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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 29, 2026

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: 001-35987

NOODLES & COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**84-1303469**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
520 Zang Street, Suite D **Broomfield, CO**	**80021**
(Address of principal executive offices)	(Zip Code)

(720) 214-1900

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, $0.01 par value per share	**NDLS**	**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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding at November 6, 2026**
Class A Common Stock, $0.01 par value per share	5,983,722 shares

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PART I

Item 1. Financial Statements

Noodles & Company
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	September 29, 2026 (unaudited)	December 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 1,532	$ 1,265
Accounts receivable	4,719	4,064
Inventories	8,998	10,218
Prepaid expenses and other assets	3,779	3,034
Income tax receivable	327	312
Total current assets	19,355	18,893
Property and equipment, net	92,291	107,359
Operating lease assets, net	112,890	126,319
Goodwill	7,154	7,154
Intangibles, net	386	420
Other assets, net	1,102	1,526
Total long-term assets	213,823	242,778
Total assets	$ 233,178	$ 261,671
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 15,407	$ 16,545
Accrued payroll and benefits	14,358	7,235
Accrued expenses and other current liabilities	11,990	11,808
Current operating lease liabilities	25,821	26,257
Total current liabilities	67,576	61,845
Long-term debt, net	100,236	108,776
Long-term operating lease liabilities, net	110,040	126,924
Deferred tax liabilities, net	346	316
Other long-term liabilities	7,721	9,115
Total liabilities	285,919	306,976
Stockholders' deficit:		
Preferred stock—$0.01 par value, 1,000,000 shares authorized and undesignated as of September 29, 2026 and December 30, 2025; no shares issued or outstanding	—	—
Common stock—$0.01 par value, 180,000,000 shares authorized as of September 29, 2026 and December 30, 2025; 6,286,814 issued and 5,983,830 outstanding as of September 29, 2026 and 6,155,333 issued and 5,852,349 outstanding as of December 30, 2025 [1]	63	62
Treasury stock, at cost, 302,984 shares as of September 29, 2026 and December 30, 2025 [1]	(35,000)	(35,000)
Additional paid-in capital	218,735	216,658
Accumulated deficit	(236,539)	(227,025)
Total stockholders' deficit	(52,741)	(45,305)
Total liabilities and stockholders' deficit	$ 233,178	$ 261,671

[1] Shares have been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-8 reverse stock split effectuated on February 18, 2026.

See accompanying notes to condensed consolidated financial statements.

Noodles & Company

Condensed Consolidated Statements of Operations

(in thousands, except share and per share data, unaudited)

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Revenue:				
Restaurant revenue	$ 118,509	$ 119,579	$ 364,750	$ 364,686
Franchising royalties and fees, and other	2,363	2,507	6,945	7,627
Total revenue	120,872	122,086	371,695	372,313
Costs and expenses:				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	29,347	30,709	91,259	95,862
Labor	34,908	37,499	108,056	116,174
Occupancy	9,773	11,076	30,292	33,963
Other restaurant operating costs	24,696	24,558	75,780	74,628
General and administrative	13,583	12,272	39,954	37,486
Depreciation and amortization	5,672	6,604	17,553	20,833
Pre-opening	—	6	—	226
Restaurant impairments, closure costs and asset disposals	2,748	5,681	11,009	20,625
Total costs and expenses	120,727	128,405	373,903	399,797
Income (loss) from operations	145	(6,319)	(2,208)	(27,484)
Interest expense, net	2,288	2,827	7,276	8,227
Loss before income taxes	(2,143)	(9,146)	(9,484)	(35,711)
Provision for income taxes	3	5	30	49
Net loss	$ (2,146)	$ (9,151)	$ (9,514)	$ (35,760)
Loss per Class A and Class B common stock, combined				
Basic and diluted [1]	$ (0.36)	$ (1.58)	$ (1.61)	$ (6.20)
Weighted average shares of Class A and Class B common stock outstanding, combined				
Basic and diluted [1]	5,970,160	5,807,356	5,919,604	5,766,872

[1] Shares and per share amounts have been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-8 reverse stock split effectuated on February 18, 2026.

See accompanying notes to condensed consolidated financial statements.

Noodles & Company

Condensed Consolidated Statements of Stockholders' Equity (Deficit)

(in thousands, except share data, unaudited)

	Fiscal Quarter Ended						
	Common Stock[1]		Treasury		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares [2]	Amount	Shares [2]	Amount			
Balance—June 30, 2026	6,269,645	$ 63	302,984	$ (35,000)	$ 218,314	$ (234,393)	$ (51,016)
Stock plan transactions and other	17,169	—	—	—	(73)	—	(73)
Stock-based compensation expense	—	—	—	—	494	—	494
Net loss	—	—	—	—	—	(2,146)	(2,146)
Balance—September 29, 2026	6,286,814	$ 63	302,984	$ (35,000)	$ 218,735	$ (236,539)	$ (52,741)
Balance—July 1, 2025	6,106,485	$ 61	302,984	$ (35,000)	$ 215,230	$ (211,066)	$ (30,775)
Stock plan transactions and other	43,339	1	—	—	(84)	—	(83)
Stock-based compensation expense	—	—	—	—	1,110	—	1,110
Net loss	—	—	—	—	—	(9,151)	(9,151)
Balance—September 30, 2025	6,149,824	$ 62	302,984	$ (35,000)	$ 216,256	$ (220,217)	$ (38,899)

	Three Fiscal Quarters Ended						
	Common Stock[1]		Treasury		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares [2]	Amount	Shares [2]	Amount			
Balance—December 30, 2025	6,155,333	$ 62	302,984	$ (35,000)	$ 216,658	$ (227,025)	$ (45,305)
Stock plan transactions and other	131,481	1	—	—	(287)	—	(286)
Stock-based compensation expense	—	—	—	—	2,364	—	2,364
Net loss	—	—	—	—	—	(9,514)	(9,514)
Balance—September 29, 2026	6,286,814	$ 63	302,984	$ (35,000)	$ 218,735	$ (236,539)	$ (52,741)
Balance—December 31, 2024	6,020,235	$ 60	302,984	$ (35,000)	$ 213,818	$ (184,457)	$ (5,579)
Stock plan transactions and other	129,589	2	—	—	(175)	—	(173)
Stock-based compensation expense	—	—	—	—	2,613	—	2,613
Net loss	—	—	—	—	—	(35,760)	(35,760)
Balance—September 30, 2025	6,149,824	$ 62	302,984	$ (35,000)	$ 216,256	$ (220,217)	$ (38,899)

(1) Unless otherwise noted, activity relates to Class A common stock.
(2) Shares have been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-8 reverse stock split effectuated on February 18, 2026.

See accompanying notes to condensed consolidated financial statements.

Noodles & Company
Condensed Consolidated Statements of Cash Flows
(in thousands, unaudited)

	Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025
Operating activities		
Net loss	$ (9,514)	$ (35,760)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	17,553	20,833
Deferred income taxes, net	30	49
Restaurant impairments, closure costs and asset disposals	7,000	17,703
Amortization of debt issuance costs	658	658
Stock-based compensation	2,364	2,613
Changes in operating assets and liabilities:		
Accounts receivable	(608)	(216)
Inventories	137	(383)
Prepaid expenses and other assets	(285)	(38)
Accounts payable	(911)	6,353
Income taxes	(15)	(7)
Operating lease assets and liabilities	(3,378)	(3,183)
Accrued expenses and other liabilities	4,154	(265)
Net cash provided by operating activities	17,185	8,357
Investing activities		
Purchases of property and equipment	(6,348)	(10,055)
Net cash used in investing activities	(6,348)	(10,055)
Financing activities		
Net payments from swing line loan	(398)	(6,592)
Proceeds from borrowings on long-term debt	—	13,350
Payments on long-term debt	(8,800)	—
Payments on finance leases	(1,086)	(1,342)
Stock plan transactions and tax withholding on share-based compensation awards	(286)	(173)
Net cash (used in) provided by financing activities	(10,570)	5,243
Net increase in cash and cash equivalents	267	3,545
Cash and cash equivalents		
Beginning of period	1,265	1,149
End of period	$ 1,532	$ 4,694

See accompanying notes to condensed consolidated financial statements.

NOODLES & COMPANY
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Business Summary and Basis of Presentation

Business

Noodles & Company (the "Company"), a Delaware corporation, develops and operates fast-casual restaurants that serve globally-inspired noodle and pasta dishes, soups, salads and appetizers. As of September 29, 2026, the Company had 383 restaurants system-wide in 31 states, comprised of 306 company-owned restaurants and 77 franchise restaurants. The Company operates its business as one operating and reportable segment.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Noodles & Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The accompanying interim unaudited condensed consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States of America ("GAAP") for complete financial statements. In the opinion of the Company, all adjustments considered necessary for the fair presentation of the Company's results of operations, financial position and cash flows for the periods presented have been included and are of a normal, recurring nature. 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. 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 30, 2025 was derived from audited financial statements. These financial statements should be read in conjunction with the audited financial statements and the related notes included in the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2025.

Fiscal Year

The Company operates on a 52- or 53-week fiscal year ending on the Tuesday closest to December 31. The Company's fiscal quarters each contain 13 operating weeks, with the exception of the fourth quarter of a 53-week fiscal year, which contains 14 operating weeks. Fiscal year 2026, which ends on December 29, 2026, and fiscal year 2025, which ended on December 30, 2025, each contain 52 weeks. The Company's fiscal quarter that ended September 29, 2026 is referred to as the third quarter of 2026, and the fiscal quarter ended September 30, 2025 is referred to as the third quarter of 2025.

Reverse Stock Split

On February 4, 2026, the Company's Board of Directors approved a reverse stock split of the Company's issued and outstanding
Class A common stock, par value $0.01 per share. The reverse stock split was effectuated on February 18, 2026 at a 1-for-8 ratio (the "Reverse Stock Split"). All issued and outstanding common stock and per share amounts contained in this 10-Q related to prior periods have been adjusted retroactively to reflect the change in capital structure as a result of the reverse stock split.

Recently Adopted Accounting Pronouncement

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The ASU includes amendments requiring enhanced income tax disclosures, primarily related to standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The Company adopted ASU No. 2023-09 prospectively during the year ended December 30, 2025.

Recently Issued Accounting Pronouncement

In November 2024, the FASB issued ASU No. 2024-03, "Disaggregation of Income Statement Expenses (Subtopic 220-40)." The ASU requires public entities to disaggregate, in a tabular presentation, certain income statement expenses into different categories, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The guidance is effective for fiscal years beginning after December 15, 2026, with early adoption permitted, and may be applied retrospectively. The Company is currently evaluating the impact of adopting the new ASU on its consolidated financial statements and related disclosures.

