



NEWS RELEASE

# Good Times Restaurants Reports Results for the Fiscal 2026 Second Quarter Ended March 31, 2026

2026-05-07

DENVER--(BUSINESS WIRE)-- **Good Times Restaurants Inc.** (Nasdaq: GTIM), operator of the **Bad Daddy's Burger Bar** and **Good Times Burgers & Frozen Custard** restaurant brands, today reported financial results for the fiscal 2026 second quarter.

Key highlights of the Company's financial results include:

- Total Revenues for the quarter decreased 3.1% to \$33.2 million compared to the fiscal 2025 second quarter
- Same Store Sales <sup>1</sup> for Company-owned Bad Daddy's restaurants decreased 0.8% and Good Times restaurants decreased 0.8% for the quarter compared to the fiscal 2025 second quarter and are -1.0% and -1.9% year-to-date for our Bad Daddy's and Good Times brands, respectively.
- Net Income Attributable to Common Shareholders was \$0.1 million for the quarter
- Adjusted EBITDA <sup>2</sup>(a non-GAAP measure) was \$1.4 million for the quarter
- The Company ended the quarter with \$2.7 million in cash and \$1.0 million of long-term debt

"We have engaged a new creative agency for our Good Times brand and expect new campaigns to begin late in the third fiscal quarter, which will include the return of cheese curds, a side item that has been heavily requested from our guests since its elimination last May, and a competitively priced special for our Bambinos, our guest-favorite cheeseburger sliders. Bad Daddy's began its Monthly Drops promotion at Bad Daddy's in March, which is a reimagined version of our prior LTO program designed to create value on our core menu while creating both employee and guest excitement with more frequent burger introductions that are check-average and margin accretive," Ryan M. Zink, the Company's Chief Executive Officer, said.

Mr. Zink continued, “Same store sales improved sequentially from the prior quarter at both concepts as did Adjusted EBITDA, operating in a segment with intensifying competition and cost pressures. I am pleased at the improvements in restaurant level operating profit<sup>2</sup> (a non-GAAP measure) at our Good Times brand and our stable restaurant level operating profit as a percent-of-sales at our Bad Daddy’s brand, compared to the second quarter of fiscal 2025. We have reduced our debt position and improved liquidity which is intended to provide greater financial flexibility and optionality to create value for shareholders.”

**Conference Call:** Management will host a conference call to discuss its fiscal 2026 second quarter financial results on Thursday, May 7, 2026 at 3:00 p.m. MT/5:00 p.m. ET. Hosting the call will be Ryan M. Zink, its Chief Executive Officer and Keri A. August, its Chief Accounting Officer.

The conference call can be accessed by registering online at **Q2 2026 GTIM Earnings Call** and you will be provided with dial in details. The live webcast will be accessible from the Company's investor relations website on the **Events page**. An archive of the webcast will be available at the same location on the corporate website shortly after the call has concluded.

**About Good Times Restaurants Inc.:** Good Times Restaurants Inc. owns, operates, and licenses 38 Bad Daddy’s Burger Bar restaurants through its wholly owned subsidiaries. Bad Daddy’s Burger Bar is a full-service “small box” restaurant concept featuring a chef-driven menu of gourmet signature burgers, chopped salads, appetizers and sandwiches with a full bar and a focus on a selection of craft beers in a high-energy atmosphere that appeals to a broad consumer base. Additionally, through its wholly owned subsidiaries, Good Times Restaurants Inc. owns, operates and franchises 30 Good Times Burgers & Frozen Custard restaurants primarily in Colorado. Good Times is a regional quick-service concept featuring 100% all-natural burgers and chicken sandwiches, signature wild fries, green chili breakfast burritos and fresh frozen custard desserts.

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<sup>1</sup> Same store sales are a metric used in evaluating the performance of established restaurants and is a commonly used metric in the restaurant industry. Same store sales for our brands are calculated using all units open for at least 18 full fiscal months and use the comparable operating weeks from the prior year to the current year quarter’s operating weeks.

