

**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 July 1, 2025

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

(State or other jurisdiction of incorporation or organization)

84-1303469

(I.R.S. Employer Identification No.)

**520 Zang Street, Suite D
Broomfield, CO**

(Address of principal executive offices)

80021

(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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 August 8, 2025
Class A Common Stock, \$0.01 par value per share	46,441,542 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)

	July 1, 2025 (unaudited)	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,264	\$ 1,149
Accounts receivable	3,769	4,058
Inventories	10,653	10,500
Prepaid expenses and other assets	4,245	4,156
Income tax receivable	335	329
Total current assets	21,266	20,192
Property and equipment, net	122,936	137,237
Operating lease assets, net	141,194	157,821
Goodwill	7,154	7,154
Intangibles, net	466	495
Other assets, net	1,559	1,749
Total long-term assets	273,309	304,456
Total assets	\$ 294,575	\$ 324,648
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 18,835	\$ 13,194
Accrued payroll and benefits	7,224	7,632
Accrued expenses and other current liabilities	11,681	12,836
Current operating lease liabilities	30,632	32,055
Total current liabilities	68,372	65,717
Long-term debt, net	106,441	100,742
Long-term operating lease liabilities, net	140,060	156,723
Deferred tax liabilities, net	320	276
Other long-term liabilities	10,157	6,769
Total liabilities	325,350	330,227
Stockholders' deficit:		
Preferred stock—\$0.01 par value, 1,000,000 shares authorized and undesignated as of July 1, 2025 and December 31, 2024; no shares issued or outstanding	—	—
Common stock—\$0.01 par value, 180,000,000 shares authorized as of July 1, 2025 and December 31, 2024; 48,851,879 issued and 46,428,008 outstanding as of July 1, 2025 and 48,161,878 issued and 45,738,007 outstanding as of December 31, 2024	489	482
Treasury stock, at cost, 2,423,871 shares as of July 1, 2025 and December 31, 2024	(35,000)	(35,000)
Additional paid-in capital	214,802	213,396
Accumulated deficit	(211,066)	(184,457)
Total stockholders' deficit	(30,775)	(5,579)
Total liabilities and stockholders' deficit	\$ 294,575	\$ 324,648

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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
<i>Revenue:</i>				
Restaurant revenue	\$ 123,781	\$ 124,732	\$ 245,107	\$ 243,734
Franchising royalties and fees, and other	2,652	2,620	5,120	5,012
Total revenue	126,433	127,352	250,227	248,746
<i>Costs and expenses:</i>				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	32,860	30,858	65,153	60,558
Labor	39,279	38,951	78,675	77,368
Occupancy	11,393	11,613	22,887	23,442
Other restaurant operating costs	24,414	23,925	50,070	47,389
General and administrative	12,404	13,568	25,214	26,611
Depreciation and amortization	7,139	7,367	14,229	14,737
Pre-opening	69	531	220	969
Restaurant impairments, closure costs and asset disposals	13,653	12,057	14,944	13,286
Total costs and expenses	141,211	138,870	271,392	264,360
Loss from operations	(14,778)	(11,518)	(21,165)	(15,614)
Interest expense, net	2,753	1,997	5,400	3,976
Loss before income taxes	(17,531)	(13,515)	(26,565)	(19,590)
Provision for income taxes	21	110	44	175
Net loss	\$ (17,552)	\$ (13,625)	\$ (26,609)	\$ (19,765)
Loss per Class A and Class B common stock, combined				
Basic and diluted	\$ (0.38)	\$ (0.30)	\$ (0.58)	\$ (0.44)
Weighted average shares of Class A and Class B common stock outstanding, combined:				
Basic and diluted	46,161,993	45,450,949	45,972,673	45,265,152

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	Amount	Shares	Amount				
Balance—April 1, 2025	48,367,511	\$ 484	2,423,871	\$ (35,000)	\$ 214,125	\$ (193,514)	\$ (13,905)	
Stock plan transactions and other	484,368	5	—	—	(44)	—	(39)	
Stock-based compensation expense	—	—	—	—	721	—	721	
Net loss	—	—	—	—	—	(17,552)	(17,552)	
Balance—July 1, 2025	48,851,879	\$ 489	2,423,871	\$ (35,000)	\$ 214,802	\$ (211,066)	\$ (30,775)	
Balance—April 2, 2024	47,770,220	\$ 478	2,423,871	\$ (35,000)	\$ 210,810	\$ (154,384)	\$ 21,904	
Stock plan transactions and other	276,911	2	—	—	8	—	10	
Stock-based compensation expense	—	—	—	—	1,354	—	1,354	
Net loss	—	—	—	—	—	(13,625)	(13,625)	
Balance—July 2, 2024	48,047,131	\$ 480	2,423,871	\$ (35,000)	\$ 212,172	\$ (168,009)	\$ 9,643	