2. Supplemental Financial Information

Accounts receivable consist of the following (in thousands):

	September 29, 2026	December 30, 2025
Delivery program receivables	$ 2,158	$ 1,412
Vendor rebate receivables	644	704
Franchise receivables	883	780
Other receivables	1,034	1,168
Accounts receivable	$ 4,719	$ 4,064

Prepaid expenses and other assets consist of the following (in thousands):

	September 29, 2026	December 30, 2025
Prepaid insurance	$ 1,172	$ 510
Prepaid occupancy related costs	746	814
Prepaid expenses	1,834	1,689
Other current assets	27	21
Prepaid expenses and other assets	$ 3,779	$ 3,034

Property and equipment, net, consists of the following (in thousands):

	September 29, 2026	December 30, 2025
Leasehold improvements	$ 197,189	$ 214,545
Furniture, fixtures and equipment	166,828	176,948
Construction in progress	2,088	2,095
	366,105	393,588
Accumulated depreciation and amortization	(273,814)	(286,229)
Property and equipment, net	$ 92,291	$ 107,359

Accrued payroll and benefits consist of the following (in thousands):

	September 29, 2026	December 30, 2025
Accrued payroll and related liabilities	$ 7,726	$ 4,400
Accrued bonus	4,918	1,088
Insurance liabilities	1,714	1,747
Accrued payroll and benefits	$ 14,358	$ 7,235

Accrued expenses and other current liabilities consist of the following (in thousands):

	September 29, 2026	December 30, 2025
Gift card liability	$ 1,998	$ 2,236
Occupancy related	1,061	1,262
Utilities	1,485	1,498
Current portion of finance lease liability	1,695	1,877
Other restaurant expense accruals	1,279	1,144
Other corporate expense accruals	4,472	3,791
Accrued expenses and other current liabilities	$ 11,990	$ 11,808

3. Long-Term Debt

On July 27, 2022, the Company amended and restated its Credit Agreement by entering into the Amended and Restated Credit Agreement (as further amended, restated, extended, supplemented, modified and otherwise in effect from time to time, the "A&R Credit Agreement"), with each other Loan Party (as defined in the A&R Credit Agreement) party thereto, each lender from time to time party thereto, and U.S. Bank National Association, as Administrative Agent, L/C Issuer and Swing Line Lender (each as defined in the A&R Credit Agreement). The A&R Credit Agreement is secured by a pledge of stock of substantially all of the Company's subsidiaries and a lien on substantially all of the personal property assets of the Company and its subsidiaries. Among other things, the A&R Credit Agreement: set the cost of borrowing at the Secured Overnight Financing Rate ("SOFR") plus a margin of 1.50% to 2.50% per annum, based upon the consolidated total lease-adjusted leverage ratio. The A&R Credit Agreement was subsequently amended on December 21, 2023 and on October 29, 2024, the Company entered into that certain Second Amendment to the Amended and Restated Credit Agreement (the "Second Amendment"). Among the modifications, the Second Amendment: (i) increased the maximum applicable rate ranges, (ii) conditioned the use of the general restricted payment basket on satisfaction of a Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) of less than or equal to 4.00 to 1.00 and a Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) of greater than or equal to 1.25 to 1.00, (iii) restricted entry into new lease agreements so long as the Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(a) of the A&R Credit Agreement is greater than or equal to 4.50 to 1.00, (iv) increased the Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(a) of the A&R Credit Agreement to be no greater than (1) 4.75 to 1.00 for the fiscal quarters ending September 29, 2026 and December 29, 2026 and (2) 4.50 to 1.00 for the fiscal quarter ended March 30, 2027 and thereafter and (v) amended the Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(b) of the A&R Credit Agreement to be no less than (1) 1.25 to 1.00 for the fiscal quarter ending June 30, 2026 and thereafter.

On November 12, 2026, the Company and the Loan Parties entered into an amendment to the A&R Credit Agreement (the "Third Amendment") to (i) extend the maturity date from July 27, 2027 to November 30, 2027, (ii) reduce the aggregate amount of the facility to $120.0 million, (iii) provide that all outstanding letters of credit issued under the A&R Credit Agreement will not be renewed upon expiration and that, upon the earlier repayment of the revolving credit facility or January 29, 2027, the Company will deliver cash collateral to the Administrative Agent in an amount equal to 105% of the stated amount of the outstanding letters of credit until their expiration, and (iv) establish the cost of borrowing through January 29, 2027 at SOFR plus 3.25% with respect to SOFR Loans and the Base Rate plus 2.25% with respect to base rate loans as defined in the A&R Credit Agreement) and, on and after January 30, 2027, at SOFR plus 7.00% for all loans (with SOFR subject to a floor of 3.00%). In addition the Company paid an extension fee plus administrative fees and, if all obligations under the A&R Credit Agreement have not been paid in full by January 29, 2027, the Company will pay the Loan Parties a fee of $1,250,000.

As of September 29, 2026, the Company had $101.0 million of indebtedness (excluding $0.7 million of unamortized debt issuance costs) and $2.8 million of letters of credit outstanding under the A&R Credit Agreement. The Company maintains outstanding letters of credit to secure obligations under its workers' compensation program and certain lease obligations. The Company was in compliance with all of its debt covenants as of September 29, 2026. The Company's revolver, which had a balance of $101.0 million as of September 29, 2026, bore interest at rates between 6.68% and 9.50% during the first three quarters of 2026. The Company's swingline, which did not have a balance as of September 29, 2026, bore interest between 8.75% and 9.5% in the first three quarters of 2026. As of September 29, 2026, the Company had cash on hand of $1.5 million.

The Company will require new financing and/or other sources of capital or a waiver or agreement with its current lenders to extend or refinance the facility on or before maturity. The Company continues to review its options with respect to such debt

obligation in connection with its review of strategic alternatives; however, there is no assurance that the Company will obtain such financing, other sources of capital, an extension or refinancing on a timely basis. See Part II - Item 5 - “Risk Factors” for additional information.

4. Fair Value Measurements

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and all other current assets and liabilities approximate fair value due to their short-term nature. The carrying amounts of borrowings approximate fair value as the line of credit borrowings vary with market interest rates and negotiated terms and conditions are consistent with current market rates. The fair value of the Company’s revolving line of credit borrowings are measured using Level 2 inputs.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets recognized or disclosed at fair value in the condensed consolidated financial statements on a non-recurring basis include items such as leasehold improvements, property and equipment, operating lease assets, goodwill and other intangible assets. These assets are measured at fair value if determined to be impaired.

Adjustments to the fair value of assets measured at fair value on a non-recurring basis as of September 29, 2026 and September 30, 2025 are discussed in Note 7, Restaurant Impairments, Closure Costs and Asset Disposals.

5. Income Taxes

The following table presents the Company’s provision for income taxes (in thousands):

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Provision for income taxes	$ 3	$ 5	$ 30	$ 49
Effective income tax rate	(0.1)%	(0.1)%	(0.3)%	(0.1)%

The effective tax rate for the third quarter and first three quarters of 2026 and 2025, reflects the impact of the previously recorded valuation allowance. For the remainder of fiscal 2026, the Company does not anticipate material income tax expense or benefit as a result of the valuation allowance recorded. The Company will maintain the valuation allowance against deferred tax assets until there is sufficient evidence to support a full or partial reversal. The reversal of a previously recorded valuation allowance will generally result in a benefit from income tax.

On July 4, 2025, the United States Congress enacted H.R.1, commonly known as the One Big Beautiful Bill Act, which introduces a wide range of tax reform measures. These include extensions and modifications of key provisions from the Tax Cuts and Jobs Act, as well as changes to rules allowing accelerated tax deductions for qualified property and research expenditures. The legislation includes multiple effective dates, with certain provisions that took effect in 2025 and others phased in through 2027. The Company has evaluated the provisions of the legislation and does not expect the adoption or implementation of these measures to have a material impact on its financial statements, effective tax rate, or cash tax position. The Company will continue to monitor forthcoming administrative guidance and regulatory developments that may further clarify the application of the provisions.

6. Stock-Based Compensation

In May of 2023, the Company’s stockholders approved the 2023 Stock Incentive Plan (the “2023 Plan”). The 2023 Plan authorizes the grant of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units (“RSUs”), performance share units and incentive bonuses to employees, officers, non-employee directors and other service providers, as applicable. As of September 29, 2026, approximately 0.3 million share-based awards were available to be granted under the 2023 Plan. In July of 2024, the Company’s Board of Directors adopted the 2024 Inducement Plan (the “Inducement Plan”). The Inducement Plan provides for the potential grant of options, stock appreciation rights, restricted stock and restricted stock units, any of which may be performance-based, and for incentive bonuses, which may be paid in cash or stock or a combination thereof, for certain newly hired employees. As of September 29, 2026, 37,982 share-based awards were available to be granted under the Inducement Plan.

The following table shows total stock-based compensation expense (in thousands):

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Stock-based compensation expense	$ 509	$ 1,133	$ 2,439	$ 2,651
Capitalized stock-based compensation expense	$ —	$ —	$ —	$ 18

7. Restaurant Impairments, Closure Costs and Asset Disposals

The following table presents restaurant impairments, closure costs and asset disposals (in thousands):

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Restaurant impairments [1]	$ 1,219	$ 5,326	$ 8,727	$ 17,813
Closure costs [1]	1,101	(658)	742	(712)
Loss on disposal of assets and other	428	1,013	1,540	3,524
	$ 2,748	$ 5,681	$ 11,009	$ 20,625

(1) Restaurant impairments and closure costs in all periods presented above include amounts related to restaurants previously impaired or closed.

Impairment is based on management's current assessment of the expected future cash flows of a restaurant based on recent results and other specific market factors. Impairment expense is a Level 3 fair value measure and is determined by comparing the carrying value of restaurant assets to the estimated fair value of the restaurant assets at resale value, if any, and the right-of-use asset based on a discounted cash flow analysis utilizing market lease rates.

The Company has identified a group of restaurants that the Company will seek to close on or before their next lease renewal dates, and are unlikely to recover the net book value of their assets. In the third quarter of 2026, the Company did not record any fixed asset impairment charges. In the third quarter of 2026, the Company wrote down lease related assets on seven restaurants. In the third quarter of 2025, the Company recorded fixed asset impairment charges on nine restaurants, and wrote down lease related assets on nine restaurants.

The Company recorded fixed asset impairment charges on 11 restaurants, and wrote down lease related assets on 23 restaurants in the first three quarters of 2026. The Company recorded fixed asset impairment charges on 24 restaurants, and wrote down lease related assets on 20 restaurants in the first three quarters of 2025. All periods include ongoing equipment costs for restaurants previously impaired.

The Company closed 12 restaurants during the third quarter of 2026 and had 34 restaurant closures in the first three quarters of 2026. The Company closed 15 restaurants in the third quarter of 2025 and had 24 restaurant closures in the first three quarters of 2025. Both periods included ongoing expenses from restaurant closures during the period and in prior years. Closure costs in the third quarter and first three quarters of 2026 were higher compared to the same periods in 2025 due to ongoing costs related to the increased number of closed restaurants. Additionally, closure costs in the third quarter and first three quarters of 2025 were offset by gains from lease asset remeasurements and the adjustments to liabilities as lease terminations occur resulting in net gains of $0.7 million in both the third quarter and first three quarters of 2025.

8. Earnings (Loss) Per Share

Basic earnings (loss) per share ("EPS") is calculated by dividing net income (loss) available to common stockholders by the weighted-average number of shares of common stock outstanding during each period. Diluted EPS is calculated using net income (loss) available to common stockholders divided by diluted weighted-average shares of common stock outstanding during each period. Potentially dilutive securities include shares of common stock underlying stock options and restricted common stock. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.

The following table sets forth the computations of basic and diluted EPS (in thousands, except share and per share data). The number of shares and loss per share for the prior period have been restated to reflect the 1-for-8 Reverse Stock Split effectuated on February 18, 2026.

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Net loss attributable to common stockholders	$ (2,146)	$ (9,151)	$ (9,514)	$ (35,760)
Shares:				
Basic weighted average shares outstanding	5,970,160	5,807,356	5,919,604	5,766,872
Effect of dilutive securities	—	—	—	—
Diluted weighted average shares outstanding	5,970,160	5,807,356	5,919,604	5,766,872
Loss per share				
Basic and diluted loss per share	$ (0.36)	$ (1.58)	$ (1.61)	$ (6.20)

The Company computes the effect of dilutive securities using the treasury stock method and average market prices during the period. Potential common shares are excluded from the computation of diluted loss per share when the effect would be anti-dilutive. Shares issuable on the vesting or exercise of share-based awards were excluded from the calculation of diluted loss per share because the effect of their inclusion would have been anti-dilutive totaled 449,535 and 557,053 for the third quarters of 2026 and 2025, respectively, and totaled 394,406 and 528,279 for the first three quarters of 2026 and 2025, respectively.