<sup>2</sup> For a reconciliation of Adjusted EBITDA and Restaurant Level Operating Profit to the most directly comparable financial measures presented in accordance with GAAP and a discussion of why the Company considers them useful, see the financial information schedules accompanying this release.

**Forward-Looking Statements:** This press release contains forward-looking statements within the meaning of federal securities laws. The words “intend,” “may,” “believe,” “will,” “should,” “anticipate,” “expect,” “seek,” “plan” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, which may cause the Company’s actual results to differ materially from results expressed or implied



by the forward-looking statements. Such risks and uncertainties include, among other things, the market price of the Company's stock prevailing from time to time, the nature of other investment opportunities presented to the Company, the disruption to our business from pandemics and other public health emergencies, the impact and duration of staffing constraints at our restaurants, the impact of supply chain constraints and the current inflationary environment, the uncertain nature of current restaurant development plans and the ability to implement those plans and integrate new restaurants, delays in developing and opening new restaurants because of weather, local permitting or other reasons, increased competition, cost increases or shortages in raw food products, other general economic and operating conditions, risks associated with the acquisition of additional restaurants, the adequacy of cash flows and the cost and availability of capital or credit facility borrowings to provide liquidity, changes in federal, state, or local laws and regulations affecting the operation of our restaurants, including minimum wage and tip credit regulations, and other matters discussed under the Risk Factors section of Good Times' Annual Report on Form 10-K for the fiscal year ended September 30, 2025 filed with the SEC, and other subsequent filings with the SEC.

Category: Financial

| Good Times Restaurants Inc.<br>Unaudited Supplemental Information<br>(In thousands, except per share amounts) |                              |                             |                              |                             |
|---|------------------------------|-----------------------------|------------------------------|-----------------------------|
|   | Fiscal Second Quarter        |                             | Year-to-Date                 |                             |
|   | March 31, 2026<br>(13 Weeks) | April 1, 2025<br>(13 Weeks) | March 31, 2026<br>(26 Weeks) | April 1, 2025<br>(27 Weeks) |
| <b>NET REVENUES:</b>  |                              |                             |                              |                             |
| Restaurant sales  | \$ 33,124                    | \$ 34,140                   | \$ 65,497                    | \$ 70,105                   |
| Franchise and other revenues  | 108                          | 139                         | 441                          | 507                         |
| Total net revenues  | 33,232                       | 34,279                      | 65,938                       | 70,612                      |
| <b>RESTAURANT OPERATING COSTS:</b>  |                              |                             |                              |                             |
| Food and packaging costs  | 9,828                        | 10,477                      | 19,669                       | 21,840                      |
| Payroll and other employee benefit costs  | 11,387                       | 11,826                      | 22,597                       | 24,609                      |
| Restaurant occupancy costs  | 2,524                        | 2,583                       | 5,033                        | 5,266                       |
| Other restaurant operating costs  | 4,951                        | 4,918                       | 9,513                        | 9,659                       |
| Preopening costs  | -                            | -                           | -                            | 8                           |
| Depreciation and amortization   | 878                          | 996                         | 1,818                        | 2,014                       |
| Total restaurant operating costs  | 29,568                       | 30,800                      | 58,630                       | 63,396                      |
| General and administrative costs  | 2,196                        | 2,578                       | 4,251                        | 5,166                       |
| Advertising costs   | 984                          | 915                         | 2,259                        | 2,044                       |
| Impairment of long-lived assets   | 227                          | 494                         | 227                          | 494                         |
| Loss (gain) on asset disposals  | 85                           | 6                           | 99                           | (51)                        |
| Total costs and expenses  | 33,060                       | 34,793                      | 65,466                       | 71,049                      |
| INCOME (LOSS) FROM OPERATIONS   | 172                          | (514)                       | 472                          | (437)                       |
| <b>OTHER (EXPENSE) INCOME:</b>  |                              |                             |                              |                             |
| Interest and other expense, net   | (36)                         | (56)                        | (87)                         | (102)                       |
| Other income  | -                            | -                           | -                            | 140                         |
| Total other (expense) income  | (36)                         | (56)                        | (87)                         | 38                          |
| NET INCOME (LOSS) BEFORE INCOME TAXES   | 136                          | (570)                       | 385                          | (399)                       |
| Provision for income taxes  | 23                           | (57)                        | (28)                         | (54)                        |
| NET INCOME (LOSS)   | \$ 159                       | \$ (627)                    | \$ 357                       | \$ (453)                    |
| (Income) loss attributable to non-controlling interests   | (10)                         | 3                           | (27)                         | (7)                         |
| NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS   | \$ 149                       | \$ (624)                    | \$ 330                       | \$ (460)                    |
| <b>NET INCOME (LOSS) PER SHARE, ATTRIBUTABLE TO COMMON SHAREHOLDERS:</b>                                      |                              |                             |                              |                             |
| Basic   | \$ 0.01                      | \$ (0.06)                   | \$ 0.03                      | \$ (0.04)                   |

