

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): April 16, 2019

DIVERSIFIED RESTAURANT HOLDINGS, INC.

(Name of registrant in its charter)

Nevada

(State or other jurisdiction of
incorporation)

000-53577

(Commission File Number)

03-0606420

(IRS Employer Identification No.)

27680 Franklin Road
Southfield, MI 48034

(Address of principal executive offices)

Registrant's telephone number: (833) 374-7282

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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 1.02. Termination of a Material Definitive Agreement.

As previously disclosed on Form 8-K filed February 28, 2019, AMC Wings, Inc., a wholly-owned subsidiary of Diversified Restaurant Holdings, Inc. (the “Company”), entered into an Asset Purchase Agreement (the “Purchase Agreement”) to acquire substantially all of the assets of Here’s Wings, LLC and B-Dubs CL, LLC. The assets were to consist primarily of 9 existing Buffalo Wild Wings restaurants in the Chicago market. The acquisition was subject to a right of first refusal in favor of Buffalo Wild Wings, Inc., our franchisor. On April 12, 2019, we received notice from the franchisor that it exercised its right of first refusal. As such, the Purchase Agreement has been effectively terminated.

On April 16, 2019, the Company issued a press release announcing that Buffalo Wild Wings, Inc. exercised its right of first refusal with regard to the acquisition. A copy of the press release is attached as Exhibit 99.1.

Item 2.02. Results of Operations and Financial Condition

On April 16, 2019, Diversified Restaurant Holdings, Inc. issued a press release announcing preliminary unaudited sales results for its first fiscal quarter of 2019. The entire text of the press release is attached as Exhibit 99.1 and is incorporated by reference herein.

The information contained in Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (the Exchange Act) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing.

**Item 9.01 Financial Statement and Exhibits
(d) Exhibits****Exhibit No. Description**

[99.1 Press Release of Diversified Restaurant Holdings, Inc., dated April 16, 2019.](#)

SIGNATURES

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.

**DIVERSIFIED RESTAURANT
HOLDINGS, INC.**

Dated: April 16, 2019

By: /s/ Phyllis A. Knight
Name: Phyllis A. Knight
Title: Chief Financial Officer (Principal
Financial and Accounting Officer)



NEWS RELEASE

27680 Franklin Road Southfield, Michigan 48034

FOR IMMEDIATE RELEASE

Diversified Restaurant Holdings Reports 4.2% Increase in Preliminary Same Store Sales for First Quarter 2019

Comparable sales trends accelerated in the month of March at a positive 8.0%

DRH announced that its franchisor exercised its right of first refusal on planned acquisition

SOUTHFIELD, MI, April 16, 2019 -- [Diversified Restaurant Holdings, Inc.](#) (Nasdaq: SAUC) ("DRH" or the "Company"), one of the largest franchisees for Buffalo Wild Wings[®] ("BWW") with 64 stores across five states, announced preliminary unaudited sales results for the first quarter ended March 31, 2019. DRH also announced that its franchisor, Buffalo Wild Wings, Inc., has exercised its right of first refusal to acquire the assets of nine BWW restaurants located in the Chicago market that were previously subject to its Asset Purchase Agreement dated February 22, 2019.

David G. Burke, President and CEO, stated, "The sales momentum that we enjoyed in the prior quarter has continued into 2019, with comparable sales up 4.2% for the first quarter. After layering on the latest brand enhancing initiatives launched in mid-March, which included a significant strategic media and marketing push around March Madness, we saw an additional measurable improvement in sales and traffic in March, with comparable sales up 8.0%."

Mr. Burke added, "While we are disappointed that our franchisor has elected to take this transaction, we are excited about the positive momentum in our core business and believe that it is a reflection of the investments we have made in focusing on guest experience, loyalty attachment and strong execution of the delivery channel. We believe these investments, coupled with the brand enhancements being continuously rolled out by BWW, leave DRH well positioned to achieve strong long-term growth and earnings performance."

Preliminary Q1 2019 Sales Results

Total revenue for the 2019 first quarter was \$40.6 million, up from \$39.5 million in the first quarter of 2018, despite one fewer restaurant. First quarter comparable sales were up 4.2%, the second consecutive positive quarter. While sales were negatively impacted by significant weather-related headwinds in the Company's Midwest markets early in the year, these impacts were largely offset by the shift in timing of the Easter holiday from the first quarter of 2018 to the second quarter of 2019.

Preliminary results remain subject to the completion of normal quarter-end accounting procedures and are subject to change. The Company expects to release financial and operating results for its first quarter in early May.

About Diversified Restaurant Holdings, Inc.

Diversified Restaurant Holdings, Inc. is one of the largest franchisees for Buffalo Wild Wings with 64 franchised restaurants in key markets in Florida, Illinois, Indiana, Michigan and Missouri. DRH's strategy is to generate cash, reduce debt and leverage its strong franchise operating capabilities for future growth. The Company routinely posts news and other important information on its website at <http://www.diversifiedrestaurantholdings.com>.

Safe Harbor Statement

The information made available in this news release contain forward-looking statements which reflect DRH's current view of future events, results of operations, cash flows, performance, business prospects and opportunities. Wherever used, the words "anticipate," "believe," "expect," "intend," "plan," "project," "will continue," "will likely result," "may," and similar expressions identify forward-looking statements as such term is defined in the Securities Exchange Act of 1934. Any such forward-looking statements are subject to risks and uncertainties, actual growth, results of operations, financial condition, cash flows, performance, business prospects and opportunities could differ materially from historical results or current expectations. Some of these risks include, without limitation, the success of initiatives aimed at improving the Buffalo Wild Wings brand, the impact of economic and industry conditions, competition, food safety issues, store expansion and remodeling, labor relations issues, costs of providing employee benefits, regulatory matters, legal and administrative proceedings, information technology, security, severe weather, natural disasters, accounting matters, other risk factors relating to business or industry and other risks detailed from time to time in the Securities and Exchange Commission filings of DRH. Forward-looking statements contained herein speak only as of the date made and, thus, DRH undertakes no obligation to update or publicly announce the revision of any of the forward-looking statements contained herein to reflect new information, future events, developments or changed circumstances or for any other reason.

For more information, contact:

Investor and Media:

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