9. Leases

Supplemental balance sheet information related to leases is as follows (in thousands):

	Classification	September 29, 2026	December 30, 2025
Assets			
Operating	Operating lease assets, net	$ 112,890	$ 126,319
Finance	Property and equipment	5,672	6,373
Total leased assets		$ 118,562	$ 132,692
Liabilities			
Current lease liabilities			
Operating	Current operating lease liabilities	$ 25,821	$ 26,257
Finance	Accrued expenses and other current liabilities	1,695	1,877
Long-term lease liabilities			
Operating	Long-term operating lease liabilities	110,040	126,924
Finance	Other long-term liabilities	4,802	5,020
Total lease liabilities		$ 142,358	$ 160,078

Sublease income recognized in the Condensed Consolidated Statements of Operations was $0.4 million and $0.7 million for the third quarters of 2026 and 2025, and $1.4 million and $2.1 million for the first three quarters of 2026 and 2025, respectively.

Supplemental disclosures of cash flow information related to leases are as follows (in thousands):

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Cash paid for lease liabilities:				
Operating leases	$ 9,389	$ 10,426	$ 28,518	$ 31,863
Finance leases	555	595	1,527	1,838
	$ 9,944	$ 11,021	$ 30,045	$ 33,701
Right-of-use assets obtained in exchange for lease liabilities:				
Operating leases	$ 6,154	$ 223	$ 10,987	$ 2,564
Finance leases	1,479	123	1,479	4,810
	$ 7,633	$ 346	$ 12,466	$ 7,374

10. Supplemental Disclosures to Condensed Consolidated Statements of Cash Flows

The following table presents the supplemental disclosures to the Condensed Consolidated Statements of Cash Flows for the three quarters ended September 29, 2026 and September 30, 2025 (in thousands):

	September 29, 2026	September 30, 2025
Interest paid (net of amounts capitalized)	$ 5,614	$ 6,512
Income taxes paid	15	7
Purchases of property and equipment accrued in accounts payable	1,434	1,045

11. Revenue Recognition

Revenue

Revenue consists of sales from restaurant operations, franchise royalties and fees, and sublease income. Revenue from the operation of company-owned restaurants is recognized when sales occur. Revenue from sales made through third-party delivery services are recognized upon the transfer of food to the guest, excluding the delivery fee. Revenue from sales made through the Company website or mobile app are generally recognized including delivery fees. The Company reports revenue net of sales tax collected from customers and remitted to governmental taxing authorities.

Gift Cards

The Company sells gift cards which do not have an expiration date, and it does not deduct non-usage fees from outstanding gift card balances. The Company recognizes revenue from gift cards when the gift card is redeemed by the customer or the Company determines the likelihood of the gift card being redeemed by the customer is remote (“gift card breakage”). The determination of the gift card breakage rate is based upon Company-specific historical redemption patterns. The Company has determined that approximately 15% of gift cards will not be redeemed and recognizes gift card breakage ratably over the estimated redemption period of the gift card, which is approximately 24 months. Gift card liability balances are typically highest at the end of each calendar year following increased gift card purchases during the holiday season.

As of September 29, 2026 and December 30, 2025, the current portion of the gift card liability amounting to $2.0 million and $2.2 million, respectively, was included in accrued expenses and other current liabilities, and the long-term portion amounting to $0.6 million and $0.8 million, respectively, was included in other long-term liabilities in the Condensed Consolidated Balance Sheets.

Revenue recognized in the Condensed Consolidated Statements of Operations for the redemption of gift cards was $0.4 million for both of the third quarters of 2026 and 2025, respectively, and $1.8 million for both of the first three quarters of 2026 and 2025.

Franchise Fees

Royalties from franchise restaurants are based on a percentage of restaurant revenues and are recognized in the period the related franchised restaurants' sales occur. Development and franchise fees, portions of which are collected in advance, are nonrefundable and are recognized in income ratably over the term of the related franchise agreement or recognized upon the termination of the agreement between the Company and the franchisee. The Company has determined that the initial franchise services are not distinct from the continuing rights or services offered during the term of the franchise agreement and should be treated as a single performance obligation; therefore, initial fees received from franchisees are recognized as revenue over the term of each respective franchise agreement, which is typically 20 years.

Loyalty Program

The Company operates the Noodles Rewards program, which is primarily a spend-based loyalty program. With each purchase, Noodles Rewards members earn loyalty points that can be redeemed for rewards, including free products. Using an estimate of the value of reward redemptions, we defer revenue associated with points earned, net of estimated points that will not be redeemed based upon the Company's historical redemption patterns. Points generally expire after six months. Revenue is recognized in a future period when the reward points are redeemed. As of September 29, 2026 and December 30, 2025, the deferred revenue related to the rewards program was $1.1 million, and is included in accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets.

12. Commitments and Contingencies

In the normal course of business, the Company is subject to proceedings, lawsuits and claims. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Consequently, the Company is unable to ascertain the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of September 29, 2026. These matters could affect the operating results of any one financial reporting period when resolved in future periods. The Company believes that an unfavorable outcome with respect to these matters is remote or a potential range of loss is not material to its consolidated financial statements. Significant increases in the number of these claims, or one or more successful claims that result in greater liabilities than the Company currently anticipates, could materially and adversely affect its business, financial condition, results of operations or cash flows.

13. Segment Reporting

The Company's Chief Operating Decision Maker ("CODM") is the senior executive team that includes the President and Chief Executive Officer and the Chief Financial Officer. The Company has one reportable operating segment. The one reportable segment derives its revenue from company-owned restaurants and franchise owned restaurants. No guest accounts for 10% or more of the Company's revenues. The Company's CODM uses income (loss) from operations to evaluate performance and make key operating decisions, such as deciding the rate at which we invest resources into the segment.

The following table presents selected financial information with respect to our single reportable segment regularly reviewed by our CODM (in thousands):

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Revenue:				
Restaurant revenue	$ 118,509	$ 119,579	$ 364,750	$ 364,686
Franchising royalties and fees, and other	2,363	2,507	6,945	7,627
Total segment revenue	120,872	122,086	371,695	372,313
Less:				
Cost of sales	29,347	30,709	91,259	95,862
Labor	34,908	37,499	108,056	116,174
Occupancy	9,773	11,076	30,292	33,963
Other restaurant operating costs	24,696	24,558	75,780	74,628
General and administrative	13,583	12,272	39,954	37,486
Depreciation and amortization	5,672	6,604	17,553	20,833
Pre-opening	—	6	—	226
Restaurant impairments, closure costs and asset disposals	2,748	5,681	11,009	20,625
Total segment expenses	120,727	128,405	373,903	399,797
Segment income (loss) from operations	$ 145	$ (6,319)	$ (2,208)	$ (27,484)
Reconciliation:				
Interest expense, net	2,288	2,827	7,276	8,227
Consolidated loss before income taxes	$ (2,143)	$ (9,146)	$ (9,484)	$ (35,711)

	September 29, 2026	December 30, 2025
Other segment disclosures (in thousands):		
Total long-lived assets [1]	$ 205,181	$ 233,678
Total assets	$ 233,178	$ 261,671

(1) Long-lived assets include the Company's property and equipment and operating lease assets presented in the Condensed Consolidated Balance Sheets.

NOODLES & COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Noodles & Company is a Delaware corporation that was organized in 2002. Noodles & Company and its subsidiaries are sometimes referred to as "we," "us," "our" and the "Company" in this report. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and related notes in Item 1 and with the audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K for our fiscal year ended December 30, 2025. We operate on a 52- or 53-week fiscal year ending on the Tuesday closest to December 31. Our fiscal quarters each contain 13 operating weeks, with the exception of the fourth quarter of a 53-week fiscal year, which contains 14 operating weeks. Fiscal years 2026 and 2025 contain 52 weeks.

Cautionary Note Regarding Forward-Looking Statements

In addition to historical information, this discussion and analysis contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties such as the number of restaurants we intend to open, projected capital expenditures and estimates of our effective tax rates. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "predict," "potential," "plan" or the negative of these terms and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on currently available operating, financial and competitive information. Examples of forward-looking statements include all matters that are not historical facts, such as statements regarding expectations with respect to projected capital expenditures and our financial results, condition, liquidity needs and available financing sources. Our actual results may differ materially from those anticipated in these forward-looking statements due to reasons including, but not limited to, uncertainties as to the availability, suitability, structure, terms, and timing of any strategic transaction resulting from the strategic review and whether any such transaction will be completed, the impact of any such strategic transaction on Noodles & Company, and whether the strategic benefits of any such strategic transaction can be achieved; current performance trends and our expectations for future performance; our ability to repay, refinance or obtain new financing on acceptable terms, if at all, and comply with our covenants under the A&R Credit Agreement on or before maturity, the impact on our operations, liquidity and financial condition of the need to obtain such refinancing on a timely basis; our ability to sustain our overall growth, including, our digital sales growth; our ability to effectively optimize our restaurant portfolio including closures; our ability to achieve and maintain increases in comparable restaurant sales and to successfully execute our business strategy, including operational strategies to improve the performance of our restaurant portfolio; the success of our brand strategy and marketing efforts, including our ability to successfully introduce new menu items, including limited time offerings and the success of our promotions; our pricing strategies; economic conditions, including inflation, an economic recession, an elevated interest rate environment, tariffs and trade restrictions and any impact of government shutdowns on overall economic conditions and consumer spending; price and availability of commodities and other supply chain challenges; our ability to adequately staff our restaurants; changes in labor costs; our ability to maintain compliance with requirements for continued listing on the Nasdaq Global Select Market; other conditions beyond our control such as domestic or global conflicts, wars, terrorist activity, weather, natural disasters, disease outbreaks, epidemics or pandemics impacting our customers or food supplies; and consumer reaction to industry related public health issues and health pandemics, including perceptions of food safety and those discussed in "Special Note Regarding Forward-Looking Statements" and "Risk Factors" as filed in our Annual Report on Form 10-K for our fiscal year ended December 30, 2025 and under Item 5. Risk Factors below.

Recent Trends, Risks and Uncertainties

Reverse Stock Split. On February 18, 2026, the amendment to our Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") took effect to implement the Reverse Stock Split of our issued and outstanding shares of Class A common stock, par value $0.01 per share, at a ratio of 1-for-8.

No fractional shares were issued as a result of the Reverse Stock Split and it did not impact the par value of our common stock. Neither the Reverse Stock Split nor the related amendment to the Certificate of Incorporation had any impact on the number of shares of common stock or preferred stock we are authorized to issue under the Certificate of Incorporation or the number of issued and outstanding shares of our preferred stock (of which there are currently none).

All shares of common stock, stock-based compensation awards and per share amounts for the prior periods included in the Consolidated Financial Statements and applicable notes of this 10-Q and elsewhere in this 10-Q have been adjusted retroactively to reflect the effect of the Reverse Stock Split and related amendment to the Certificate of Incorporation.

Strategic Review. On September 3, 2025, we announced that our Board of Directors had initiated a review of strategic alternatives in order to explore ways to maximize stockholder value. The review includes a range of potential strategic alternatives, including a refinancing of existing indebtedness prior to maturity, refranchising or sale of all or part of the business, and/or other strategic or financial transactions. Such review remains in process. The Third Amendment to our A&R Credit Agreement entered into on November 12, 2026 extends the maturity date to November 30, 2027, but provides financial incentives for early repayment.

