RED ROBIN GOURMET BURGERS INC

FORM 10-Q
(Quarterly Report)

Filed 05/29/25 for the Period Ending 04/20/25

Address	10000 EAST GEDDES AVENUE SUITE 500 ENGLEWOOD, CO, 80112
Telephone	3038466000
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SIC Code	5812 - Retail-Eating Places
Industry	Restaurants & Bars
Sector	Consumer Cyclicals
Fiscal Year	12/28

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 April 20, 2025

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	**84-1573084**
(State or other jurisdiction of incorporation or organization)	(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	☐	Accelerated Filer	☒
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

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

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 May 27, 2025, there were 17,735,916 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)	April 20, 2025	December 29, 2024
Assets:		
Current assets:		
Cash and cash equivalents	$ 24,150	$ 30,651
Accounts receivable, net	13,100	19,688
Inventories	27,016	26,737
Prepaid expenses and other current assets	12,797	13,608
Restricted cash	9,140	8,750
Total current assets	86,203	99,434
Property and equipment, net	178,147	181,224
Operating lease assets, net	318,762	331,617
Intangible assets, net	10,454	11,064
Assets held for sale	—	4,313
Other assets, net	12,663	13,662
Total assets	$ 606,229	$ 641,314
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable	$ 32,976	$ 29,783
Accrued payroll and payroll-related liabilities	38,783	39,672
Unearned revenue	18,264	27,083
Current portion of operating lease liabilities	51,620	50,083
Accrued liabilities and other	43,899	42,931
Total current liabilities	185,542	189,552
Long-term debt	164,831	181,641
Long-term portion of operating lease liabilities	327,850	345,635
Other non-current liabilities	8,418	8,755
Total liabilities	686,641	725,583
Commitments and contingencies (see Note 8. Commitments and Contingencies)		
Stockholders' equity (deficit):		
Common stock; $0.001 par value: 45,000 shares authorized; 22,050 shares issued; 17,738 and 17,403 shares outstanding as of April 20, 2025 and December 29, 2024	22	22
Preferred stock, $0.001 par value: 3,000 shares authorized; no shares issued and outstanding as of April 20, 2025 and December 29, 2024	—	—
Treasury stock 4,312 and 4,647 shares, at cost, as of April 20, 2025 and December 29, 2024	(152,944)	(164,937)
Paid-in capital	224,280	233,667
Accumulated other comprehensive loss, net of tax	(60)	(62)
Accumulated deficit	(151,710)	(152,959)
Total stockholders' equity (deficit)	(80,412)	(84,269)
Total liabilities and stockholders' equity (deficit)	$ 606,229	$ 641,314

See Notes to Condensed Consolidated Financial Statements

RED ROBIN GOURMET BURGERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(Unaudited)

	Sixteen Weeks Ended	
(in thousands, except for per share amounts)	April 20, 2025	April 21, 2024
Revenues:		
Restaurant revenue	$ 385,809	$ 378,568
Franchise revenue	4,489	5,341
Other revenue	2,053	4,632
Total revenues	392,351	388,541
Costs and expenses:		
Restaurant operating costs (excluding depreciation and amortization shown separately below):		
Cost of sales	88,028	90,209
Labor	143,058	148,958
Other operating	67,532	66,490
Occupancy	32,197	31,428
Depreciation and amortization	15,434	18,154
General and administrative (includes $2,589 and $1,190 of stock-based compensation)	26,989	25,842
Selling	9,376	13,547
Other charges (gains), net (includes $(225) and $33 of stock-based compensation)	676	(3,976)
Total costs and expenses	383,290	390,652
Income (loss) from operations	9,061	(2,111)
Other expense (income):		
Interest expense	8,066	7,480
Interest (income) and other, net	(251)	(312)
Income (loss) before income taxes	1,246	(9,279)
Income tax provision (benefit)	(3)	181
Net income (loss)	$ 1,249	$ (9,460)
Net income (loss) per share:		
Basic	$ 0.07	$ (0.61)
Diluted	$ 0.07	$ (0.61)
Weighted average shares outstanding:		
Basic	17,546	15,554
Diluted	18,302	15,554
Other comprehensive income (loss):		
Foreign currency translation adjustment	$ 2	$ (18)
Other comprehensive income (loss), net of tax	2	(18)
Total comprehensive income (loss)	$ 1,251	$ (9,478)

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(Unaudited)

(in thousands)	Common Stock Shares	Common Stock Amount	Treasury Stock Shares	Treasury Stock Amount	Paid-in Capital	Accumulated Other Comprehensive Loss, net of tax	Accumulated Deficit	Total
Balance, December 29, 2024	22,050	$ 22	4,647	$ (164,937)	$ 233,667	$ (62)	$ (152,959)	$ (84,269)
Issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(335)	11,993	(11,752)	—	—	241
Non-cash stock compensation	—	—	—	—	2,365	—	—	2,365
Net income (loss)	—	—	—	—	—	—	1,249	1,249
Other comprehensive income (loss), net of tax	—	—	—	—	—	2	—	2
Balance, April 20, 2025	22,050	$ 22	4,312	$ (152,944)	$ 224,280	$ (60)	$ (151,710)	$ (80,412)