|   |    |            |    |            |    |            |    |            |
|---|----|------------|----|------------|----|------------|----|------------|
| Diluted                                     | \$ | 0.01       | \$ | (0.06)     | \$ | 0.03       | \$ | (0.04)     |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING: |    |            |    |            |    |            |    |            |
| Basic                                       |    | 10,557,896 |    | 10,628,318 |    | 10,556,006 |    | 10,656,481 |
| Diluted                                     |    | 10,650,896 |    | 10,628,318 |    | 10,649,006 |    | 10,656,481 |

Good Times Restaurants Inc.  
Unaudited Supplemental Information  
(In thousands)

|                             |    |                |    |                    |
|-----------------------------|----|----------------|----|--------------------|
| Selected Balance Sheet Data |    | March 31, 2026 |    | September 30, 2025 |
| Cash and cash equivalents   | \$ | 2,749          | \$ | 2,605              |
| Current assets              | \$ | 5,844          | \$ | 5,254              |
| Total assets                | \$ | 81,041         | \$ | 83,807             |
| Current liabilities         | \$ | 14,732         | \$ | 14,378             |
| Shareholders' equity        | \$ | 34,195         | \$ | 33,811             |

Supplemental Information for Company-Owned Restaurants (dollars in thousands):

|  | Bad Daddy's           |                       |                       |                       | Good Times            |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | Fiscal Second Quarter |                       | Year-to-Date          |                       | Fiscal Second Quarter |                       | Year-to-Date          |                       |
|  | 2026<br>(13<br>weeks) | 2025<br>(13<br>weeks) | 2026<br>(26<br>weeks) | 2025<br>(27<br>weeks) | 2026<br>(13<br>weeks) | 2025<br>(13<br>weeks) | 2026<br>(26<br>weeks) | 2025<br>(27<br>weeks) |
| Restaurant sales                             | \$ 23,920             | \$ 24,817             | \$ 47,123             | \$ 50,895             | \$ 9,204              | \$ 9,323              | \$ 18,374             | \$ 19,210             |
| Restaurants open at beginning of period      | 37                    | 39                    | 38                    | 39                    | 27                    | 27                    | 27                    | 25                    |
| Restaurants opened or acquired during period | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 2                     |
| Restaurants closed during period             | -                     | -                     | 1                     | -                     | 1                     | -                     | 1                     | -                     |
| Restaurants open at period end               | 37                    | 39                    | 37                    | 39                    | 26                    | 27                    | 26                    | 27                    |
| Restaurant operating weeks                   | 481.0                 | 507.0                 | 963.0                 | 1,053.0               | 348.5                 | 351.0                 | 699.5                 | 716.5                 |
| Average weekly sales per restaurant          | \$ 49.7               | \$ 48.9               | \$ 48.9               | \$ 48.3               | \$ 26.4               | \$ 26.6               | \$ 26.3               | \$ 26.8               |