Revenue. In the third quarter, we saw significant increases in comparable restaurant sales which were offset by a decline in revenue related to permanent company-owned closures and a decline in franchise revenue from franchise restaurant closures over the last twelve months. System-wide comparable restaurant sales increased 9.5% in the third quarter of 2026 compared to the same period of 2025, comprised of a 10.7% increase at company-owned restaurants and a 4.9% increase at franchise-owned restaurants. Our comparable restaurant sales continue to be positively aided by menu innovation including the recent successful permanent menu additions and limited time offerings and the benefit of sales transferring from restaurants that we closed to our nearby restaurants.

Cost of Sales. Our third quarter 2026 cost of sales benefited from an increase in menu prices and reduced food waste related to new menu items, which offset the impact of inflation. We continue to monitor commodity inflation and, throughout periods of volatility, we will continue to work with our suppliers to identify ongoing supply chain efficiencies, including adding additional suppliers as necessary.

We have evaluated and will continue to evaluate the impact of import laws and tariffs, including the potential for any refunds, on our operations as some of our food items are imported from India, Mexico and other countries. As of September 29, 2026, there was no material impact on our business, financial condition, results of operations or cash flows. However, we expect tariffs may impact our operations in certain areas, such as food and beverage costs, construction and equipment costs and other restaurant operating costs, for the remainder of fiscal 2026. We will continue to utilize fixed price contracts for certain key items to mitigate risk.

Labor Costs. Similar to much of the restaurant industry, our base labor costs have risen in recent years. We have been able to partially mitigate the impact of these market factors through a continued focus on maximizing efficiencies of labor hour usage per restaurant and wage inflation has stabilized to less than 3%. As a percentage of restaurant sales, labor costs continue to benefit from sales leverage including the benefit of sales transferring from restaurants that have closed to our nearby restaurants.

Other Restaurant Operating Costs. We have incurred, and expect to continue to incur, increased third-party delivery fees due to significant increased usage of third-party delivery services resulting in a higher mix of third party delivery sales. As a percentage of restaurant sales, other restaurant operating costs continue to benefit from sales leverage including the benefit of sales transferring from restaurants that have closed to our nearby restaurants.

Restaurant Development. We did not open any new company-owned restaurants in the first three quarters of 2026 and do not plan to open any company-owned restaurants in 2026. We had one new franchise-related opening in the third quarter of 2026. As of September 29, 2026, we had 306 company-owned restaurants and 77 franchise restaurants in 31 states.

Impairments and Certain Restaurant Closures. We impaired fixed assets related to 11 restaurants in the first three quarters of 2026 primarily related to closure decisions on underperforming restaurants. In the first three quarters of 2026, we wrote down lease-related assets for 23 restaurants. We permanently closed 34 company-owned restaurants in the first three quarters of 2026 and we anticipate closing an additional two restaurants in 2026. We continue to analyze our restaurant portfolio and expect to close certain restaurants that are either generating low or negative cash flows, approaching the expiration of their leases, in trade areas that are not as well positioned for current consumer trends and/or there is a potential for a significant amount of sales transfer to nearby restaurants given strong off premise sales.

Key Measures We Use to Evaluate Our Performance

To evaluate the performance of our business, we utilize a variety of financial and performance measures. These key measures include revenue, comparable restaurant sales, average unit volumes ("AUVs"), restaurant contribution, restaurant contribution margin, EBITDA and adjusted EBITDA. Restaurant contribution, restaurant contribution margin, EBITDA and adjusted EBITDA are non-GAAP financial measures.

Revenue

Revenue includes both restaurant revenue and franchise royalties and fees. Restaurant revenue represents sales of food and beverages in company-owned restaurants. Several factors affect our restaurant revenue in any period, including the number of restaurants in operation and per-restaurant sales. Franchise royalties and fees represent royalty income and initial franchise fees. While we expect that the majority of our revenue and net income growth will be driven by company-owned restaurants, our franchise restaurants remain an important factor impacting our revenue and financial performance.

Seasonal factors cause our revenue to fluctuate from quarter to quarter. Our revenue per restaurant is typically lower in the first and fourth quarters, due to reduced winter and holiday traffic, and is typically higher in the second and third quarters. As a result of these factors, our quarterly operating results and comparable restaurant sales may fluctuate.

Comparable Restaurant Sales

Comparable restaurant sales refer to year-over-year sales comparisons for the comparable restaurant base. We define the comparable restaurant base to include restaurants open for at least 18 full periods. This measure highlights the performance of existing restaurants, as the impact of new restaurant openings is excluded. Changes in comparable restaurant sales are generated by changes in traffic, which we calculate as the number of entrées sold, and changes in per-person spend, calculated as sales divided by traffic. Per-person spend can be influenced by changes in menu prices and the mix and number of items sold per person.

Measuring our comparable restaurant sales allows us to evaluate the performance of our existing restaurant base. Various factors impact comparable restaurant sales, including, but not limited to:

- introduction of new and seasonal menu items and limited time offerings;
- consumer recognition of our brand and our ability to respond to changing consumer preferences;
- overall economic trends, particularly those related to consumer spending;
- our ability to operate restaurants effectively and efficiently to meet consumer expectations;
- pricing and perceived value;
- the number of restaurant transactions, per-person spend and average check amount;
- marketing and promotional efforts;
- abnormal weather patterns;
- food safety and foodborne illness concerns;
- the impact of health pandemics;
- local and national competition;
- trade area dynamics;
- tariffs or trade restrictions; and
- opening and closing restaurants in the vicinity of other restaurant locations.

Consistent with common industry practice, we present comparable restaurant sales on a calendar-adjusted basis that aligns current year sales weeks with comparable periods in the prior year, regardless of whether they belong to the same fiscal period or not. Comparable restaurant sales is only one measure of how we evaluate our performance.

Average Unit Volumes

AUVs consist of the average annualized sales of all company-owned restaurants for a given time period. AUVs are calculated by dividing restaurant revenue by the number of operating days within each time period and multiplying by the number of operating days we have in a typical year. This measurement allows management to assess changes in consumer traffic and per person spending patterns at our restaurants. In addition to the factors that impact comparable restaurant sales, AUVs can be further impacted by effective real estate site selection and maturity and trends within new markets.

Restaurant Contribution and Restaurant Contribution Margin

Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs. Restaurant contribution margin represents restaurant contribution as a percentage of restaurant revenue. We expect restaurant contribution to increase in proportion to the number of new restaurants we open, our comparable restaurant sales growth and cost reduction initiatives.

We believe that restaurant contribution and restaurant contribution margin are important tools for investors and other interested parties because they are widely-used metrics within the restaurant industry to evaluate restaurant-level productivity, efficiency and performance. We also use restaurant contribution and restaurant contribution margin as metrics to evaluate the profitability of incremental sales at our restaurants, restaurant performance across periods and restaurant financial performance compared with competitors. Restaurant contribution and restaurant contribution margin are supplemental measures of the operating performance of our restaurants and are not reflective of the underlying performance of our business because corporate-level expenses are excluded from these measures.

EBITDA and Adjusted EBITDA

We define EBITDA as net income (loss) before net interest expense, provision (benefit) for income taxes and depreciation and amortization. We define adjusted EBITDA as net income (loss) before net interest expense, provision (benefit) for income taxes, depreciation and amortization, restaurant impairments, loss on disposal of assets, net lease exit costs (benefits), severance, executive transition costs, corporate transaction costs and stock-based compensation.

We believe that EBITDA and adjusted EBITDA provide clear pictures of our operating results by eliminating certain non-recurring and non-cash expenses that may vary widely from period to period and are not reflective of the underlying business performance.

The presentation of restaurant contribution, restaurant contribution margin, EBITDA and adjusted EBITDA, which may not be comparable to similarly titled financial measures used by other companies, is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”). We use these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. We believe that they provide useful information to management and investors about operating results, enhance the overall understanding of past financial performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making.

Results of Operations

The following table presents a reconciliation of net loss to EBITDA and adjusted EBITDA:

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
	(in thousands, unaudited)			
Net loss	$ (2,146)	$ (9,151)	$ (9,514)	$ (35,760)
Depreciation and amortization	5,672	6,604	17,553	20,833
Interest expense, net	2,288	2,827	7,276	8,227
Provision for income taxes	3	5	30	49
EBITDA	$ 5,817	$ 285	$ 15,345	$ (6,651)
Restaurant impairments[1]	1,219	5,326	8,727	17,813
Loss on disposal of assets	482	698	1,554	2,461
Lease exit (benefits) costs, net	(124)	(1,278)	(2,585)	(2,156)
Severance, executive transition costs and corporate transaction costs	823	334	1,669	800
Stock-based compensation expense	509	1,133	2,439	2,651
Adjusted EBITDA	$ 8,726	$ 6,498	$ 27,149	$ 14,918

(1) Restaurant impairments in all periods presented above include amounts related to restaurants previously impaired. See Note 7, Restaurant Impairments, Closure Costs and Asset Disposals.

The following table presents a reconciliation of income (loss) from operations to restaurant contribution:

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Income (loss) from operations	$ 145	$ (6,319)	$ (2,208)	$ (27,484)
Less: Franchising royalties and fees, and other	2,363	2,507	6,945	7,627
Plus: General and administrative	13,583	12,272	39,954	37,486
Depreciation and amortization	5,672	6,604	17,553	20,833
Pre-opening	—	6	—	226
Restaurant impairments, closure costs and asset disposals	2,748	5,681	11,009	20,625
Restaurant contribution	$ 19,785	$ 15,737	$ 59,363	$ 44,059
Restaurant contribution margin	16.7 %	13.2 %	16.3 %	12.1 %

Restaurant Openings, Closures and Relocations

The following table shows restaurants opened or closed during the periods indicated:

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
Company-Owned Restaurant Activity				
Beginning of period	318	364	340	371
Openings	—	—	—	2
Closures	(12)	(15)	(34)	(24)
Restaurants at end of period	306	349	306	349
Franchise Restaurant Activity				
Beginning of period	78	89	83	92
Openings	1	—	1	—
Closures	(2)	(3)	(7)	(6)
Restaurants at end of period	77	86	77	86
Total restaurants	383	435	383	435

Statement of Operations as a Percentage of Revenue

The following table summarizes key components of our results of operations for the periods indicated as a percentage of our total revenue, except for the components of restaurant operating costs, which are expressed as a percentage of restaurant revenue.

	Fiscal Quarter Ended		Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025	September 29, 2026	September 30, 2025
	(unaudited)			
Revenue:				
Restaurant revenue	98.0 %	97.9 %	98.1 %	98.0 %
Franchising royalties and fees, and other	2.0 %	2.1 %	1.9 %	2.0 %
Total revenue	100.0 %	100.0 %	100.0 %	100.0 %
Costs and expenses:				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	24.8 %	25.7 %	25.0 %	26.3 %
Labor	29.5 %	31.4 %	29.6 %	31.9 %
Occupancy	8.2 %	9.3 %	8.3 %	9.3 %
Other restaurant operating costs	20.8 %	20.5 %	20.8 %	20.5 %
General and administrative	11.2 %	10.1 %	10.7 %	10.1 %
Depreciation and amortization	4.7 %	5.4 %	4.7 %	5.6 %
Pre-opening	— %	— %	— %	0.1 %
Restaurant impairments, closure costs and asset disposals	2.3 %	4.7 %	3.0 %	5.5 %
Total costs and expenses	99.9 %	105.2 %	100.6 %	107.4 %
Income (loss) from operations	0.1 %	(5.2)%	(0.6)%	(7.4)%
Interest expense, net	1.9 %	2.3 %	2.0 %	2.2 %
Loss before income taxes	(1.8)%	(7.5)%	(2.6)%	(9.6)%
Provision for income taxes	— %	— %	— %	— %
Net loss	(1.8)%	(7.5)%	(2.6)%	(9.6)%

Third Quarter Ended September 29, 2026 Compared to Third Quarter Ended September 30, 2025

The table below presents our unaudited operating results for the third quarters of 2026 and 2025, and the related quarter-over-quarter changes.