(in thousands)	Common Stock Shares	Common Stock Amount	Treasury Stock Shares	Treasury Stock Amount	Paid-in Capital	Accumulated Other Comprehensive Loss, net of tax	Accumulated Deficit	Total
Balance, December 31, 2023	20,449	$ 20	4,921	$ (174,702)	$ 229,680	$ (22)	$ (75,418)	$ (20,442)
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 income (loss)	—	—	—	—	—	—	(9,460)	(9,460)
Other comprehensive loss, net of tax	—	—	—	—	—	(18)	—	(18)
Balance, April 21, 2024	20,449	$ 20	4,837	$ (171,691)	$ 227,488	$ (40)	$ (84,878)	$ (29,101)

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(in thousands)	Sixteen Weeks Ended April 20, 2025	Sixteen Weeks Ended April 21, 2024
Cash flows from operating activities:		
Net income (loss)	$ 1,249	$ (9,460)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	15,434	18,154
Non-cash other gains, net	(172)	(193)
Stock-based compensation expense	2,365	1,190
Gain on sale of property	(1,137)	(7,425)
Deferred financing costs and other, net	1,386	672
Changes in operating assets and liabilities:		
Accounts receivable	6,588	7,641
Inventories	(518)	(383)
Prepaid expenses and other current assets	416	(195)
Operating lease assets, net of liabilities	(2,550)	3,024
Trade accounts payable and accrued liabilities	5,092	13,179
Unearned revenue	(8,820)	(11,394)
Other operating assets and liabilities, net	241	(1,076)
Net cash provided by operating activities	19,574	13,734
Cash flows from investing activities:		
Purchases of property, equipment, and intangible assets	(11,972)	(8,248)
Net proceeds from sale of property	5,593	23,393
Net cash provided by (used in) investing activities	(6,379)	15,145
Cash flows from financing activities:		
Net (repayments) borrowings on revolving credit facility	(15,000)	—
Repayments on term loan	(2,770)	(21,232)
Repayments of finance lease obligations	(251)	(291)
Repayments of insurance premium financing	(1,528)	—
Proceeds (uses) from other financing activities, net	241	(371)
Net cash used in financing activities	(19,308)	(21,894)
Effect of exchange rate changes on cash	2	2
Net change in cash and cash equivalents, and restricted cash	(6,111)	6,987
Cash and cash equivalents, and restricted cash, beginning of period	39,401	31,565
Cash and cash equivalents, and restricted cash, end of period	$ 33,290	$ 38,552
Supplemental disclosure of cash flow information		
Income taxes paid, net	$ 77	$ 146
Interest paid, net of amounts capitalized	$ 5,734	$ 5,708
Accrued purchases of property, equipment, and intangible assets	$ 2,461	$ 1,737
Right of use assets obtained in exchange for operating lease obligations	$ 3,561	$ 15,951

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 April 20, 2025, the Company owned and operated 401 restaurants located in 39 states. The Company also had 90 franchised full-service restaurants in 13 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 Consolidated Financial Statements on Form 10-K have been condensed or omitted. The Condensed Consolidated Balance Sheet as of December 29, 2024 has been derived from the audited 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 Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2024 filed with the SEC on February 26, 2025.

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

Periods	Period End Date	Number of Weeks in Period
Current, Prior and Upcoming Fiscal Quarters:		
First Quarter 2025	April 20, 2025	16
First Quarter 2024	April 21, 2024	16
Second Quarter 2025	July 13, 2025	12
Second Quarter 2024	July 14, 2024	12
Third Quarter 2025	October 5, 2025	12
Third Quarter 2024	October 6, 2024	12
Current and Prior Fiscal Years:		
Fiscal Year 2025	December 28, 2025	52
Fiscal Year 2024	December 29, 2024	52
Upcoming fiscal year:		
Fiscal Year 2026	December 27, 2026	52

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 Cash Flows to net borrowings with repayments on revolving credit facilities, to reclassify gift card breakage within unearned revenue, and to include income tax receivable within accounts receivable. Beginning in the current reporting period, we have revised the presentation of operating expenses in the Condensed Consolidated Statements of Operations to separately disclose Selling expenses and General and administrative expenses. Previously, these amounts were presented on a combined basis as Selling, general and administrative expenses.

Recently Issued and Recently Adopted Accounting Standards

In November 2024, the FASB issued Update 2024-03 which expands disclosures about specific expense categories presented on the face of the income statement. Update 2024-03 is effective for financial statements issued for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is evaluating the impact of the adoption of Update 2024-03 to the consolidated financial statements.

In December 2023, the FASB issued Update 2023-09 to improve income tax disclosure requirements, primarily related to rate reconciliations and income taxes paid. Update 2023-09 is effective for financial statements issued for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is evaluating the impact of the adoption of Update 2023-09 to the consolidated financial statements.

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. Management adopted this ASU beginning with the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2024 filed with the SEC on February 26, 2025.

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.