Reconciliation of U.S. GAAP Results to Non-GAAP Measurements

Reconciliation of Income (Loss) from Operations to Non-GAAP Restaurant-Level Operating Profit (In thousands):

|                                   | Fiscal Second Quarter |                                 | Year-to-Date       |                                 |
|-----------------------------------|-----------------------|---------------------------------|--------------------|---------------------------------|
|                                   | 2026<br>(13 weeks)    | 2025<br>(13 weeks) <sup>1</sup> | 2026<br>(26 weeks) | 2025<br>(27 weeks) <sup>1</sup> |
| Income (loss) from operations     | \$ 172                | \$ (514)                        | \$ 472             | \$ (437)                        |
| Less:                             |                       |                                 |                    |                                 |
| Franchise and other revenues      | 108                   | 139                             | 441                | 507                             |
| Add:                              |                       |                                 |                    |                                 |
| General and administrative        | 2,196                 | 2,578                           | 4,251              | 5,166                           |
| Depreciation and amortization     | 878                   | 996                             | 1,818              | 2,014                           |
| Advertising costs                 | 984                   | 915                             | 2,259              | 2,044                           |
| Impairment of long-lived assets   | 227                   | 494                             | 227                | 494                             |
| Loss (gain) on asset disposals    | 85                    | 6                               | 99                 | (51)                            |
| Preopening costs                  | -                     | -                               | -                  | 8                               |
| Restaurant-level operating profit | \$ 4,434              | \$ 4,336                        | \$ 8,685           | \$ 8,731                        |

<sup>1</sup> Certain prior year activity has been reclassified from Other restaurant operating costs to Advertising costs to conform to the current year's presentation. Such reclassification resulted in an increase to Advertising costs and Restaurant-level operating profit (a non-GAAP measure) for the second fiscal quarter 2025 and year-to-date second fiscal quarter 2025 of approximately \$0.2 million and \$0.5 million, respectively.

The Company believes that 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 restaurant revenues minus restaurant-level operating costs, excluding restaurant closures and impairment costs. The measure includes restaurant-level occupancy costs, which 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. The measure 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 selling, general and administrative costs, and therefore excludes occupancy costs associated with selling, general and administrative functions, and preopening costs. The Company excludes restaurant closure costs as they do not represent a component of the efficiency of continuing operations. Restaurant impairment costs are excluded, because, like depreciation and amortization, they represent a non-cash charge for the Company's investment in its restaurants and not a component of the efficiency of restaurant operations. Restaurant-level operating profit is not a measurement determined in accordance with generally accepted accounting principles ("GAAP") and should not be considered in isolation, or as an alternative, to income from operations or net income as indicators of financial performance. Restaurant-level operating profit as presented may not be comparable to other similarly titled measures of other companies. The tables set forth in this section certain unaudited information for the current and prior year fiscal quarters for fiscal 2026 and 2025, expressed as a percentage of total revenues, except for the components of restaurant operating costs, which are expressed as a percentage of restaurant revenues.