	Two Fiscal Quarters Ended							
	Common Stock ⁽¹⁾		Treasury		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)	
	Shares	Amount	Shares	Amount				
Balance—December 31, 2024	48,161,878	\$ 482	2,423,871	\$ (35,000)	\$ 213,396	\$ (184,457)	\$ (5,579)	
Stock plan transactions and other	690,001	7	—	—	(97)	—	(90)	
Stock-based compensation expense	—	—	—	—	1,503	—	1,503	
Net loss	—	—	—	—	—	(26,609)	(26,609)	
Balance—July 1, 2025	48,851,879	\$ 489	2,423,871	\$ (35,000)	\$ 214,802	\$ (211,066)	\$ (30,775)	
Balance—January 2, 2024	47,413,585	\$ 474	2,423,871	\$ (35,000)	\$ 209,930	\$ (148,244)	\$ 27,160	
Stock plan transactions and other	633,546	6	—	—	(257)	—	(251)	
Stock-based compensation expense	—	—	—	—	2,499	—	2,499	
Net loss	—	—	—	—	—	(19,765)	(19,765)	
Balance—July 2, 2024	48,047,131	\$ 480	2,423,871	\$ (35,000)	\$ 212,172	\$ (168,009)	\$ 9,643	

(1) Unless otherwise noted, activity relates to Class A common stock.

See accompanying notes to condensed consolidated financial statements.

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

	Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024
Operating activities		
Net loss	\$ (26,609)	\$ (19,765)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	14,229	14,737
Deferred income taxes, net	44	175
Restaurant impairments, closure costs and asset disposals	13,107	10,795
Amortization of debt issuance costs	439	274
Stock-based compensation	1,503	2,466
Changes in operating assets and liabilities:		
Accounts receivable	124	1,188
Inventories	(462)	(428)
Prepaid expenses and other assets	(10)	(2,107)
Accounts payable	5,344	3,782
Income taxes	(6)	(25)
Operating lease assets and liabilities	(1,907)	(514)
Accrued expenses and other liabilities	(2,615)	1,150
Net cash provided by operating activities	<u>3,181</u>	<u>11,728</u>
Investing activities		
Purchases of property and equipment	(6,318)	(17,827)
Proceeds from franchising transactions	—	2,053
Net cash used in investing activities	<u>(6,318)</u>	<u>(15,774)</u>
Financing activities		
Net payments from swing line loan	(5,590)	(4,212)
Proceeds from borrowings on long-term debt	10,850	8,500
Payments on finance leases	(918)	(1,198)
Stock plan transactions and tax withholding on share-based compensation awards	(90)	(251)
Net cash provided by financing activities	<u>4,252</u>	<u>2,839</u>
Net increase (decrease) in cash and cash equivalents	1,115	(1,207)
Cash and cash equivalents		
Beginning of period	1,149	3,013
End of period	<u>\$ 2,264</u>	<u>\$ 1,806</u>

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 July 1, 2025, the Company had 453 restaurants system-wide in 31 states, comprised of 364 company-owned restaurants and 89 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 31, 2024 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 31, 2024.

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 2025, which ends on December 30, 2025, and fiscal year 2024, which ended on December 31, 2024, each contain 52 weeks. The Company’s fiscal quarter that ended July 1, 2025 is referred to as the second quarter of 2025, and the fiscal quarter ended July 2, 2024 is referred to as the second quarter of 2024.

Recently Adopted Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure.” The ASU updates reportable segment disclosure requirements, primarily through requiring enhanced disclosures about significant segment expenses and information used to assess segment performance. The ASU is effective for fiscal years beginning after December 15, 2023, with early adoption permitted. The Company adopted ASU No. 2023-07 during the year ended December 31, 2024. See Note 13, Segment Reporting for further detail.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued 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 guidance is effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company will reflect the impact of this ASU as part of the annual income tax disclosures in its Annual Report on Form 10-K for fiscal year 2025. The Company does not expect the adoption of this ASU to have a material impact.

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):

	July 1, 2025	December 31, 2024
Delivery program receivables	\$ 1,777	\$ 1,306
Vendor rebate receivables	500	763
Franchise receivables	811	1,127
Other receivables	681	862
Accounts receivable	<u>\$ 3,769</u>	<u>\$ 4,058</u>

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

	July 1, 2025	December 31, 2024
Prepaid insurance	\$ 521	\$ 950
Prepaid occupancy related costs	814	850
Prepaid expenses	2,892	2,332
Other current assets	18	24
Prepaid expenses and other assets	<u>\$ 4,245</u>	<u>\$ 4,156</u>

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

	July 1, 2025	December 31, 2024
Leasehold improvements	\$ 219,017	\$ 230,211
Furniture, fixtures and equipment	179,840	177,070
Construction in progress	1,855	4,463
	400,712	411,744
Accumulated depreciation and amortization	(277,776)	(274,507)
Property and equipment, net	<u>\$ 122,936</u>	<u>\$ 137,237</u>

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

	July 1, 2025	December 31, 2024
Accrued payroll and related liabilities	\$ 5,083	\$ 4,489
Accrued bonus	516	1,405
Insurance liabilities	1,625	1,738
Accrued payroll and benefits	<u>\$ 7,224</u>	<u>\$ 7,632</u>