2. Revenue

Disaggregation of revenue

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

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Restaurant revenue	$ 385,809	$ 378,568
Franchise revenue	4,489	5,341
Gift card breakage	1,705	4,162
Other revenue	348	470
Total revenues	$ 392,351	$ 388,541

Contract Liabilities

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

	April 20, 2025	December 29, 2024
Unearned gift card revenue	$ 14,660	$ 24,333
Unearned Royalty revenue	3,604	2,750
Unearned revenue	$ 18,264	$ 27,083

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):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Gift card revenue	$ 10,704	$ 12,629

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):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Unearned Royalty revenue, beginning balance	$ 2,750	$ 7,509
Revenue deferred	1,625	2,325
Revenue recognized	(771)	(1,802)
Unearned Royalty revenue, ending balance	$ 3,604	$ 8,032

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 Statements of Operations and Comprehensive Income (Loss) as follows (in thousands):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Operating lease cost	$ 23,020	$ 23,007
Finance lease cost:		
Amortization of right of use assets	238	288
Interest on lease liabilities	127	137
Total finance lease cost	$ 365	$ 425
Variable lease cost	6,059	5,903
Total	$ 29,444	$ 29,335

See Note 5. Other Charges (Gains), net, for information regarding the sale-leaseback transaction completed during the fiscal quarter ended April 21, 2024.

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 the sixteen week period ended April 21, 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):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Basic weighted average shares outstanding	17,546	15,554
Dilutive effect of stock options and awards	756	—
Diluted weighted average shares outstanding	18,302	15,554
Awards excluded due to anti-dilutive effect on diluted income (loss) per share	2,095	1,422

5. Other Charges (Gains), net

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

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Gain on sale of restaurant property	$ (1,137)	$ (7,425)
Restaurant closure costs, net	210	175
Severance and executive transition (includes $(225) and $33 of stock-based compensation)	880	945
Litigation contingencies	12	420
Asset disposal and other, net	711	1,909
Other charges (gains), net	$ 676	(3,976)

Gain on Sale of Restaurant Property

During the first quarter of fiscal 2025, the Company sold three restaurant properties for total proceeds of $5.8 million that resulted in a gain, net of expenses of $1.1 million. The net proceeds are included within cash flows from investing activities on the Condensed Consolidated Statements of Cash Flows and were used to pay down long-term debt.

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. The net proceeds are included within cash flows from investing activities on the Condensed Consolidated Statements of Cash Flows.

Severance and Executive Transition

During the first quarter of fiscal 2025, the Company incurred severance and executive transition costs primarily related to the departure of certain executive officers, and costs associated with changes in leadership positions.

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

Asset Disposal and Other

Asset disposal and other primarily relates to the closure of a corporate office location, asset disposals, strategic projects and other non-recurring items.

6. Borrowings

Borrowings as of April 20, 2025 and December 29, 2024 are summarized below (in thousands):

	April 20, 2025	Variable Interest Rate	December 29, 2024	Variable Interest Rate
Revolving line of credit	$ 5,000	11.92 %	$ 20,000	12.03 %
Term loan	$ 166,702	12.06 %	$ 169,470	12.21 %
Total borrowings	171,702		189,470	
Less: unamortized debt issuance costs and discounts	6,871		7,829	
Long-term debt	$ 164,831		$ 181,641	
Revolving line of credit unamortized deferred financing charges:	$ 1,119		$ 1,298	

Credit Facility

On March 4, 2022, the Company replaced its prior amended and restated credit agreement (the "Prior Credit Agreement") with a new 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 $240.0 million Credit Agreement provides for a $40.0 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. 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 ("ABR"), 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 April 20, 2025, the Company had outstanding borrowings under the Credit Facility of $164.8 million, including $5.0 million drawn on its revolving line of credit. As of December 29, 2024, the Company had outstanding borrowings under the Credit Facility of $181.6 million, with $20.0 million drawn on its revolving line of credit. In addition, the Company had amounts issued under letters of credit of $8.8 million and $8.5 million as of April 20, 2025 and December 29, 2024, respectively.

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 “First 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.

On August 21, 2024, the Company entered into the second amendment to the 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 end of the third quarter of 2025; increases the aggregate revolving commitments by $15.0 million to $40.0 million through the end of 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.

On November 4, 2024, the Company entered into the third amendment to the Credit Agreement (the "Third Amendment"). The Third Amendment extended the provisions of the Second Amendment through the end of the first fiscal quarter of 2026.

The summary descriptions of the Credit Agreement, the Security Agreement, the First Amendment, the Second Amendment and the Third 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 26, 2025, 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):

	April 20, 2025	Level 1	Level 2	Level 3
Assets:				
Investments in rabbi trust	$ 1,739	$ 1,739	$ —	$ —
Total assets measured at fair value	$ 1,739	$ 1,739	$ —	$ —

	December 29, 2024	Level 1	Level 2	Level 3
Assets:				
Investments in rabbi trust	$ 1,821	$ 1,821	$ —	$ —
Total assets measured at fair value	$ 1,821	$ 1,821	$ —	$ —

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 2025 and 2024, 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.