#### Margin Analysis:

|  | Quarter Ended                |        |  |        | Year-to-Date Period Ended    |        |  |        |
|--|------------------------------|--------|--|--------|------------------------------|--------|--|--------|
|  | March 31, 2026<br>(13 Weeks) |        | April 1, 2025<br>(13 Weeks) <sup>1</sup> |        | March 31, 2026<br>(26 Weeks) |        | April 1, 2025<br>(27 Weeks) <sup>1</sup> |        |
| <b>Bad Daddy's Burger Bar<sup>2</sup>:</b>   |                              |        |  |        |                              |        |  |        |
| Restaurant sales   | \$ 23,920                    | 100.0% | \$ 24,817                                | 100.0% | \$ 47,123                    | 100.0% | \$ 50,895                                | 100.0% |
| Restaurant operating costs (exclusive of depreciation and amortization and pre-opening costs): |                              |        |  |        |                              |        |  |        |
| Food and packaging costs   | 7,092                        | 29.6%  | 7,619                                    | 30.7%  | 14,107                       | 29.9%  | 15,834                                   | 31.1%  |
| Payroll and benefits costs   | 8,168                        | 34.1%  | 8,510                                    | 34.3%  | 16,169                       | 34.3%  | 17,667                                   | 34.7%  |
| Restaurant occupancy costs   | 1,625                        | 6.8%   | 1,665                                    | 6.7%   | 3,241                        | 6.9%   | 3,418                                    | 6.7%   |
| Other restaurant operating costs   | 3,739                        | 15.6%  | 3,591                                    | 14.5%  | 7,123                        | 15.1%  | 7,159                                    | 14.1%  |
| Restaurant-level operating profit (a non-GAAP measure)   | \$ 3,296                     | 13.8%  | \$ 3,432                                 | 13.8%  | \$ 6,483                     | 13.8%  | \$ 6,817                                 | 13.4%  |
| <b>Good Times Burgers &amp; Frozen Custard:</b>  |                              |        |  |        |                              |        |  |        |
| Restaurant sales   | \$ 9,204                     | 100.0% | \$ 9,323                                 | 100.0% | \$ 18,374                    | 100.0% | \$ 19,210                                | 100.0% |
| Restaurant operating costs (exclusive of depreciation and amortization and pre-opening costs): |                              |        |  |        |                              |        |  |        |
| Food and packaging costs   | 2,736                        | 29.7%  | 2,858                                    | 30.7%  | 5,562                        | 30.3%  | 6,006                                    | 31.3%  |

|  |          |       |          |       |          |       |          |       |
|--|----------|-------|----------|-------|----------|-------|----------|-------|
| Payroll and benefits costs                                   | 3,219    | 35.0% | 3,316    | 35.6% | 6,428    | 35.0% | 6,942    | 36.1% |
| Restaurant occupancy costs                                   | 920      | 10.0% | 939      | 10.1% | 1,835    | 10.0% | 1,888    | 9.8%  |
| Other restaurant operating costs                             | 1,400    | 15.2% | 1,407    | 15.1% | 2,679    | 14.6% | 2,668    | 13.9% |
| Restaurant-level operating profit (a non-GAAP measure)       | \$ 929   | 10.1% | \$ 803   | 8.6%  | \$ 1,870 | 10.2% | \$ 1,706 | 8.9%  |
| Other <sup>1</sup> :   |          |       |          |       |          |       |          |       |
| Restaurant occupancy costs                                   | \$ (21)  |       | \$ (21)  |       | \$ (43)  |       | \$ (40)  |       |
| Other restaurant operating costs                             | (188)    |       | (80)     |       | (289)    |       | (168)    |       |
| Restaurant-level operating profit (a non-GAAP measure)       | \$ 209   |       | \$ 101   |       | \$ 332   |       | \$ 208   |       |
| Total restaurant-level operating profit (a non-GAAP measure) | \$ 4,434 | 13.4% | \$ 4,336 | 12.7% | \$ 8,685 | 13.3% | \$ 8,731 | 12.5% |

<sup>1</sup> Certain prior year activity has been reclassified from Other restaurant operating costs to Advertising costs to conform to the current year's presentation. Such reclassification resulted in an increase to Restaurant-level operating profit (a non-GAAP measure) for the second fiscal quarter 2025 and year-to-date second fiscal quarter 2025 of approximately \$0.2 million and \$0.5 million, respectively. Prior to fourth quarter 2025, certain general and administrative activity now included in Other was combined and reported with the Bad Daddy's segment. In order to better align with our internal reporting and provide a better representation of restaurant-level operations, beginning with fourth quarter 2025, this activity has been removed from the Bad Daddy's segment. Fiscal 2025 figures have been recast for comparability. Certain percentage amounts in the table above do not total due to rounding.

