which to be obtained or made would not reasonably be expected to have a Material Adverse Effect and (iii) any other filings, registrations or notifications required by the Security Documents;

(e) all representations and warranties of the Borrower and each other Loan Party contained in Section 3 of the Existing Credit Agreement or any other Loan Document are true and correct (i) in the case of the representations and warranties qualified or modified as to materiality in the text thereof, in all respects and (ii) otherwise, in all material respects, in each case, on and as of the Amendment No. 2 Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (and in

all respects if any such representation or warranty is already qualified by materiality) as of such earlier date; and

(f) no Default or Event of Default exists or has occurred and is continuing on and as of the Amendment No. 2 Effective Date or, after giving effect hereto.

SECTION 5. Amendment No. 2 Effective Date. The effectiveness of this Amendment shall be subject to the satisfaction (or waiver) of the following conditions precedent (the date of which this Amendment becomes effective, the “**Amendment No. 2 Effective Date**”):

(a) the Administrative Agent (or its counsel) shall have received a counterpart signature page of this Amendment duly executed by the Borrower, each other Loan Party, the Administrative Agent, the Collateral Agent, the Required Lenders and the Second Amendment Incremental Revolving Facility Lenders (in each case, including by way of facsimile or other electronic transmission);

(b) the Administrative Agent shall have received an executed copy of that certain Lender Fee Letter - Amendment No. 2, dated as of the Amendment No. 2 Effective Date (“Second Amendment Fee Letter”), by and among the Borrower, Holdings and the Administrative Agent;

(c) the Administrative Agent (or its counsel) shall have received the executed legal opinions, each in customary form, of (i) Kirkland & Ellis LLP, New York and Delaware counsel to the Loan Parties and (ii) Holland & Hart LLP, special Nevada counsel to the Loan Parties, in each case, in form and substance reasonably satisfactory to the Administrative Agent;

(d) The Administrative Agent shall have received a certificate of the Secretary or Assistant Secretary or similar officer of each Loan Party dated the Amendment No. 2 Effective Date and certifying:

(i) that attached thereto is a true and complete copy of the certificate or articles of incorporation, certificate of limited partnership, certificate of formation or other equivalent constituent and governing documents, including all amendments thereto, of such Loan Party, (1) in the case of a corporation, certified as of a recent date by the Secretary of State (or other similar official) of the jurisdiction of its organization, or (2) otherwise certified by the Secretary or Assistant Secretary of such Loan Party or other person duly authorized by the constituent documents of such Loan Party,

(ii) that attached thereto is a certificate of good standing (or equivalent document) from the Secretary of State (or other similar official) of the jurisdiction of its organization,

(iii) that attached thereto is a true and complete copy of the by-laws (or partnership agreement, limited partnership agreement, limited liability company agreement or other equivalent constituent and governing documents) of such Loan Party as in effect on the Amendment No. 2 Effective Date and at all times since a date prior to the date of the resolutions described in clause (iv) below,

(iv) that attached thereto is a true and complete copy of the minutes of, or resolutions duly adopted by, the Board of Directors (or equivalent governing body) of such Loan Party (or its managing general partner or managing member) authorizing the execution, delivery and performance of the Amendment and any other Loan Documents

(and any agreements relating thereto) dated as of the Amendment No. 2 Effective Date to which such person is a party and that such minutes or resolutions have not been modified, rescinded or amended and are in full force and effect on the Amendment No. 2 Effective Date, and

(v) as to the incumbency and specimen signature of each officer executing the Amendment or any other document delivered in connection herewith on behalf of such Loan Party.

(e) the Administrative Agent shall have received a solvency certificate signed by a Financial Officer of Holdings confirming the solvency of Holdings and its Subsidiaries on a consolidated basis after giving effect to this Amendment;

(f) the Second Amendment Incremental Revolving Facility Commitments shall satisfy the conditions for the incurrence and effectiveness of Incremental Revolving Facility Commitments set forth in Section 2.19 of the Credit Agreement;

(g) on the Amendment No. 2 Effective Date, the representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct (i) in the case of the representations and warranties qualified or modified as to materiality in the text thereof, in all respects and (ii) otherwise, in all material respects, in each case on and as of such date, except in the case of any such representation and warranty that expressly relates to an earlier date, in which case such representation and warranty shall be so true and correct on and as of such earlier date;

(h) no Default or Event of Default exists or has occurred and is continuing on and as of the Amendment No. 2 Effective Date or, after giving effect hereto; and

(i) the Administrative Agent shall have received (i) the applicable fees set forth in that certain Second Amendment Fee Letter, and (ii) to the extent invoiced at least one (1) Business Day prior to the Amendment No. 2 Effective Date, reimbursement or payment of all reasonable and documented out-of-pocket expenses (including reasonable fees, charges and disbursements of Alston & Bird LLP) required to be reimbursed or paid by the Loan Parties under the Loan Documents to the Agents or to any Lender on or prior to the Amendment No. 2 Effective Date.