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 April 20, 2025, the fair value of the Credit Facility was approximately $177.7 million and the principal amount carrying value was $171.7 million. The Credit Facility term loan is reported net of $6.9 million in unamortized discount and debt issuance costs in the Condensed Consolidated Balance Sheet as of April 20, 2025. The carrying value of the Credit Facility was $189.5 million and the fair value of the Credit Facility was $186.6 million as of December 29, 2024. 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 April 20, 2025, we had reserves of $3.8 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. 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 pending or threatened 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. We ultimately may be subject to greater or less than the accrued amount for this and other matters.

As of April 20, 2025, 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 $131.8 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. Segment Reporting

In accordance with Segment Reporting, the Company uses the management approach for determining its reportable segments. The management approach is based upon the way that management reviews performance and allocates resources.

The Company has one operating and one reportable segment: restaurants. We manage our business activities on a consolidated basis, as Red Robin restaurants all have similar customers, sell similar products, and have a similar process to sell those products. We primarily derive our revenue in the United States through the sale of food and beverage through its Company-owned locations as well as earn royalties and fees from franchise restaurants. There have been no material changes to the accounting policies of the restaurant segment, which can be found in the filing of the 2024 Annual Report on Form 10-K for the fiscal year ended December 29, 2024.

Our Chief Operating Decision Maker ("CODM") is our Chief Executive Officer. The Company measures segment profit using consolidated Net income (loss). The CODM uses consolidated Net income (loss), as reported on our Condensed Consolidated Statements of Operations and Comprehensive Loss, in deciding whether to reinvest excess cash flow into the restaurant segment or into other parts of the Company. The CODM does not review assets in evaluating the results of the restaurant segment, and therefore, such information is not presented.

Financial information for the Company's reportable segment is as follows (in thousands):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Revenues:		
Restaurant revenue	$ 385,809	$ 378,568
Franchise revenue	4,489	5,341
Other revenue	2,053	4,632
Total revenues	392,351	388,541
Costs and expenses:		
Cost of sales	88,028	90,209
Labor	143,058	148,958
Other operating	67,532	66,490
Occupancy	32,197	31,428
General and administrative expenses	26,989	25,842
Selling	9,376	13,547
Other segment items[1]	676	(3,976)
Depreciation and amortization	15,434	18,154
Interest expense, net and other	7,815	7,168
Income tax expense (benefit)	(3)	181
Segment net income (loss)	$ 1,249	$ (9,460)

[1] Other segment items consists primarily of other charges (gains) and pre-opening costs.

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 first quarter of fiscal 2025 and fiscal 2024 refer to the sixteen weeks ended April 20, 2025 and April 21, 2024, 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 491 locations in North America. As of April 20, 2025, the Company owned 401 restaurants located in 39 states, and had 90 franchised restaurants in 13 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 First Quarter of Fiscal 2025, Compared to the First Quarter of Fiscal 2024:

- Total revenues are $392.4 million, an increase of $3.8 million.
- Comparable restaurant revenue[(1)] increased 3.1%.
- Net income is $1.2 million, compared to a net loss of $9.5 million last year, a $10.7 million increase.
- Adjusted EBITDA[(2)] is $27.9 million compared to $13.4 million last year, a 108.2% increase.
- Completed sale of three owned properties during the first quarter for gross proceeds of $5.8 million.
- Repaid $17.8 million of debt.

[(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.

Business Trends

We are closely monitoring evolving macroeconomic conditions, including ongoing inflationary pressures and uncertainty stemming from proposed and enacted trade policies such as tariffs. Although a significant portion of our supply chain is domestically sourced, helping to mitigate some exposure, we recognize that changes to trade regulations and tariff implementations could lead to increased costs for certain commodities and materials. Additionally, the broader implications of tariff-driven price increases could influence consumer spending habits and negatively affect our business. At this time, we do not anticipate a material adverse impact to our financial performance for the remainder of fiscal year 2025; however, continued volatility in global trade and economic policy presents a risk to both profitability and future demand.

Key Performance Indicators

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

(Dollars in millions)	Sixteen Weeks Ended
Restaurant Revenue for the period ended April 21, 2024	$ 378.6
Increase/(decrease) in comparable restaurant revenue	11.5
Decrease in non-comparable and closed restaurant revenue	(4.3)
Total increase/(decrease)	7.2
Restaurant Revenue for the period ended April 20, 2025	$ 385.8

Restaurant Data

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

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Company-owned:		
Beginning of period	407	415
Opened during the period	—	—
Closed during the period	(6)	(2)
End of period	401	413
Franchised:		
Beginning of period	91	92
Opened during the period	—	—
Closed during the period	(1)	—
End of period	90	92
Total number of restaurants	491	505

The following table presents total Company-owned and franchised restaurants by state or province as of April 20, 2025:

	Company-Owned Restaurants	Franchised Restaurants
State:		
Arkansas	2	
Alaska		3
Alabama	3	
Arizona	18	1
California	56	
Colorado	21	
Connecticut	3	
Delaware		4
Florida	16	
Georgia	6	
Iowa	5	
Idaho	8	
Illinois	17	
Indiana	11	
Kansas		5
Kentucky	3	
Louisiana	1	
Massachusetts	5	
Maryland	11	
Maine	2	
Michigan		19
Minnesota	4	
Missouri	8	3
Montana		1
North Carolina	16	
Nebraska	4	
New Hampshire	3	
New Jersey	11	1
New Mexico	3	
Nevada	6	
New York	14	
Ohio	15	3
Oklahoma	5	
Oregon	15	5
Pennsylvania	11	20
Rhode Island	1	
South Carolina	4	
South Dakota	1	
Tennessee	9	
Texas	17	9
Utah	1	5
Virginia	18	
Washington	36	
Wisconsin	11	
Province:		
British Columbia		11
Total	401	90

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 2024 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.