	Fiscal Quarter Ended		Increase / (Decrease)	
	September 29, 2026	September 30, 2025	$	%
	(in thousands, unaudited)			
Revenue:				
Restaurant revenue	$ 118,509	$ 119,579	$ (1,070)	(0.9)%
Franchising royalties and fees, and other	2,363	2,507	(144)	(5.7)%
Total revenue	120,872	122,086	(1,214)	(1.0)%
Costs and expenses:				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	29,347	30,709	(1,362)	(4.4)%
Labor	34,908	37,499	(2,591)	(6.9)%
Occupancy	9,773	11,076	(1,303)	(11.8)%
Other restaurant operating costs	24,696	24,558	138	0.6 %
General and administrative	13,583	12,272	1,311	10.7 %
Depreciation and amortization	5,672	6,604	(932)	(14.1)%
Pre-opening	—	6	(6)	(100.0)%
Restaurant impairments, closure costs and asset disposals	2,748	5,681	(2,933)	(51.6)%
Total costs and expenses	120,727	128,405	(7,678)	(6.0)%
Income (loss) from operations	145	(6,319)	6,464	102.3 %
Interest expense, net	2,288	2,827	(539)	(19.1)%
Loss before taxes	(2,143)	(9,146)	7,003	76.6 %
Provision for income taxes	3	5	(2)	(40.0)%
Net loss	$ (2,146)	$ (9,151)	$ 7,005	76.5 %
Company-owned:				
Average unit volume	$ 1,545	$ 1,341	$ 204	15.2 %
Comparable restaurant sales	10.7 %	4.0 %		

Revenue

Total revenue decreased by $1.2 million, or 1.0%, to $120.9 million in the third quarter of 2026 compared to $122.1 million in the third quarter of 2025. During the third quarter of 2026, significant increases in comparable restaurant sales were offset by a decline in revenue related to 45 permanent company-owned closures and a decline in franchise revenue from 10 franchise restaurant closures over the last twelve months. Average unit volumes increased 15.2% to $1.55 million in the third quarter of 2026 compared to $1.34 million in the third quarter of 2025 primarily due to increases in same store sales, the closure of underperforming restaurants and the transfer of a significant portion of the sales from closed restaurants to nearby locations. System-wide comparable restaurant sales increased 9.5% in the third quarter of 2026 compared to the same period of 2025, comprised of a 10.7% increase at company-owned restaurants and a 4.9% increase at franchise-owned restaurants.

Cost of Sales

Cost of sales decreased by $1.4 million, or 4.4%, in the third quarter of 2026 compared to the same period of 2025. As a percentage of restaurant revenue, cost of sales decreased to 24.8% in the third quarter of 2026 compared to 25.7% in the third quarter of 2025, primarily due to a 0.6% benefit from menu price, a 0.3% benefit from menu mix shifts and a 0.3% benefit from reduced food waste, partially offset by a 0.3% impact from inflation.

Labor Costs

Labor costs decreased by $2.6 million, or 6.9%, in the third quarter of 2026 compared to the same period of 2025. As a percentage of restaurant revenue, labor costs decreased to 29.5% in the third quarter of 2026 compared to 31.4% in the third quarter of 2025, primarily due to a 1.6% benefit from sales volume leverage and a 0.5% benefit from menu price, partially offset by a 0.4% impact from wage inflation.

Occupancy Costs

Occupancy costs decreased by $1.3 million or 11.8% in the third quarter of 2026 compared to the third quarter of 2025, primarily due to permanent restaurant closures. As a percentage of restaurant revenue, occupancy costs decreased to 8.2% in the third quarter of 2026 compared to 9.3% in the third quarter of 2025, primarily due to sales leverage.

Other Restaurant Operating Costs

Other restaurant operating costs increased by $0.1 million, or 0.6%, in the third quarter of 2026 compared to the third quarter of 2025. As a percentage of restaurant revenue, other restaurant operating costs increased to 20.8% in the third quarter of 2026 compared to 20.5% in the third quarter of 2025, primarily due to a 0.7% impact from an increase in delivery fees from higher third-party delivery sales, partially offset by a 0.2% benefit from sales leverage and a 0.2% impact from lower repairs and maintenance spend.

General and Administrative Expense

General and administrative expense increased by $1.3 million, or 10.7%, in the third quarter of 2026 compared to the third quarter of 2025, primarily due to increases in incentive-based compensation as a result of improved Company performance, as well as an increase in corporate transaction costs. As a percentage of revenue, general and administrative expense increased to 11.2% in the third quarter of 2026 from 10.1% in the third quarter of 2025.

Depreciation and Amortization

Depreciation and amortization decreased by $0.9 million, or 14.1%, in the third quarter of 2026 compared to the third quarter of 2025, primarily due to restaurant closures since the third quarter of 2025.

Restaurant Impairments, Closure Costs and Asset Disposals

Restaurant impairments, closure costs and asset disposals decreased $2.9 million to $2.7 million in the third quarter of 2026 compared to $5.7 million the third quarter of 2025. We did not record any fixed asset impairment charges in the third quarter of 2026. In the third quarter of 2026, we wrote down lease related assets on seven restaurants. In the third quarter of 2025, we recorded fixed asset impairment on nine restaurants and we wrote down lease related assets on nine restaurants.

Interest Expense, Net

Interest expense, net decreased $0.5 million in the third quarter of 2026 compared to the third quarter of 2025, primarily due to lower average interest rates and lower average debt balances in the third quarter of 2026 as compared to the third quarter of 2025. Lower average debt balances are due to paying down approximately $9.2 million in 2026.

Provision for Income Taxes

The effective tax rate for the third quarter of 2026 and for the third quarter of 2025 reflect the impact of the previously recorded valuation allowance. The primary components of the provision for income tax (for both quarters) are related to state tax and the change in our valuation allowance. For the remainder of fiscal 2026, we do not anticipate material income tax expense or benefit as a result of the valuation allowance recorded. We will maintain a valuation allowance against deferred tax assets until there is sufficient evidence to support a full or partial reversal. The reversal of a previously recorded valuation allowance will generally result in a benefit from income tax.

Three Quarters Ended September 29, 2026 Compared to Three Quarters Ended September 30, 2025

The table below presents our unaudited operating results for the first three quarters of 2026 and 2025, and the related period-over-period changes.

	Three Fiscal Quarters Ended		Increase / (Decrease)	
	September 29, 2026	September 30, 2025	$	%
	(in thousands, except percentages)			
Revenue:				
Restaurant revenue	$ 364,750	$ 364,686	$ 64	— %
Franchising royalties and fees, and other	6,945	7,627	(682)	(8.9)%
Total revenue	371,695	372,313	(618)	(0.2)%
Costs and expenses:				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	91,259	95,862	(4,603)	(4.8)%
Labor	108,056	116,174	(8,118)	(7.0)%
Occupancy	30,292	33,963	(3,671)	(10.8)%
Other restaurant operating costs	75,780	74,628	1,152	1.5 %
General and administrative	39,954	37,486	2,468	6.6 %
Depreciation and amortization	17,553	20,833	(3,280)	(15.7)%
Pre-opening	—	226	(226)	(100.0)%
Restaurant impairments, closure costs and asset disposals	11,009	20,625	(9,616)	(46.6)%
Total costs and expenses	373,903	399,797	(25,894)	(6.5)%
Loss from operations	(2,208)	(27,484)	25,276	92.0 %
Interest expense, net	7,276	8,227	(951)	(11.6)%
Loss before taxes	(9,484)	(35,711)	26,227	73.4 %
Provision for income taxes	30	49	(19)	(38.8)%
Net loss	$ (9,514)	$ (35,760)	$ 26,246	73.4 %
Company-owned:				
Average unit volumes	$ 1,534	$ 1,336	$ 198	14.8 %
Comparable restaurant sales	10.5 %	3.3 %		

Revenue

Total revenue decreased by $0.6 million, or 0.2%, in the first three quarters of 2026 to $371.7 million compared to $372.3 million in the same period of 2025. Increases in company comparable restaurant sales were offset by a decline in revenue related to 45 permanent company-owned closures and a decline in franchise revenue from 10 franchise restaurant closures over the last twelve months. Average unit volumes increased 14.8% to $1.53 million in the first three quarters of 2026 compared to $1.34 million in the first three quarters of 2025 primarily due to increases in same store sales, the closure of underperforming restaurants and the transfer of a significant portion of the sales from closed restaurants to nearby locations. Comparable restaurant sales increased 9.7% system-wide in the first three quarters of 2026 compared to the first three quarters of 2025, comprised of a 10.5% increase at company-owned restaurants and a 6.1% increase at franchise-owned restaurants.

Cost of Sales

Cost of sales decreased by $4.6 million, or 4.8%, in the first three quarters of 2026 compared to the same period of 2025. As a percentage of restaurant revenue, cost of sales decreased to 25.0% in the first three quarters of 2026 compared to 26.3% in the first three quarters of 2025, primarily due to a 0.6% benefit from lower food waste and a 0.6% benefit from menu price.

Labor Costs

Labor costs decreased by $8.1 million, or 7.0%, in the first three quarters of 2026 compared to the same period of 2025. As a percentage of restaurant revenue, labor costs decreased to 29.6% in the first three quarters of 2026 compared to 31.9% in the first three quarters of 2025, primarily due to a 1.6% benefit from sales leverage, a 0.7% benefit from menu price and a 0.4% benefit from labor efficiencies, partially offset by 0.5% of wage inflation.

Occupancy Costs

Occupancy costs decreased by $3.7 million, or 10.8%, in the first three quarters of 2026 compared to the first three quarters of 2025, primarily due to permanent restaurant closures. As a percentage of restaurant revenue, occupancy costs decreased to 8.3% in the first three quarters of 2026 compared to 9.3% in the first three quarters of 2025, primarily due to sales leverage.

Other Restaurant Operating Costs

Other restaurant operating costs increased by $1.2 million, or 1.5%, in the first three quarters of 2026 compared to the first three quarters of 2025. As a percentage of restaurant revenue, other restaurant operating costs increased to 20.8% in the first three quarters of 2026 compared to 20.5% in the first three quarters of 2025, primarily due to 0.6% impact from higher delivery fees driven by higher delivery sales, partially offset by 0.3% of sales leverage.

General and Administrative Expense

General and administrative expense increased by $2.5 million, or 6.6%, in the first three quarters of 2026 compared to the first three quarters of 2025, primarily due to higher incentive-based compensation as a result of improved Company performance, as well as an increase in corporate transaction costs, partially offset by lower wages and professional fees. As a percentage of revenue, general and administrative expense increased to 10.7% in the first three quarters of 2026 from 10.1% in the first three quarters of 2025.

Depreciation and Amortization

Depreciation and amortization decreased by $3.3 million, or 15.7%, in the first three quarters of 2026 compared to the first three quarters of 2025, primarily due to restaurant closures.