SECTION 6. Effect of Amendment.

(a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent or the Collateral Agent under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other provision of the Existing Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle the Borrower to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances.

(b) From and after the Amendment No. 2 Effective Date, each reference in the Amended Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import, and each reference to the “Credit Agreement” in any other Loan Document shall be deemed a reference to the Existing Credit Agreement as amended hereby.

(c) From and after the Amendment No. 2 Effective Date, this Amendment shall constitute a “Loan Document” and an “Incremental Assumption Agreement” for all purposes of the Amended Credit Agreement.

SECTION 7. Amendments; Severability. (a) Once effective, this Amendment may not be amended nor may any provision hereof be waived except pursuant to Section 9.08 of the Amended Credit Agreement.

(a) If any provision of this Amendment is held to be illegal, invalid or unenforceable in any jurisdiction, the legality, validity and enforceability of the remaining provisions of this Amendment in such jurisdiction shall not be affected or impaired thereby. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. Ratification and Reaffirmation. Each Loan Party hereto hereby (a) consents to the execution, delivery and performance of this Amendment and the performance of the Existing Credit Agreement (as amended hereby) and (b) ratifies and reaffirms: (x) its Obligations in respect of the Existing Credit Agreement and each of the other Loan Documents to which it is a party, as such Obligations have been amended by this Amendment, and all of the covenants, duties, indebtedness and liabilities under the Amended Credit Agreement and the other Loan Documents to which it is a party and (y) the Liens and security interests created in favor of the Collateral Agent and the Lenders pursuant to each Collateral Document, which Liens shall continue to secure the Obligations, in each case, on and subject to the terms and conditions set forth in the Amended Credit Agreement and the other Loan Documents.

SECTION 9. GOVERNING LAW; Waiver of Jury Trial; Jurisdiction. THIS AMENDMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSES OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ANY PRINCIPLE OF CONFLICTS OF LAW THAT COULD REQUIRE THE APPLICATION OF ANY OTHER LAW. The provisions of Sections 9.11 and 9.15 of the Existing Credit Agreement as amended by this Amendment are incorporated herein by reference, *mutatis mutandis*.

SECTION 10. Headings. Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Amendment.

SECTION 11. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute but one contract, and shall become effective as provided in Section 5. Delivery of an executed counterpart to this Agreement by facsimile transmission (or other electronic transmission pursuant to procedures approved by the Administrative Agent) shall be as effective as delivery of a manually signed original. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the

extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

RED ROBIN INTERNATIONAL, INC., as the
Borrower

By: /s/ Todd Wilson
Name: Todd Wilson
Title: President and Treasurer

RED ROBIN GOURMET BURGERS, INC., as
Holdings

By: /s/ Todd Wilson
Name: Todd Wilson
Title: Chief Financial Officer

RED ROBIN NORTH HOLDINGS, INC.
RED ROBIN WEST, INC.
WESTERN FRANCHISE DEVELOPMENT, INC.
each as a Loan Party

By: /s/ Todd Wilson
Name: Todd Wilson
Title: President and Treasurer

RED ROBIN DISTRIBUTING COMPANY LLC
as a Loan Party

By: /s/ Todd Wilson
Name: Todd Wilson
Title: Manager

[Signature Page to Amendment No. 2]

NORTHWEST ROBINS, L.L.C.

as a Loan Party

By: /s/ Todd Wilson

Name: Todd Wilson

Title: President and Treasurer of Red Robin
International, Inc., the sole member
and manager of Northwest Robins,
L.L.C.

[Signature Page to Amendment No. 2]

FORTRESS CREDIT CORP., as Administrative
Agent and Collateral Agent

By: /s/ Thomas Kelley
Name: Thomas Kelly
Title: Authorized Signatory

[Signature Page to Amendment No. 2]

DBDB FUNDING LLC, as a Lender

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Deputy Chief Financial Officer

**DRAWBRIDGE SPECIAL OPPORTUNITIES
FUND LP**, as a Lender and Second Amendment
Incremental Revolving Facility Lender

By: Drawbridge Special Opportunities GP LLC, its
general partner

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Deputy Chief Financial Officer

**FORTRESS CREDIT OPPORTUNITIES IX CLO
LIMITED**, as a Lender

By: FCOD CLO Management LLC, its collateral
manager

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Deputy Chief Financial Officer

**FORTRESS CREDIT OPPORTUNITIES XI CLO
LIMITED**, as a Lender

By: FCOD CLO Management LLC, its collateral
manager

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Deputy Chief Financial Officer

[Signature Page to Amendment No. 2]