	Sixteen Weeks Ended	
(Dollars in thousands)	**April 20, 2025**	**April 21, 2024**
Revenues:		
Restaurant revenue	98.4 %	97.4 %
Franchise revenue	1.1	1.4
Other revenue	0.5	1.2
Total revenues	100.0	100.0
Costs and expenses:		
Restaurant operating costs [1] (excluding depreciation and amortization shown separately below):		
Cost of sales	22.8	23.8
Labor	37.1	39.3
Other operating	17.5	17.6
Occupancy	8.3	8.3
Total restaurant operating costs	85.6	88.9
Depreciation and amortization	3.9	4.7
General and administrative	6.9	6.7
Selling	2.4	3.5
Other charges (gains), net	0.2	(1.0)
Income (loss) from operations	2.3	(0.5)
Other expense (income):		
Interest expense	2.1	1.9
Interest (income) and other, net	(0.1)	(0.1)
Income (loss) before income taxes	0.3	(2.4)
Income tax provision (benefit)	—	—
Net income (loss)	0.3 %	(2.4)%

) Expressed as a percentage of restaurant revenue.

Revenues

(Dollars in thousands)	Sixteen Weeks Ended April 20, 2025	April 21, 2024	Percent Change
Restaurant revenue	$ 385,809	$ 378,568	1.9 %
Franchise revenue	4,489	5,341	(16.0)%
Other revenue	2,053	4,632	(55.7)%
Total revenues	$ 392,351	$ 388,541	1.0 %
Average weekly net sales volumes in Company-owned restaurants	$ 59,483	$ 57,139	4.1 %
Total operating weeks	6,486	6,611	(1.9)%

Restaurant revenue, which is comprised primarily of food and beverage sales, increased $7.2 million, or 1.9%, in the first quarter of fiscal 2025, as compared to the comparable period of fiscal 2024. Comparable restaurant revenue increased $11.5 million, or 3.1%, partially offset by a $2.9 million decrease associated with the closure of 12 locations since the first fiscal quarter of 2024. The comparable restaurant revenue increase includes a 6.6% increase in average Guest check offset in part by a 3.5% decrease in Guest count. The increase in average Guest check resulted from a 6.8% increase in menu prices, partially offset by a 0.1% decrease from menu mix. The decrease in menu mix was primarily driven by growth in our catering business that contributes a lower average Guest check than our other channels.

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 decreased by $0.9 million, or 16.0%, in the first quarter of fiscal 2025 compared to the same period of fiscal 2024, primarily due to a decrease in franchisee contributions for marketing programs. Franchise restaurants reported a decrease of 1.6% in comparable restaurant revenue in the first quarter of fiscal 2025 compared to the same period in fiscal 2024.

Other revenue decreased $2.6 million in the first quarter of fiscal 2025 compared to the same period of fiscal 2024. The decrease is primarily related to lower gift card breakage in the current period.

Cost of Sales

(In thousands, except percentages)	Sixteen Weeks Ended April 20, 2025	April 21, 2024	Percent Change
Cost of sales	$ 88,028	$ 90,209	(2.4)%
As a percent of restaurant revenue	22.8 %	23.8 %	(1.0)%

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 100 basis points for the first quarter of fiscal 2025 as compared to the comparable period in fiscal 2024. The decrease was primarily driven by menu price increases and vendor contributions to support our annual Partner recognition events which is recorded as a reduction to cost of sales, partially offset by an increase in commodity prices.

Labor

(In thousands, except percentages)	Sixteen Weeks Ended		
	April 20, 2025	April 21, 2024	Percent Change
Labor	$ 143,058	$ 148,958	(4.0)%
As a percent of restaurant revenue	37.1 %	39.3 %	(2.2)%

Labor costs include restaurant level hourly wages and management salaries as well as related taxes and benefits. For the first quarter of fiscal 2025, labor as a percentage of restaurant revenue decreased 220 basis points compared to the same period in fiscal 2024. The decrease was primarily driven by ongoing efforts to reduce hourly labor costs, and reduced turnover.

Other Operating

(In thousands, except percentages)	Sixteen Weeks Ended		
	April 20, 2025	April 21, 2024	Percent Change
Other operating	$ 67,532	$ 66,490	1.6 %
As a percent of restaurant revenue	17.5 %	17.6 %	(0.1)%

Other operating costs include costs such as repair and maintenance costs, restaurant supplies, utilities, restaurant technology, and other miscellaneous costs. For the first quarter of fiscal 2025, other operating costs as a percentage of restaurant revenue decreased 10 basis points compared to the same period in fiscal 2024.

