

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

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): February 13, 2020

BBQ HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of incorporation)

001-39053
(Commission File Number)

83-4222776
(IRS Employer Identification No.)

(Address of principal executive offices) (Zip Code)

12701 Whitewater Drive, Suite 290, Minnetonka, MN 55343
(952) 294-1300

(Registrant's telephone number, including area code)

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	BBQ	The Nasdaq Global Market

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

Emerging growth company

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

Item 1.01. Entry Into Material Definitive Agreements.

Granite City Transaction.

On February 11, 2020, Granite City Food & Brewery Ltd. and its affiliates (“Granite City”) conducted a U.S. Bankruptcy Code Section 363 Auction (the “Auction”) and selected BBQ Acquisition, Inc., a Minnesota corporation and wholly-owned subsidiary of BBQ Holdings, Inc. (“BBQ Holdings”), as the successful bidder for the assets associated with 23 Granite City restaurants (the “Granite City Business”) with a bid in the amount of \$3,650,000. As used in this Form 8-K, “Company”, “we” and “our” refer to BBQ Holdings and BBQ Acquisition, Inc.

On February 13, 2020, the Company announced the signing of an Asset Purchase Agreement, dated February 11, 2020, by and between the Company and Granite City (the “Granite City APA”) to purchase certain assets of the Granite City Business from Granite City for a purchase price of \$3,650,000, subject to normal closing adjustments, assumed liabilities, and approval of the Bankruptcy Court (the “Granite City Transaction”). Pursuant to the Granite City APA, the Company may, within 60 days following the closing date of the Granite City Transaction, remove any acquired asset from the list of acquired assets in the Granite City APA, in its sole and absolute discretion, and elect to treat such contract, permit, or other asset as an excluded asset; provided, however, that no such removal will result in any adjustment to the purchase price. Pursuant to the Granite City APA, assumed liabilities include obligations related to: the acquired contracts, gift cards, employee pay at the store-level, property taxes, and leased real property. The Granite City Transaction represents an offer under Sections 363 and 365 of the U.S. Bankruptcy Code in connection with the Chapter 11 filing of Granite City. The Granite City APA was entered into in accordance with the bidding procedures approved by the Bankruptcy Court. The Granite City Transaction is subject to approval by the Bankruptcy Court at a hearing on February 21, 2020. The Section 363 sale process for the Granite City Business is expected to be concluded by the end of March 2020. The Company intends to fund the Granite City Transaction, if completed, with cash on hand and borrowing under its existing loan agreement with Choice Financial Group.

Backup Bid Transaction.

As part of the Auction, Granite City selected another party as the successful bidder for the assets of four Cadillac Ranch restaurants (the “Cadillac Ranch Business”) with a bid in the amount of \$7,500,000. This successful bidder has entered into an agreement with Granite City to purchase certain assets associated with the Cadillac Ranch Business for a purchase price of \$7,500,000, subject to normal closing adjustments, assumed liabilities, and approval of the Bankruptcy Court (the “Cadillac Ranch Transaction”). The Cadillac Ranch Transaction is subject to approval by the Bankruptcy Court at a hearing on February 21, 2020. The Section 363 sale process for the Cadillac Ranch Business is expected to be concluded by the end of March 2020.

If the Cadillac Ranch Transaction fails to close, Granite City selected the Company’s combined bid for the assets associated with the Granite City Business and the Cadillac Ranch Business in the amount of \$11,050,000, subject to normal closing adjustments and approval of the Bankruptcy Court, in accordance with the bidding procedures approved by the Bankruptcy Court (the “Backup Bid”). If the Cadillac Ranch Transaction fails to close, pursuant to the Asset Purchase Agreement, dated February 11, 2020, by and between the Company and Granite City (the “Backup Bid APA”), the Company will purchase certain assets of the Granite City Business and the Cadillac Ranch Business for a Purchase Price of \$11,050,000, subject to normal closing adjustments, assumed liabilities, and approval of the Bankruptcy Court (the “Backup Bid Transaction”). Pursuant to the Backup Bid APA, the Company may, within 60 days following the Closing Date of the Backup Bid Transaction, remove any acquired asset from the list of acquired assets in the Backup Bid APA, in its sole and absolute discretion, and elect to treat such contract, permit, or other asset as an excluded asset; provided, however, that no such removal will result in any adjustment to the purchase price. Pursuant to the Backup Bid APA, assumed liabilities include obligations related to: the acquired contracts, gift cards, employee pay at the store-level, property taxes, and leased real property. The Company intends to fund the Backup Bid Transaction, if completed, with cash on hand and borrowing under its existing loan agreement with Choice Financial Group.