FORTRESS CREDIT OPPORTUNITIES XV CLO LIMITED as a Lender

By: FCOD CLO Management LLC, its collateral

By: /s/ Thomas Kelly

Name: Thomas Kelly

Title: Deputy Chief Financial Officer

FORTRESS CREDIT OPPORTUNITIES XIX CLO LLC, as a Lender

By: FCOD CLO Management LLC, its collateral

By: /s/ Thomas Kelly

Name: Thomas Kelly

Title: Deputy Chief Financial Officer

FORTRESS CREDIT OPPORTUNITIES XXI CLO LLC, as a Lender

By: FCOD CLO Management LLC, its collateral

By: /s/ Thomas Kelly

Name: Thomas Kelly

Title: Deputy Chief Financial Officer

FORTRESS CREDIT OPPORTUNITIES XXIII CLO LLC, as a Lender

By: FCOD CLO Management LLC, its collateral manager

By: /s/ Thomas Kelly

Name: Thomas Kelly

Title: Deputy Chief Financial Officer

FORTRESS CREDIT OPPORTUNITIES VI CLO LIMITED, as a Lender

By: FCOO CLO Management LLC, its collateral manager

By: /s/ Thomas Kelly

Name: Thomas Kelly

Title: Deputy Chief Financial Officer

U.S. SPECIALTY INSURANCE COMPANY, as a
Lender
By: TCW Asset Management Company, LLC, its
Investment Advisor and Attorney-in-Fact

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

**SAFETY NATIONAL CASUALTY
CORPORATION**, as a Lender a Second Amendment
Incremental Revolving Facility Lender
By: TCW Asset Management Company, LLC, its
Investment Advisor and Attorney-in-Fact

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

**RELIANCE STANDARD LIFE INSURANCE
COMPANY**, as a Lender a Second Amendment
Incremental Revolving Facility Lender
By: TCW Asset Management Company, LLC, its
Investment Advisor and Attorney-in-Fact

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

**PHILADELPHIA INDEMNITY INSURANCE
COMPANY**, as a Lender
By: TCW Asset Management Company, LLC, its
Investment Advisor and Attorney-in-Fact

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

BUILD PRIVATE CREDIT, L.P., as a Lender
By: TCW Asset Management Company, LLC, its
Investment Advisor and Attorney-in-Fact

By: /s/ Suzanne Grosso
Name: Suzanne Grosso
Title: Managing Director

ALCOF II NUBT, L.P., as a Lender and a Second
Amendment Incremental Revolving Facility Lender

By: Arbour Lane Fund II GP, LLC
Its: General Partner
By: /s/ Kenneth Hoffman
Name: Kenneth Hoffman
Title: Manager

ALCOF III NUBT, L.P., as a Lender and Second
Amendment Incremental Revolving Facility Lender

By: Arbour Lane Fund III GP, LLC
Its: General Partner
By: /s/ Kenneth Hoffman
Name: Kenneth Hoffman
Title: Manager

[Signature Page to Amendment No. 2]

Schedule 2.01**Second Amendment Incremental Revolving Facility Commitments**

Second Amendment Incremental Revolving Facility Lender	Second Amendment Incremental Revolving Facility Commitments
DRAWBRIDGE SPECIAL OPPORTUNITIES FUND LP	\$5,026,459.76
FORTRESS LENDING III HOLDINGS L.P.	\$4,804,913.30
FORTRESS LENDING IV HOLDINGS L.P.	\$445,444.49
FORTRESS LENDING FUND III-IV MA-CRPTF LP	\$56,515.77
ALCOF II NUBT, L.P.	\$666,666.67
ALCOF III NUBT, L.P.	\$666,666.67
RELIANCE STANDARD LIFE INSURANCE COMPANY	\$243,333.34
SAFETY NATIONAL CASUALTY CORPORATION	\$243,333.34
TCW BRAZOS FUND LLC	\$307,692.31
TCW DIRECT LENDING STRUCTURED SOLUTIONS 2019 LLC	\$693,333.33
TCW DL VIII FINANCING LLC	\$939,487.17
TCW SKYLINE LENDING LP	\$491,282.05
TCW WV FINANCING LLC	\$414,871.80
Total:	\$15,000,000.00

CEO CERTIFICATION

I, GJ Hart, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 22, 2024
(Date)

/s/ GJ Hart
GJ Hart
Chief Executive Officer

CFO CERTIFICATION

I, Todd Wilson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 22, 2024
(Date)

/s/ Todd Wilson
Todd Wilson
Chief Financial Officer

**Written Statement
Pursuant To
18 U.S.C. Section 1350**

In connection with the Quarterly Report of Red Robin Gourmet Burgers, Inc. (the "Company") on Form 10-Q for the period ended July 14, 2024, as filed with the Securities and Exchange Commission on August 22, 2024 (the "Report"), the undersigned, GJ Hart, Chief Executive Officer, and Todd Wilson, Chief Financial Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that;

- (a) the Quarterly Report on Form 10-Q for the period ended July 14, 2024 of the Company (the "Periodic Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 22, 2024

/s/ GJ Hart

GJ Hart
Chief Executive Officer

Dated: August 22, 2024

/s/ Todd Wilson

Todd Wilson
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Red Robin Gourmet Burgers, Inc. and will be retained by Red Robin Gourmet Burgers, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.