Occupancy

(In thousands, except percentages)	Sixteen Weeks Ended		
	April 20, 2025	April 21, 2024	Percent Change
Occupancy	$ 32,197	$ 31,428	2.4 %
As a percent of restaurant revenue	8.3 %	8.3 %	— %

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 was consistent for the first quarter of fiscal 2025 compared to the same period in fiscal 2024.

Depreciation and Amortization

(In thousands, except percentages)	Sixteen Weeks Ended		
	April 20, 2025	April 21, 2024	Percent Change
Depreciation and amortization	$ 15,434	$ 18,154	(15.0)%
As a percent of total revenues	3.9 %	4.7 %	(0.8)%

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 first quarter of fiscal 2025, depreciation and amortization expense as a percentage of revenue decreased 80 basis points compared to the comparable period in 2024, primarily due to asset impairments, restaurant closures, and a sale-leaseback transaction reducing the depreciable asset base.

General and Administrative Expenses

(In thousands, except percentages)	Sixteen Weeks Ended April 20, 2025	Sixteen Weeks Ended April 21, 2024	Percent Change
General and administrative	$ 26,989	$ 25,842	4.4 %
As a percent of total revenues	6.9 %	6.7 %	0.2 %

General and administrative costs include all corporate and administrative functions. Components of this category include 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.

General and administrative costs in the first quarter of fiscal 2025 were $27.0 million, an increase of $1.1 million compared to the comparable period in 2024. The increase is primarily related to higher costs associated with noncash stock-based compensation expense and other costs incurred for annual Partner recognition events. This increase is partially offset by a reduction in team member costs associated with lower headcount.

Selling Expenses

(In thousands, except percentages)	Sixteen Weeks Ended April 20, 2025	Sixteen Weeks Ended April 21, 2024	Percent Change
Selling	$ 9,376	$ 13,547	(30.8)%
As a percent of total revenues	2.4 %	3.5 %	(1.1)%

Selling costs are comprised of all marketing and advertising costs. Selling costs in the first quarter of fiscal 2025 were $9.4 million, a decrease of $4.2 million compared to the comparable period in 2024. The decrease was primarily driven by reduced paid media spend overlapping a marketing test last year.

Interest Expense

Interest expense for the first quarter of fiscal 2025 and fiscal 2024 was $8.1 million and $7.5 million, respectively. The $0.6 million increase was primarily due to an increase in the weighted average interest rate to 14.1% in the first quarter of fiscal 2025 compared to 13.2% in the first quarter of fiscal 2024. Average outstanding debt was $187.7 million and $187.0 million for the first quarter of fiscal 2025 and fiscal 2024, respectively.

Income Tax Provision (benefit)

Income tax benefit was $0.0 million in the first quarter of fiscal 2025, compared to an income tax provision of $0.2 million in the first quarter of fiscal 2024. Our effective tax rate was a 0.2% benefit in the first quarter of fiscal 2025 reflecting state income taxes. Our effective tax rate was a 2.0% provision in the first quarter of fiscal 2024, reflecting minimum state income taxes and state franchise taxes despite a pretax net loss position.

Non-GAAP Financial Measures

A reconciliation of Restaurant revenue to restaurant level operating profit is detailed in the table below:

	Sixteen Weeks Ended		
(Dollars in millions)	April 20, 2025	April 21, 2024	Increase/ (Decrease)
Restaurant revenue	$ 385.8	$ 378.6	1.9 %
Restaurant operating costs:			
Cost of sales	88.0	90.2	(2.4)%
Labor	143.1	149.0	(4.0)%
Other operating	67.5	66.5	1.5 %
Occupancy	32.2	31.4	2.5 %
Total restaurant operating costs	$ 330.8	$ 337.1	(1.9)%
Restaurant level operating profit[(1)]	$ 55.0	$ 41.5	32.5 %

[(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.

	Sixteen Weeks Ended		
(Dollars in millions)	April 20, 2025	April 21, 2024	Increase/(Decrease)
Restaurant revenue	$ 385.8	$ 378.6	1.9 %
Restaurant operating costs:	(Percentage of Restaurant Revenue)		(Basis Points)
Cost of sales	22.8 %	23.8 %	(100)
Labor	37.1	39.3	(220)
Other operating	17.5	17.6	(10)
Occupancy	8.3	8.3	—
Total restaurant operating costs	85.6 %	88.9 %	(330)
Restaurant level operating profit	14.3 %	11.0 %	330

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:

(in thousands, except per share amounts)	Sixteen Weeks Ended April 20, 2025	Sixteen Weeks Ended April 21, 2024
Net income (loss) as reported	$ 1,249	$ (9,460)
Income (loss) per share - diluted:		
Net Income (loss) as reported	$ 0.07	$ (0.61)
Stock-based compensation expense	0.14	0.08
Other charges (gains), net:		
Restaurant closure costs, net	0.01	0.01
Gain on sale of restaurant property	(0.06)	(0.48)
Severance and executive transition	0.05	0.06
Litigation contingencies	—	0.03
Asset disposal and other, net	0.03	0.13
Income tax effect	(0.05)	0.05
Adjusted income (loss) per share - diluted[1]	$ 0.19	$ (0.73)
Weighted average shares outstanding:		
Basic	17,546	15,554
Diluted	18,302	15,554

[1] Beginning in the fiscal first quarter of 2025, the Company revised its definition of Adjusted Net income (loss) to exclude noncash stock-based compensation expense. The Company believes this change provides investors with a better understanding of our financial performance from period to period. Previously reported results have been revised to reflect the new presentation.