Restaurant Impairments, Closure Costs and Asset Disposals

Restaurant impairments, closure costs and asset disposals decreased $9.6 million to $11.0 million in the first three quarters of 2026 compared to the first three quarters of 2025. We recorded fixed asset impairment on 11 restaurants and wrote down lease related assets on 23 restaurants in the first three quarters of 2026. We recorded fixed asset impairment on 24 restaurants and wrote down lease related assets on 20 restaurants in the first three quarters of 2025.

Interest Expense1

Interest expense decreased by $1.0 million in the first three quarters of 2026 compared to the same period of 2025. The decrease was primarily due to lower average interest rates and lower average debt balances in the first three quarters of 2026 compared to the first three quarters of 2025. Lower average debt balances are due to paying down approximately $9.2 million in 2026.

Provision for Income Taxes

The effective tax rate for the first three quarters of 2026 and for the first three quarters of 2025 reflect the impact of the previously recorded valuation allowance. The primary components of the provision for income tax (for all quarters) are related to state tax and the change in our valuation allowance. For the remainder of fiscal 2026, we do not anticipate material income tax expense or benefit as a result of the valuation allowance recorded. We will maintain a valuation allowance against deferred tax assets until there is sufficient evidence to support a full or partial reversal. The reversal of a previously recorded valuation allowance will generally result in a benefit from income tax. We estimate the annual effective tax rate for 2026 to be between (1.0%) and (0%).

Liquidity and Capital Resources

Summary of Cash Flows

We have historically used cash and our revolving credit facility under our A&R Credit Agreement to fund capital expenditures for new restaurant openings, reinvest in our existing restaurants, invest in infrastructure and information technology and maintain working capital. Our working capital position benefits from the fact that we generally collect cash from sales to customers the same day, or in the case of credit or debit card transactions, within several days of the related sale, and we typically have up to 30 days to pay our vendors.

On November 12, 2026, the Company and the Loan Parties entered into the Third Amendment to the A&R Credit Agreement to extend the maturity date from July 27, 2027 to November 30, 2027, reduce the aggregate amount of the facility to $120.0 million, phase out the availability of letters of credit and increase the cost of borrowing including if amounts remain outstanding after January 29, 2027.

The Company will require new financing and/or other sources of capital to repay or a waiver or agreement with its current lenders to extend or refinance the facility on or before maturity as discussed further below under “Liquidity” and Part II - Item 5. Risk Factors.

Cash flows from operating, investing and financing activities are shown in the following table (in thousands):

	Three Fiscal Quarters Ended	
	September 29, 2026	September 30, 2025
Net cash provided by operating activities	$ 17,185	$ 8,357
Net cash used in investing activities	(6,348)	(10,055)
Net cash (used in) provided by financing activities	(10,570)	5,243
Net increase in cash and cash equivalents	$ 267	$ 3,545

Operating Activities

Net cash provided by operating activities was $17.2 million in the first three quarters of 2026 compared to net cash provided by operating activities of $8.4 million in the first three quarters of 2025. The increase in operating cash flow resulted primarily from a decrease in net loss as adjusted for non cash items including depreciation and impairments, as well as changes in working capital related to the timing of accounts payable, payroll and accrued liabilities.

Investing Activities

Net cash used in investing activities decreased $3.7 million to $6.3 million in the first three quarters of 2026 from $10.1 million in the first three quarters of 2025. This decrease was primarily due to the absence of capital expenditures for new restaurant development in 2026 and lower spending on certain technology projects.

Financing Activities

Net cash used in financing activities was $10.6 million in the first three quarters of 2026, compared to net cash provided by financing of $5.2 million in the first three quarters of 2025. The change from the first three quarters of 2025 was primarily due to payments on our revolving credit facility in 2026 versus borrowings on our revolving credit facility during 2025.

Capital Resources

Material Cash Requirements. Our short-term obligations consist primarily of certain lease and other contractual commitments related to our operations, normal recurring operating expenses, working capital needs, new store development, capital improvements and maintenance of our restaurants, regular interest payments on our debt obligations and certain non-recurring expenditures.

Our long-term obligations consist primarily of certain lease and other contractual commitments related to our operations and payment of our outstanding debt obligations, including our debt under our A&R Credit Agreement, which will need to be refinanced and/or replaced by other sources of capital or extended on or before maturity. We are obligated under non-cancelable

leases for our restaurants, administrative offices and equipment. In addition, when we have a target for new store development this will require capital for such year, which is expected to be funded by currently available cash and cash equivalents, cash flows from operations and our revolving credit facility. Our capital expenditure requirements are primarily dependent upon the pace of our real estate development program and any resulting new restaurant openings, costs for maintenance and remodeling of our existing restaurants as well as information technology expenses and other general corporate capital expenditures. We currently do not plan to open any company-owned restaurants in 2026.

We estimate capital expenditures will be approximately $8.5 million to $9.5 million for fiscal year 2026, including $2.0 million to $3.0 million for the remainder of the year, primarily for the reinvestment in existing restaurants and investments in technology. We expect such capital expenditures to be funded by currently available cash and cash equivalents, cash flows from operations and if necessary, undrawn capacity under our revolving credit line.

Current Resources. Our operations have not historically required significant working capital and, like many restaurant companies, we operate with negative working capital. Restaurant sales are primarily paid for in cash or by credit or debit card, and restaurant operations do not require significant inventories or receivables. In addition, we receive trade credit for the purchase of food, beverages and supplies, therefore reducing the need for incremental working capital to support growth.

Liquidity. As of September 29, 2026 and December 30, 2025, we had a cash balance of $1.5 million. The amount available for future borrowings under our A&R Credit Agreement (defined below) was $21.2 million as of September 29, 2026. We believe that our current cash and cash equivalents, the expected cash flows from company-owned restaurant operations, the expected franchise fees and royalties and available borrowings under the revolving credit facility under our A&R Credit Agreement will be sufficient to fund our cash requirements for working capital needs and capital improvements and maintenance of existing restaurants for twelve months from the date of this report.

On November 12, 2026, we entered into the Third Amendment to the A&R Credit Agreement to extend the maturity date to November 30, 2027, and increase the cost of borrowing including if amounts remain outstanding after January 29, 2027, among other changes described under “Credit Facility” below. We will require new financing and/or other sources of capital or a waiver or agreement with our current lenders to extend or refinance the facility on or before maturity. We were in compliance with our covenants under the A&R Credit Agreement as of September 29, 2026, and expect to continue to be in compliance for twelve months from the date of this report. These covenants, unless waived, include having an unqualified report from our auditors with respect to our audited annual financial statements, which will next be required by the March 29, 2027 deadline for reporting our fiscal year 2026 results.

The Company continues to review its options with respect to such debt obligation in connection with its review of strategic alternatives. In addition, since early 2025, we have experienced sustained quarter-over-quarter improvement in sales, margins and debt repayment, and significantly exceeded industry comparisons in sales in traffic trends. We believe that these improved trends in business performance, particularly if such trends continue, will enhance our ability to address our debt maturity; however, there is no assurance that the Company will obtain such financing, and/or other sources of capital or an extension refinancing or waiver on a timely basis. See - Item 5. Risk Factors.

Credit Facility

On July 27, 2022, we amended and restated our Credit Agreement by entering into the A&R Credit Agreement with each other Loan Party thereto, each lender from time to time party thereto, and U.S. Bank National Association, as Administrative Agent, L/C Issuer and Swing Line Lender. The A&R Credit Agreement is secured by a pledge of stock of substantially all of the Company’s subsidiaries and a lien on substantially all of the personal property assets of the Company and its subsidiaries.

Among other things, the A&R Credit Agreement: set the cost of borrowing at SOFR plus a margin of 1.50% to 2.50% per annum, based upon the consolidated total lease-adjusted leverage ratio. The A&R Credit Agreement was subsequently amended on December 21, 2023 and on October 29, 2024, the Company entered into the Second Amendment. Among the modifications, the Second Amendment: (i) increased the maximum applicable rate ranges (A) with respect to SOFR loans, from 1.75% - 3.00% to 1.75% - 3.75% per annum and (B) with respect to base rate loans, from 0.75% - 2.00% to 0.75% - 2.75% per annum, in each case as determined by the Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement), (ii) conditioned the use of the general restricted payment basket on satisfaction of a Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) of less than or equal to 4.00 to 1.00 and a Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) of greater than or equal to 1.25 to 1.00, (iii) restricted entry into new lease agreements so long as the Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(a) of the A&R Credit Agreement is greater than or equal to 4.50 to 1.00, (iv) increased the Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(a) of the A&R

Credit Agreement to be no greater than (1) 4.75 to 1.00 for the fiscal quarters ending September 29, 2026 and December 29, 2026 and (2) 4.50 to 1.00 for the fiscal quarter ended March 30, 2027 and thereafter and (v) amended the Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) in Section 7.11(b) of the A&R Credit Agreement to be no less than (1) 1.25 to 1.00 for the fiscal quarter ending June 30, 2026 and thereafter.

On November 12, 2026, we entered into the Third Amendment to (i) extend the maturity date from July 27, 2027 to November 30, 2027, (ii) reduce the aggregate amount of the facility to $120.0 million, (iii) provide that all outstanding letters of credit issued under the A&R Credit Agreement will not be renewed upon expiration and that, upon the earlier of repayment of the revolving credit facility or January 29, 2027, we will deliver cash collateral to the Administrative Agent in an amount equal to 105% of the stated amount of the outstanding letters of credit until their expiration, and (iv) establish the cost of borrowing through January 29, 2027 at SOFR plus 3.25% with respect to SOFR loans and the Base Rate plus 2.25% with respect to base rate loans and, on and after January 30, 2027, at SOFR plus 7.00% for all loans (with SOFR subject to a floor of 3.00%). In addition, we paid an extension fee plus administrative fees and, if all obligations under the A&R Credit Agreement have not been paid in full by January 29, 2027, we will pay the Loan Parties a fee of $1,250,000.

As of September 29, 2026, we had $101.0 million of indebtedness under the credit facility (excluding $0.7 million of unamortized debt issuance costs) and $2.8 million of letters of credit outstanding under our A&R Credit Agreement.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements or obligations as of September 29, 2026.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and accompanying notes are prepared in accordance with GAAP. Preparing consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are affected by the application of our accounting policies. Our significant accounting policies are described in our Annual Report on Form 10-K for the year ended December 30, 2025. Critical accounting estimates are those that require application of management's most difficult, subjective or complex judgments, often as a result of matters that are inherently uncertain and may change in subsequent periods. While we apply our judgment based on assumptions believed to be reasonable under the circumstances, actual results could vary from these assumptions. It is possible that materially different amounts would be reported using different assumptions. Our critical accounting estimates are identified and described in our annual consolidated financial statements and the related notes included in our Annual Report on Form 10-K for our fiscal year ended December 30, 2025.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

We are exposed to market risk from changes in interest rates on outstanding debt. Our exposure to interest rate fluctuations is limited to our outstanding bank debt, which bears interest at variable rates. As of September 29, 2026, we had $101.0 million of outstanding borrowings under our A&R Credit Agreement, with an average interest rate during the first three quarters of 2026 of 7.9%, compared to 8.6% during the first three quarters of 2025. An increase or decrease of 1.0% in the effective interest rate applied on these loans would have resulted in a pre-tax interest expense fluctuation of approximately $1.0 million on an annualized basis.

