

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): December 28, 2022

THE ONE GROUP HOSPITALITY, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37379
(Commission File Number)

14-1961545
(IRS Employer
Identification No.)

1624 Market Street, Suite 311
Denver, Colorado 80202
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (646) 624-2400

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication 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	STKS	Nasdaq

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 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

As previously disclosed, The ONE Group Hospitality, Inc. and certain of its subsidiaries (the “Company”), Goldman Sachs Bank USA, as collateral agent, and Goldman Sachs Specialty Lending Group, L.P., as administrative agent, entered into a Fourth Amendment to Credit and Guaranty Agreement dated December 13, 2022, which among other things provided for a \$50 million delayed draw term facility available to draw for twelve months.

On December 28, 2022, the Company borrowed \$50 million of the delayed draw term facility and repaid \$5 million on its revolving credit facility. The Company drew the full amounts available under the delayed draw term facility to increase its cash position and preserve financial flexibility and may use the borrowed funds for accelerating restaurant openings and capital expenditures, and potentially to expand the Company’s share repurchase program or acquire additional restaurants or for other purposes permitted by the credit facility.

The proceeds from the draw are currently being held on the Company’s balance sheet. The drawn principal accrues interest at a rate equal to SOFR plus 6.50%. Cash balances held by the Company are currently earning interest income at approximately 3.75% and may change from time to time. The delayed draw amount must be repaid on August 6, 2026, unless repayment is accelerated as provided in the credit agreement or at the Company’s option.

The foregoing description of the credit agreement, as amended, is qualified in its entirety by reference to the full text of the agreement which was included as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on December 14, 2022.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Statements in this report regarding the expected use of borrowed funds are “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Whether and how we use borrowed amounts are subject to various risks and uncertainties including but not limited to: (1) the effects of the COVID-19 pandemic on our business, including government restrictions on our ability to operate our restaurants and changes in customer behavior, and our ability to hire employees; (2) our ability to open new restaurants and food and beverage locations in current and additional markets, grow and manage growth profitably, maintain relationships with suppliers and obtain adequate supply of products and retain employees; (3) factors beyond our control that affect the number and timing of new restaurant openings, including weather conditions and factors under the control of landlords, contractors and regulatory and/or licensing authorities; (4) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and (5) other risks and uncertainties indicated from time to time in our filings with the SEC, including our Annual Report on Form 10-K filed for the year ended December 31, 2021 and Quarterly Reports on Form 10-Q.

Investors are referred to the most recent reports filed with the Securities and Exchange Commission by The ONE Group Hospitality, Inc. Investors are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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.

Dated: January 4, 2023

THE ONE GROUP HOSPITALITY, INC.

By: /s/ Tyler Loy
Name: Tyler Loy
Title: Chief Financial Officer