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

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Net income (loss) as reported	$ 1,249	$ (9,460)
Interest expense, net	7,964	7,313
Income tax provision (benefit)	(3)	181
Depreciation and amortization	15,434	18,154
EBITDA	24,644	16,188
Stock-based compensation expense	2,589	1,190
Other charges (gains), net:		
Gain on sale of restaurant property	(1,137)	(7,425)
Restaurant closure costs, net	210	175
Severance and executive transition	880	945
Litigation contingencies	12	420
Asset disposal and other, net	711	1,909
Adjusted EBITDA[1]	$ 27,909	$ 13,402

[1] Beginning in the fiscal first quarter of 2025, the Company revised its definition of Adjusted EBITDA to exclude noncash stock-based compensation expense. The Company believes this change provides investors with a better understanding of our financial performance from period to period. Previously reported results have been revised to reflect the new presentation.

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, Adjusted net income (loss) and Adjusted net 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 (losses) on restaurant sales, severance and executive transition costs, stock-based compensation expense 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 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):

	Sixteen Weeks Ended					
	April 20, 2025			April 21, 2024		
Income (loss) from operations	$	9,061	2.3%	$	(2,111)	(0.5)%
Less:						
Franchise revenue		4,489	1.1%		5,341	1.4%
Other revenue		2,053	0.5%		4,632	1.2%
Add:						
Other charges (gains), net		676	0.2		(3,976)	(1.0)
General and administrative expenses		26,989	6.9		25,842	6.7
Selling		9,376	2.4		13,547	3.5
Depreciation and amortization		15,434	3.9		18,154	4.7
Restaurant level operating profit	$	54,994	14.3%	$	41,483	11.0%
Income (loss) from operations as a percentage of total revenues		2.3%			(0.5)%	
Restaurant level operating profit margin (as a percentage of restaurant revenue)		14.3%			11.0%	

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

Our primary sources of liquidity are cash from operations, cash and cash equivalents on hand, and availability under our revolving Credit Facility. Cash and cash equivalents, and restricted cash decreased $6.1 million to $33.3 million as of April 20, 2025, from $39.4 million at the beginning of the fiscal year. As of April 20, 2025, the Company had approximately $59.2 million in liquidity, including cash and cash equivalents and $35.0 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):

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Net cash provided by operating activities	$ 19,574	$ 13,734
Net cash provided by (used in) investing activities	(6,379)	15,145
Net cash used in financing activities	(19,308)	(21,894)
Effect of exchange rate changes on cash	2	2
Net change in cash and cash equivalents, and restricted cash	$ (6,111)	$ 6,987

Operating Cash Flows

Net cash flows provided by operating activities increased $5.8 million to $19.6 million for the first quarter of fiscal 2025 compared to $13.7 million for the comparable period in fiscal 2024. The increase in net cash provided by operating activities is primarily attributable to the increase in restaurant level profitability.

Investing Cash Flows

Net cash flows used in investing activities was $6.4 million for the first quarter of fiscal 2025, as compared to net cash flows provided by investing activities of $15.1 million for the comparable period in fiscal 2024. The $21.5 million decrease in cash flows from investing activities is primarily due to an increase in capital expenditures, coupled with lower proceeds from the sale of restaurant locations in the current year period as compared to the prior year period.

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

	Sixteen Weeks Ended	
	April 20, 2025	April 21, 2024
Restaurant improvement capital and other	$ 6,146	$ 4,892
Technology, infrastructure, and other	5,826	3,356
Total capital expenditures	$ 11,972	$ 8,248

Financing Cash Flows

Net cash flows used in financing activities decreased to $19.3 million for the first quarter of fiscal 2025, as compared to $21.9 million for the comparable period in fiscal 2024. Cash flows used in financing activities in the first quarter of fiscal 2025 primarily relate to the paydown of debt with cash flow from operations and net proceeds from the sale of three restaurant locations. Cash flows used in financing activities in the comparable period in fiscal 2024 primarily relate to the net paydown of debt with the net proceeds from the sale-leaseback transaction.

Credit Facility

On March 4, 2022, the Company entered into a Credit Agreement (as amended, 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.

On July 17, 2023, the Company amended the Credit Agreement (the “First 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.

On August 21, 2024, the Company entered into the second amendment to the 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 additional reporting requirements.

On November 4, 2024, the Company entered into the third amendment to our Credit Agreement (the "Third Amendment") which extends the provisions of the Second Amendment through the end of the first fiscal quarter of 2026.