#### Reconciliation of Net Income (Loss) to Non-GAAP Adjusted EBITDA (Thousands of US Dollars)

|  | Fiscal Second Quarter        |                             | Year-to-Date                 |                             |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
|  | March 31, 2026<br>(13 weeks) | April 1, 2025<br>(13 weeks) | March 31, 2026<br>(26 weeks) | April 1, 2025<br>(27 weeks) |
| Calculation of Adjusted EBITDA:  |                              |                             |                              |                             |
| Net income (loss) attributable to common shareholders, as reported                     | \$ 149                       | \$ (624)                    | \$ 330                       | \$ (460)                    |
| Depreciation and amortization  | 896                          | 1,029                       | 1,862                        | 2,071                       |
| Depreciation and amortization attributable to non-controlling interest                 | (28)                         | (24)                        | (54)                         | (50)                        |
| Provision for income taxes   | (23)                         | 57                          | 28                           | 54                          |
| Interest expense, net  | 36                           | 56                          | 87                           | 102                         |
| EBITDA   | 1,030                        | 494                         | 2,253                        | 1,717                       |
| Preopening expense <sup>1</sup>  | -                            | -                           | -                            | 8                           |
| Non-cash stock-based compensation <sup>2</sup>   | 22                           | 30                          | 45                           | 65                          |
| Asset impairment <sup>3</sup>  | 227                          | 494                         | 227                          | 494                         |
| Non-cash loss on asset disposals <sup>4</sup>  | 86                           | 9                           | 101                          | 5                           |
| Non-cash gain on asset disposals attributable to non-controlling interest <sup>4</sup> | -                            | (3)                         | -                            | (3)                         |
| Adjusted EBITDA  | \$ 1,365                     | \$ 1,024                    | \$ 2,626                     | \$ 2,286                    |

<sup>1</sup> Represents expenses directly associated with the opening of new or acquired restaurants, including preopening rent.

<sup>2</sup> Represents non-cash stock-based compensation as described in Note 13 to the unaudited condensed consolidated financial statements.

<sup>3</sup> Represents costs recognized in connection with the asset impairment charges described in Note 11 to the unaudited condensed consolidated financial statements.

<sup>4</sup> Represents deferred gains on previous sale-leaseback transactions on two Good Times restaurants as well as (gains) losses on miscellaneous asset disposals.

Adjusted EBITDA is a supplemental measure of operating performance that does not represent and should not be considered as an alternative to net income (loss) or cash flow from operations, as determined by GAAP, and our calculation thereof may not be comparable to that reported by other companies. This measure is presented because we believe that investors' understanding of our performance is enhanced by including this non-GAAP

financial measure as a reasonable basis for evaluating our ongoing results of operations.

Adjusted EBITDA is calculated as net income (loss) before interest expense, provision for income taxes and depreciation and amortization and further adjustments to reflect the additions and eliminations presented in the table above.

Adjusted EBITDA is presented because: (i) we believe it is a useful measure for investors to assess the operating performance of our business without the effect of non-cash charges such as depreciation and amortization expenses and asset disposals, closure costs and restaurant impairments, and (ii) we use Adjusted EBITDA internally as a benchmark for certain of our cash incentive plans and to evaluate our operating performance or compare our performance to that of our competitors. The use of Adjusted EBITDA as a performance measure permits a comparative assessment of our operating performance relative to our performance based on our GAAP results, while isolating the effects of some items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies. Companies within our industry exhibit significant variations with respect to capital structures and cost of capital (which affect interest expense and income tax rates) and differences in book depreciation of property, plant and equipment (which affect relative depreciation expense), including significant differences in the depreciable lives of similar assets among various companies. Our management believes that Adjusted EBITDA facilitates company-to-company comparisons within our industry by eliminating some of these foregoing variations. Adjusted EBITDA, as presented, may not be comparable to other similarly titled measures of other companies, and our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by excluded or unusual items.

## **GOOD TIMES RESTAURANTS INC.**

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Source: Good Times Restaurants Inc.