Commodity Price Risk

We purchase certain products that are affected by commodity prices and are, therefore, subject to price volatility caused by weather, market conditions, trade tariffs and other factors that are not considered predictable or within our control. Although these products are subject to changes in commodity prices, certain purchasing contracts or pricing arrangements contain risk management techniques designed to minimize price volatility. We use these types of purchasing techniques to control costs as an alternative to directly managing financial instruments to hedge commodity prices. In many cases, we believe we may be able to address material commodity cost increases by adjusting our menu pricing, but multiple price increases over a short period of time may negatively affect customer behavior, as we observed in 2023. We have evaluated and will continue to evaluate the impact of import laws and tariffs (including any refunds) on our operations as some of our food items are imported from India, Mexico and other countries. As of September 29, 2026, there was no material impact on our business, financial condition, results of operations or cash flows. However, tariffs continue to change and we expect tariffs may continue to impact our operations in certain areas, such as food and beverage costs, construction and equipment costs and other restaurant operating

costs, into 2026. We will continue to utilize fixed price contracts for certain key items to mitigate risk. However, increases in commodity prices, without adjustments to our menu prices, have and could continue to increase restaurant operating costs as a percentage of restaurant revenue.

Inflation

The primary inflationary factors affecting our operations are food costs, labor costs, energy costs and materials and labor used in the construction of new restaurants. There is also uncertainty around tariffs and the potential impacts on our food costs. Additionally, many of our leases require us to pay taxes, maintenance, repairs, insurance and utilities, all of which are generally subject to inflationary increases. We anticipate inflation may continue to affect our results in the near future.

Item 4. Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 29, 2026, pursuant to Rule 13a-15 under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 29, 2026 to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. Legal Proceedings

We are currently not a party to any material legal proceedings. From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Regardless of outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, negative publicity, reputational harm and other factors, and there can be no assurances that favorable outcomes will be obtained.

Item 1A. Risk Factors

A description of the risk factors associated with our business is contained in the "Risk Factors" section of our Annual Report on Form 10-K for our fiscal year ended December 30, 2025. There have been no material changes to our Risk Factors as previously reported in our Annual Report on Form 10-K for our fiscal year ended December 30, 2025 other than as follows.

We require new financing and/or other sources of capital or an agreement with our current lenders to further extend or refinance our A&R Credit Agreement on a timely basis and there is no certainty regarding our ability to do so.

As of September 29, 2026, we had $101.0 million of indebtedness under the credit facility (excluding $0.7 million of unamortized debt issuance costs) and $2.8 million of letters of credit outstanding under our A&R Credit Agreement, which was recently extended to November 30, 2027. We are reliant on the A&R Credit Agreement, together with our current cash and cash equivalents, expected cash flows from company-owned restaurant operations and expected franchise fees and royalties, to provide us with sufficient liquidity.

We will require new financing and/or other sources of capital or a waiver or agreement with our current lenders to extend or refinance the facility on or before maturity. The Third Amendment to our A&R Credit Agreement entered into on November 12, 2026 extends the maturity date to November 30, 2027, but provides financial incentives for early repayment.

In addition, the A&R Credit Agreement includes various financial and other covenants, including a requirement to have an unqualified report from our auditors with respect to our audited annual financial statements, which will next be required by the March 29, 2027 deadline for reporting our fiscal year 2026 results. If we have not yet secured new financing and/or capital or an agreement with our current lenders to further extend, refinance or provide a waiver under the A&R Credit Agreement at that time, this uncertainty may lead to non-compliance with such covenant. Any non-compliance with this or other covenants that is not waived could preclude further borrowing and give the lenders the option to accelerate the maturity date by declaring the full amount outstanding under the A&R Credit Agreement immediately due and payable.

We continue to review our options with respect to such debt obligation in connection with our review of strategic alternatives. However, at this time, there is no assurance that we will obtain such financing and/or other sources of capital or an extension, refinancing or waiver on or before the maturity date or the March 2027 deadline for issuing our fiscal year 2026 audited financial statements.

If we are not successful in addressing the debt maturity and/or maintaining compliance with or obtaining a waiver with respect to the A&R Credit Agreement covenants, we may need to consider further strategic alternatives, including reducing or delaying our business activities and strategic initiatives or selling assets, among others, which could have a material adverse effect on our operations and financial condition. In addition, the risk that we may not timely obtain sufficient financing may have a negative effect on our business, including our share price, vendor relationships and customer confidence.

If we are able to refinance our indebtedness, the terms of any such new financing may also adversely impact the value of your investment. For example, if we are able to access additional liquidity, agreements governing any borrowing arrangement could contain covenants restricting our operations. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing we secure in the future could involve higher interest rates, especially given the current inflationary environment, and restrictive covenants relating to our capital-raising activities and other financial and operational matters, which might make it more difficult for us to obtain additional capital and to pursue business opportunities. Moreover, if we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets.

There can be no assurance that our review of strategic alternatives or any initiatives or transactions that we pursue will be completed on a timely basis or at all or result in opportunities or additional stockholder value or that the process or any actions that we take will not have an adverse impact on our business.

On September 3, 2025, we announced that our Board of Directors had initiated a review of strategic alternatives in order to explore ways to maximize stockholder value. The scope of the review was set to include a range of potential strategic alternatives, including a refinancing of existing indebtedness or sale of all or part of the business, and/or other strategic or financial transactions. Although such review remains in process and we expect to continue to explore all available alternatives, we are currently primarily focused on refinancing of our existing indebtedness prior to its upcoming maturity .

The process of reviewing strategic alternatives has been and may continue to be time consuming and may be disruptive to our business operations and, if we are unable to effectively manage the process, our business, financial condition and results of operations could be adversely affected. We may incur substantial expenses associated with a potential strategic alternative. This process could also increase our exposure to potential litigation. There can be no assurance that any suitable transaction will be identified or that any transaction that we may pursue will provide greater value to our stockholders than that reflected in the current price of our common stock or otherwise be successfully implemented. As a result, our common stock involves an unusually high degree of risk in light of the potential for substantial and ongoing changes to our business, capital structure and sources of liquidity.

Until the review process is concluded, perceived uncertainties related to our future may result in volatility in the market price of our common stock and may make it more difficult for us to attract and retain qualified personnel and business partners.

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

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

On November 12, 2026, the Company and the Loan Parties entered into the Third Amendment to the A&R Credit Agreement described under Part II, Item 2 – “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources – Credit Facility.” A copy of the Third Amendment is filed herewith as Exhibit 10.1.

Director and Executive Officer Trading

During the quarter ended September 29, 2026, no director or officer adopted or terminated any Rule 10b5-1 or non-Rule 10b5-1 trading arrangements (as defined in Item 408 of Regulation S-K).

Item 6. Exhibit Index

Exhibit Number	Description of Exhibit
10.1	Third Amendment to Amended and Restated Credit Agreement, dated as of November 12, 2026, by and among Noodles & Company, each of the Guarantors signatory thereto, U.S. Bank National Association, as Administrative Agent, L/C Issuer and Swing Line Issuer and the lenders signatory thereto
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104.0	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

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

NOODLES & COMPANY

By: /s/ MIKE HYNES

Mike Hynes
Chief Financial Officer (principal financial officer and duly authorized signatory for the registrant)

Date November 13, 2026

Exhibit 10.1

Execution Version

THIRD AMENDMENT

TO

AMENDED AND RESTATED CREDIT AGREEMENT

This THIRD AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT dated as of November 12, 2026 (this "Amendment") is by and among (a) NOODLES & COMPANY (the "Borrower"), (b) each of the Guarantors (as defined in the Existing Credit Agreement referred to below) signatory hereto, (c) U.S. BANK NATIONAL ASSOCIATION, as administrative agent (in such capacity, the "Administrative Agent"), L/C Issuer and Swing Line Lender (each such term defined in the Existing Credit Agreement referred to below) and (d) the Lenders (as defined in the Existing Credit Agreement referred to below) signatory hereto (which constitute all Lenders under the Existing Credit Agreement) and amends, restates, extends, supplements and otherwise modifies that certain Amended and Restated Credit Agreement, dated as of July 27, 2022, by and among the Borrower, the other Loan Parties (as defined therein) party thereto, the Lenders (as defined therein) party thereto, the Administrative Agent, and U.S. Bank National Association, as L/C Issuer and Swing Line Lender (each as defined therein) (such Amended and Restated Credit Agreement as amended by (i) the First Amendment to Amended and Restated Credit Agreement, dated as of December 21, 2023, and (ii) the Second Amendment to Amended and Restated Credit Agreement, dated as of October 29, 2024, the "Existing Credit Agreement"; the Existing Credit Agreement as amended, restated, extended, supplemented and otherwise modified by this Amendment, the "Amended Credit Agreement"; the Amended Credit Agreement as may be further amended, restated, extended, supplemented, modified and otherwise in effect from time to time, the "Credit Agreement"). Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Amended Credit Agreement.

WHEREAS, the Borrower and the Guarantors desire to modify certain terms and conditions of the Existing Credit Agreement as set forth in this Amendment; and

WHEREAS, the Administrative Agent, the Lenders, L/C Issuer and Swing Line Lender have agreed to modify such terms and conditions of the Existing Credit Agreement as provided more fully herein below.

NOW THEREFORE, in consideration of the mutual agreements contained in the Existing Credit Agreement and herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

§1. Amendments to the Existing Credit Agreement.

§1.1 Amendment to Section 1.01. Section 1.01 of the Existing Credit Agreement is hereby amended by restating the below definition in its entirety as follows:

"Maturity Date" means November 30, 2027.

§1.2 Amendment to Section 1.01. Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following at the end of the definition of "Applicable Rate":

"Notwithstanding anything to the contrary in this definition or elsewhere in this Agreement, from and after the Third Amendment Effective Date through January 29, 2027, the Applicable Rate with respect to (a) Term SOFR Loans shall be 3.25% per annum and (b) Base Rate Loans shall be 2.25% per annum. If all Obligations (other than contingent obligations for which no claim has been asserted) have not been paid in full in cash on or before January 29, 2027, then, effective as of January 30, 2027, the interest rate with respect to all Loans shall automatically increase to the Term SOFR Rate plus 7.00% per annum, and the Default Rate shall be such rate plus 2.00% per annum. For purposes of calculating interest under this Agreement from and after the Third Amendment Effective Date, the Term SOFR Rate shall be deemed to be not less than 3.00%. From and after the Third Amendment Effective Date, (i) Letter of Credit Fees shall accrue at the same rate per annum applicable to Term SOFR Loans (including any increase in such rate effective as of January 30, 2027, as provided above) and (ii) the Commitment Fee shall accrue at a rate of 0.35% per annum."

§1.3 Amendment to Section 1.01. Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new definitions in the appropriate alphabetical order:

"L/C Cash Collateral" has the meaning specified in Section 2.03(l).

"Permitted Letter of Credit Arrangements" has the meaning specified in Section 2.03(l).

"Third Amendment Effective Date" means November 12, 2026.

§1.4 Amendment to Section 2.03. Section 2.03 of the Existing Credit Agreement is hereby amended by adding the following new clause (l) at the end thereof:

"(1) Cash Collateralization; Replacement Letters of Credit. The Borrower acknowledges and agrees that all Letters of Credit issued under this Agreement and outstanding as of the Third Amendment Effective Date will not be renewed upon expiration, and the L/C Issuer shall provide notice of nonrenewal of each such Letter of Credit to the beneficiary thereof. Notwithstanding anything to the contrary contained in this Agreement, on the earlier of (i) payment in full in cash of all Revolving Credit Loans and (ii) January 29, 2027, the Borrower shall deliver to the L/C Issuer cash collateral in an amount equal to 105% of the stated amount of all outstanding Letters of Credit issued under this Agreement (the "L/C Cash Collateral"). The Borrower may obtain replacement letters of credit (or similar arrangements) from third-party providers in replacement of any Letters of Credit issued by the L/C Issuer and outstanding as of the Third Amendment Effective Date (the "Permitted Letter of Credit Arrangements"). Upon the expiration of any outstanding Letter of Credit, and the L/C Issuer's receipt of the original Letter of Credit or such other documentation as the L/C Issuer may require to evidence the cancellation thereof, the L/C Issuer shall release to the Borrower the L/C Cash Collateral attributable to such Letter of Credit, subject to the application of such L/C Cash Collateral to any outstanding drawings, reimbursement obligations or other amounts then owing in respect of such Letter of Credit."