As of April 20, 2025, the Company had outstanding borrowings under the Credit Facility of $164.8 million, net of $6.9 million of unamortized deferred financing charges and discounts, none of which was classified as current. As of April 20, 2025, the Company had $35.0 million of available borrowing capacity under its Credit Facility and $8.8 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.

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 of April 20, 2025, we were in compliance with all debt covenants.

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, 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 April 20, 2025, 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 periods presented. Accordingly, as of April 20, 2025, 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 and summer months and winter holiday season. The timing of holidays and school vacations, as well as severe storms, extended periods of inclement weather, or climate extremes may affect the seasonal operating results in the areas impacted. As a result, our quarterly operating results may fluctuate significantly due to 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 2024 Annual Report on Form 10-K for the fiscal year ended December 29, 2024. See Note 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 29, 2024.

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 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: our business objectives and strategic plans; our financial condition, including working capital, and the ability of our future cash flows from restaurant operations and our borrowing capacity to satisfy our anticipated cash requirements and fund capital expenditures; our expectations about restaurant operating costs, including labor, food, supplies, and other commodities, as well as interest rates, and our ability to mitigate potential increases in such costs; our expectations about anticipated uses of, and risks associated with, future cash flows, liquidity, capital expenditures, other capital deployment opportunities, and taxes; the seasonality of our business; and our purchase commitments and litigation contingencies and the adequacy of our reserves for legal matters.

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 strategic 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 including tariffs, counter-tariffs and other trade barriers; 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; our ability to service our debt and comply with the covenants in our credit facility; 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 and impact on reputation, 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 and the uncertain impact of tariffs or other potential disruptions in the supply chain; interruptions in the delivery of food and other products from third parties; pricing increases and labor costs; changes in consumer behavior or preference; aging technology infrastructure; expanding our restaurant base; maintaining and improving our existing restaurants; potential acquisitions or refranchising of our restaurants; our geographic concentration in the Western United States; the retention of our management team; 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 laws and regulations affecting the operation of our restaurants; and 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 29, 2024.

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

Interest Rate Risk

Under our Credit Facility, we are exposed to market risk from changes in interest rates on borrowings. Borrowings under the Credit Facility are subject to rates based on SOFR plus a spread based on leverage or a base rate plus a spread based on leverage. The base rate is 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 April 20, 2025, we had $171.7 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 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.

Commodity Price Risks

We purchase food, supplies and other commodities for use in our operations based on prices established with our suppliers. Many of the commodities purchased by us are subject to volatility due to market supply and demand factors outside of our control, including the price of other commodities, weather, seasonality, production, trade policy, and other factors. 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 $2.9 million on an annualized basis.

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 29, 2024.

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 29, 2024 filed with the SEC on February 26, 2025. There have been no material changes from the risk factors disclosed in the fiscal year 2024 Annual Report on Form 10-K.

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

During the first quarter of fiscal 2025, the Company did not have any sales of securities in transactions that were not registered under the Securities Act 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 first quarter ended April 20, 2025, 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.

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)*	Severance Agreement, by and between Red Robin Gourmet Burgers, Inc. and Kevin Mayer, effective March 1, 2025. Incorporated by reference to Exhibit 10.1 to our amended Current Report on Form 8-K filed on March 6, 2025.
(10.2)*	Offer Letter by and between Red Robin Gourmet Burgers, Inc. and David A. Pace dated April 24, 2025. Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on April 24, 2025.
(10.3)*	Separation and Transition Agreement by and between Red Robin Gourmet Burgers, Inc. and G.J. Hart dated April 24, 2025. Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on April 24, 2025.
10.4*	Form of Red Robin Gourmet Burgers, Inc. 2024 Performance Incentive Plan Performance Stock Unit (PSU) Award Agreement.
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 April 20, 2025 formatted in XBRL (extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at April 20, 2025 and December 29, 2024; (ii) Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the sixteen weeks ended April 20, 2025 and April 21, 2024; (iii) Condensed Consolidated Statements of Stockholders' Equity at April 20, 2025 and April 21, 2024; (iv) Condensed Consolidated Statements of Cash Flows for the sixteen weeks ended April 20, 2025 and April 21, 2024; 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 duly authorized.

	RED ROBIN GOURMET BURGERS, INC. (Registrant)	
May 29, 2025	By:	/s/ Todd Wilson
(Date)		Todd Wilson *(Chief Financial Officer)*

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 *[to be determined by the Committee]* (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 *[to be determined by the Committee]* (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	25th percentile	25%
Target	50th percentile	100%
Maximum	75th 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: *[to be determined by the Committee]*. 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: ____________________________________

Exhibit 31.1

CEO CERTIFICATION

I, David Pace, 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.

May 29, 2025	/s/ David Pace
(Date)	David Pace
	Chief Executive Officer

Exhibit 31.2

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.

May 29, 2025	/s/ Todd Wilson
(Date)	Todd Wilson *Chief Financial Officer*

Exhibit 32.1

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 April 20, 2025, as filed with the Securities and Exchange Commission on May 29, 2025 (the “Report”), the undersigned, David Pace, 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 April 20, 2025 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:	May 29, 2025	/s/ David Pace David Pace *Chief Executive Officer*
Dated:	May 29, 2025	/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.