Item 7.01. Regulation FD Disclosure.

On February 13, 2020, the Company issued a press release announcing the signing of the Asset Purchase Agreement to acquire certain assets from Granite City Food & Brewery Ltd. and its affiliates. The press release is furnished herewith as Exhibit 99.1.

The information furnished pursuant to this Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended and will not be incorporated by reference into any filing under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by referenced.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
99.1	BBQ Holdings Press Release Announcing Their Intent to Acquire the Assets of Granite City Food & Brewery, dated February 13, 2020

SIGNATURE

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

BBQ HOLDINGS, INC.

Date: February 18, 2020

By: /s/ Jeff Crivello

Name: Jeff Crivello

Title: Chief Executive Officer

MEDIA CONTACT:

Jennifer Hoch
No Limit Agency
312-526-3996
jennifer@nolimitagency.com

FOR IMMEDIATE RELEASE

BBQ Holdings Inc. Announces Their Intent to Acquire the Assets of Granite City Food & Brewery
The company has executed an asset purchase agreement to acquire the Minnesota-based restaurant brand.

Minnetonka, Minn. — BBQ Holdings Inc., the parent company of Famous Dave's, Clark Crew BBQ and Real Famous BBQ, announced today that they have entered into an asset purchase agreement, pursuant to which BBQ Holdings will acquire the assets of Granite City Food & Brewery.

The Granite City Food & Brewery brand and its loyal customer following will contribute greatly to BBQ Holdings current and growing portfolio of restaurant brands. Founded in 1999, Granite City is highly regarded in the casual dining space for brewing their own award-winning beers and their beloved, made-from-scratch menu.

“This meaningfully accretive acquisition of Granite City Food & Brewery aligns with our strategy to accelerate growth and expansion as a multi-brand restaurant company,” said Jeff Crivello, Chief Executive Officer of BBQ Holdings. “As an award-winning concept, Granite City is a fantastic addition to the BBQ Holdings family, and we look forward to the synergies we can create between multiple brands.”

“Granite City, winner of Nation’s Restaurant News Hot Concept award is known for their brunch, patios, and of course locally brewed craft beer. Granite City fits in well with our operating philosophy of great food and great service,” said Crivello.

In addition to the announcement, BBQ Holdings, Inc., also recently opened several new restaurant concepts including Clark Crew BBQ in Oklahoma City, Real Famous BBQ in Utah and the first of several smaller-footprint concepts, in its home market of Minneapolis.

ABOUT BBQ HOLDINGS INC.:

BBQ Holdings, Inc. (NASDAQ: BBQ) BBQ Holdings is a national restaurant company engaged in the ownership and operation of casual and fast dining restaurants. As of December 9, 2019 BBQ Holdings has three brands with 126 overall locations in 33 states and three countries, including 31 company-owned and 94 franchise-operated restaurants. While BBQ Holdings continues to diversify its ownership in the restaurant community it was founded with the principle of combining the “art and science” of barbecue to serve up the very best of the best to barbecue lovers everywhere. A wide variety of BBQ favorites including signature award-winning St. Louis- Style Ribs, Texas Beef Brisket, Georgia Chopped Pork, and Country-Roasted Chicken are offered. BBQ Holdings, through partnerships, has extended Travis’ award winning line of barbecue sauces, rubs and seasonings into the retail market.

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