§1.5 Amendment to Section 7.01. Section 7.01 of the Existing Credit Agreement is hereby amended by amending and restating clause (r) thereof as follows:

"(r) Liens arising under (i) credit card processing agreements and (ii) the Permitted Letter of Credit Arrangements."

§1.6 Amendment to Section 7.02. Section 7.02 of the Existing Credit Agreement is hereby amended by amending and restating clause (m) thereof as follows:

"(m) Indebtedness in respect of (i) credit card processing agreements and (ii) the Permitted Letter of Credit Arrangements."

§1.7 Schedule 2.01. Schedule 2.01 to the Existing Credit Agreement is hereby amended and restated in its entirety to read as set forth in Annex A attached hereto.

§2. Affirmation and Acknowledgment. Each Loan Party hereby ratifies and confirms all of its Obligations to the Lenders and the Administrative Agent, and the Borrower hereby affirms its absolute and unconditional promise to pay to the Lenders the Loans, the other Obligations, and all other amounts due under the Amended Credit Agreement. Each Loan Party hereby ratifies and reaffirms the validity and enforceability of all of the Liens and security interests heretofore granted and pledged by such Loan Party pursuant to the Loan Documents to the Administrative Agent, on behalf and for the benefit of the Secured Parties, as collateral security for the Obligations, and acknowledges that all of such Liens and security interests, and all Collateral heretofore granted, pledged or otherwise created as security for the Obligations continues to be and remains collateral security for the Obligations. Each of the Guarantors party to the Guaranty hereby acknowledges and consents to this Amendment and agrees that the Guaranty and all other Loan Documents to which each of the Guarantors are a party remain in full force and effect, and each of the Guarantors confirms and ratifies all of its Obligations thereunder.

§3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) The execution, delivery and performance by each Loan Party of this Amendment and the performance by such Loan Party of its obligations and agreements under this Amendment and the Amended Credit Agreement have been duly authorized by all necessary corporate or other organizational action, and do not and will not (i) contravene the terms of any of such Loan Party's Organization Documents, (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (A) any material Contractual Obligation (other than the creation of Liens under the Loan Documents) to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan Party or any of its Subsidiaries or (B) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or its property is subject; or (iii) violate any Law, except to the extent that any such violation, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(b) This Amendment has been duly executed and delivered by such Loan Party. Each of this Amendment and the Amended Credit Agreement constitutes a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with their respective terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles, whether enforcement is sought by a proceeding in equity or at law.

(c) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is required in connection with the execution, delivery or performance by such Loan Party of this Amendment.

(d) The representations and warranties of such Loan Party contained in Article V of the Existing Credit Agreement or in any other Loan Document are true and correct in all material respects on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date, and except that the representations and warranties contained in Sections 5.05(a) and 5.05(b) of the Existing Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and 6.01(b) of the Existing Credit Agreement, respectively.

(e) As of the date hereof, after giving effect to this Amendment, there exists no Default or Event of Default.

§4. Conditions. This Amendment shall become effective on the date when each of the following conditions precedent have been satisfied (or waived) (the "Third Amendment Effective Date"), which date shall occur by no later than November 12, 2026:

(a) This Amendment shall have been duly executed and delivered by each Loan Party (with original wet-ink signatures to follow by no later than five (5) Business Days), the Administrative Agent, L/C Issuer, Swing Line Lender and the Lenders.

(b) The Administrative Agent shall have received a certificate signed by a Responsible Officer of the Borrower certifying (i) that there has been no event or circumstance since October 29, 2024 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect and (ii) other than attached to such certificate, that there have been no changes to the Organizational Documents of the Loan Parties delivered to the Administrative Agent on the Closing Date.

(c) The representations and warranties set forth in Section 3 hereof shall be true and correct in all material respects.

(d) The Administrative Agent shall have received (i) the Extension Fee (as defined below) payable pursuant to Section 5.2(a) hereof and (ii) all other fees and expenses due and owing to the Administrative Agent and required to be paid on or before the Third Amendment Effective Date pursuant to that certain Third Amendment to Amended and Restated Credit Agreement Fee Letter dated as of November 12, 2026, by and between the Administrative Agent and the Borrower, in each case to the extent payable on the Third Amendment Effective Date (or shall be paid concurrently with the closing of this Amendment).

(e) To the extent in accordance with Section 11.04(a) of the Existing Credit Agreement, the Administrative Agent shall have been reimbursed for all reasonable and documented fees and out-of-pocket charges and other expenses incurred in connection with this Amendment, including, without limitation, the reasonable fees and disbursements of counsel for the Administrative Agent, to the extent documented and delivered to the Borrower prior to the date hereof (for the avoidance of doubt, a summary statement of such fees, charges and disbursements shall be sufficient documentation for the obligations set forth in this Section

4(e); provided that supporting documentation for such summary statement is provided promptly thereafter).

§5. Miscellaneous Provisions.

§5.1 Each Loan Party hereby irrevocably and unconditionally releases, acquits and forever discharges the Administrative Agent, each Lender, the L/C Issuer and each of their respective affiliates, partners, subsidiaries, officers, employees, agents, attorneys, principals, directors and shareholders and their respective permitted successors and permitted assigns (collectively, the "Lender Party Releasees"), from any and all charges, complaints, obligations, duties, forms of damages, expenses, injunctive relief, equitable relief, actions, causes of action, contracts, agreements, promises, claims, demands, debts and sums of money, and liabilities of any kind or nature whatsoever, in both law and equity, past, present and future, known or unknown, suspected or unsuspected, anticipated and unanticipated, fixed and contingent, accrued and unaccrued, in each case (i) which such Loan Party has against any of the Lender Party Releasees, (ii) which has arisen by reason of any act, omission or thing whatsoever done or omitted to be done, in each case prior to the Third Amendment Effective Date and (iii) which has arisen out of the Existing Credit Agreement or the other Loan Documents (collectively, the "Lender Party Released Claims") (but in each case excluding any charges, complaints, obligations, duties, forms of damages, expenses, injunctive relief, equitable relief, actions, causes of action, contracts, agreements, promises, claims, demands, debts and sums of money, and liabilities, in each case to the extent same occurred by reason of the gross negligence or willful misconduct of the Lender Party Releasee to be indemnified as determined by a court of competent jurisdiction in a final and non-appealable decision).

§5.2 Fees.

(a) **Extension Fee**. On the Third Amendment Effective Date, the Borrower shall pay to the Administrative Agent, for the ratable benefit of the Lenders, a non-refundable extension fee equal to $750,000, which extension fee shall be fully earned on the Third Amendment Effective Date (the "Extension Fee"). The Extension Fee is separate from, and in addition to, any administrative fees payable by the Borrower to the Administrative Agent pursuant to the Fee Letter.

(b) **Milestone Fee**. If all Obligations (other than contingent obligations for which no claim has been asserted) under the Credit Agreement and the other Loan Documents have not been paid in full in cash on or before January 29, 2027, the Borrower shall pay to the Administrative Agent, for the ratable benefit of the Lenders, a non-refundable fee equal to $1,250,000, which fee shall be (i) fully earned upon the occurrence of such failure to pay and (ii) due and payable on the next Business Day following January 29, 2027.

§5.3 Except as expressly amended or otherwise modified by this Amendment, the Existing Credit Agreement and all other Loan Documents are hereby ratified and confirmed in all respects and shall continue in full force and effect. No amendment, consent or waiver herein granted or agreement herein made shall extend beyond the terms expressly set forth herein for such amendment, consent, waiver or agreement, as the case may be, nor shall anything contained herein be deemed to imply any willingness of the Administrative Agent or the Lenders to agree to, or otherwise prejudice any rights of the Administrative Agent or the Lenders with respect to, any similar amendments,

consents, waivers or agreements that may be requested for any future period, and this Amendment shall not be construed as a waiver of any other provision of the Loan Documents or to permit the Borrower or any other Loan Party to take any other action which is prohibited by the terms of the Credit Agreement and the other Loan Documents. The Existing Credit Agreement and this Amendment shall be read and construed as a single agreement. All references in the Existing Credit Agreement, or any related agreement or instrument, to the Credit Agreement shall hereafter refer to the Existing Credit Agreement, as amended hereby. This Amendment shall constitute a Loan Document.

§5.4 THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

§5.5 THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, THE L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AMENDMENT, INCLUDING THE RELEASE SET FORTH IN SECTION 5.1 HEREOF, OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AMENDMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

§5.6 This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Amendment.

§5.7 The Borrower hereby agrees to pay to the Administrative Agent, on demand by the Administrative Agent, all reasonable and documented out-of-pocket costs and expenses incurred or sustained by the Administrative Agent in connection with the preparation of this Amendment (including legal fees).

§5.8 The provisions of this Amendment are solely for the benefit of the Loan Parties, the Administrative Agent and the Lenders and no other Person shall have rights as a third party beneficiary of any of such provisions.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

NOODLES & COMPANY,
a Delaware corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

TNSC, INC.,
a Colorado corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - COLORADO, INC.,
a Colorado corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - ILLINOIS, INC.,
an Illinois corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - VIRGINIA, INC.,
a Virginia corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - KANSAS, LLC.,
a Kansas limited liability company

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

THE NOODLES SHOP, CO. - DELAWARE, INC.,
a Delaware corporation

By: /s/ MICHAEL HYNES
Name: Michael Hynes
Title: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION,
as a Lender, Administrative Agent, L/C Issuer
and Swing Line Lender

By: /s/ ANDREW J. STREDDE
Name: Andrew J. Stredde
Title: Senior Vice President

FIRST HORIZON BANK,
as a Lender

By: /s/ DEMETRIO PAPATRIANTAFYLLOU
Name: Demetrio Papatriantafyllou
Title: V.P. Corporate Lending

THE HUNTINGTON NATIONAL BANK,
as a Lender

By: /s/ JOHN BRIAN
Name: John Brian
Title: Senior Vice President

ANNEX A

Schedule 2.01

Commitments and Applicable Percentages

Lender	Revolving Credit Commitment	Applicable Percentage
U.S. Bank National Association	**$52,800,000**	**44.0%**
The Huntington National Bank	**$46,560,000**	**38.8%**
First Horizon Bank	**$20,640,000**	**17.2%**

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Joseph Christina, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noodles and Company;

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. I am 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 Rules 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my 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. I have disclosed, based on my 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.

Date: November 13, 2026

/s/ JOSEPH CHRISTINA

Joseph Christina
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Mike Hynes, certify that:

1. I have reviewed this annual report on Form 10-Q of Noodles and Company;

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 Rules 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.

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.

Date: November 13, 2026

/s/ MIKE HYNES

Mike Hynes

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

I, Joseph Christina, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Noodles & Company on Form 10-Q for the fiscal quarter ended September 29, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects the financial condition and results of operations of Noodles & Company.

Date: November 13, 2026

By:	/s/ JOSEPH CHRISTINA
Name:	Joseph Christina
Title:	Chief Executive Officer

I, Mike Hynes, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Noodles & Company on Form 10-Q for the fiscal quarter ended September 29, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects the financial condition and results of operations of Noodles & Company.

Date: November 13, 2026

By:	/s/ MIKE HYNES
Name:	Mike Hynes
Title:	Chief Financial Officer

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.