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

	July 1, 2025	December 31, 2024
Gift card liability	\$ 1,957	\$ 2,000
Occupancy related	1,672	1,926
Utilities	1,381	1,340
Current portion of finance lease liability	1,763	1,976
Other restaurant expense accruals	1,133	1,842
Other corporate expense accruals	3,775	3,752
Accrued expenses and other current liabilities	<u>\$ 11,681</u>	<u>\$ 12,836</u>

3. Long-Term Debt

On July 27, 2022, the Company entered 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 matures on July 27, 2027. Among other things, the A&R Credit Agreement: (i) increased the credit facility from \$100.0 million to \$125.0 million; (ii) eliminated the term loan and principal amortization components of the credit facility; (iii) removed the Company’s capital expenditure covenant; (iv) enhanced flexibility for certain covenants and restrictions; and (v) lowered the spread of the Company’s cost of borrowing and transitioned from the London Interbank Offered Rate (“LIBOR”) to 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 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. The A&R Credit Agreement was subsequently amended on December 21, 2023.

On October 29, 2024, the Company amended its A&R Credit Agreement, by entering 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 (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 (x) 5.50 to 1.00 for the fiscal quarter ending on October 1, 2024 until and including the last day of the fiscal quarter ending September 30, 2025 and (y) stepping down to (1) 5.25 to 1.00 for the fiscal quarter ending December 30, 2025, (2) 5.00 to 1.00 for the fiscal quarters ending March 31, 2026 and June 30, 2026, (3) 4.75 to 1.00 for the fiscal quarters ending September 29, 2026 and December 29, 2026 and (4) 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 (x) 1.05 to 1.00 for the fiscal quarter ending on October 1, 2024 until and including the last day of the fiscal quarter ending September 30, 2025 and (y) stepping up to (1) 1.15 to 1.00 for the fiscal quarters ending December 30, 2025 and March 31, 2026 and (2) 1.25 to 1.00 for the fiscal quarter ending June 30, 2026 and thereafter.

As of July 1, 2025, the Company had \$108.3 million of indebtedness (excluding \$1.8 million of unamortized debt issuance costs) and \$3.0 million of letters of credit outstanding under the A&R Credit Agreement. As of July 1, 2025, the Company had cash on hand of \$2.3 million.

The Company’s revolver, which had a balance of \$107.3 million as of July 1, 2025, bore interest at rates between 8.07% and 10.25% during the first two quarters of 2025. The Company’s swingline had a balance of \$1.0 million as of July 1, 2025, and bore interest at 10.25% in the first two quarters of 2025.

The Company also 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 July 1, 2025.

4. Fair Value Measurements

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and all other current assets and liabilities approximate their fair values due to their short-term nature. The carrying amounts of borrowings approximate fair value as the line of credit, swingline and borrowings vary with market interest rates and negotiated terms and conditions are consistent with current market rates. The fair value of the Company's line of credit and 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 July 1, 2025 and July 2, 2024 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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Provision for income taxes	\$ 21	\$ 110	\$ 44	\$ 175
Effective income tax rate	(0.1)%	(0.8)%	(0.2)%	(0.9)%

The effective tax rate for the second quarter and the first two quarters of 2025 and 2024, reflects the impact of the previously recorded valuation allowance. For the remainder of fiscal 2025, 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.

In July 2025 the "One Big Beautiful Bill Act" was signed into law, introducing several significant tax provisions affecting corporate taxpayers. The Company is currently evaluating the impact of these provisions on our consolidated financial statements and related disclosures. The Company does not anticipate a material impact; however, we will continue to monitor any guidance issued by the IRS or FASB related to the act's implementation.

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 July 1, 2025, approximately 1.7 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 for certain newly hired employees. As of July 1, 2025, approximately 195,405 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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Stock-based compensation expense	\$ 728	\$ 1,347	\$ 1,518	\$ 2,534
Capitalized stock-based compensation expense	\$ 7	\$ 11	\$ 18	\$ 33

7. Restaurant Impairments, Closure Costs and Asset Disposals

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

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Restaurant impairments ⁽¹⁾	\$ 11,861	\$ 10,933	\$ 12,487	\$ 11,104
Closure costs ⁽¹⁾	693	418	(54)	262
Loss on disposal of assets and other	1,099	706	2,511	1,920
	<u>\$ 13,653</u>	<u>\$ 12,057</u>	<u>\$ 14,944</u>	<u>\$ 13,286</u>

(1) Restaurant impairments and closure costs in all periods presented above include amounts related to restaurants previously impaired or closed. Closure costs in the first two quarters of 2024 include the impact of lease remeasurements related to the six Oregon restaurants sold to a franchisee in April of 2024.

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 continued to review underperforming restaurants and in the second quarter, 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 second quarter and the first two quarters of 2025, the Company recorded fixed asset impairment charges on 15 restaurants and wrote down lease related assets on ten and 11 restaurants, respectively. In the second quarter and the first two quarters of 2024, the Company recorded fixed asset impairment charges on 12 restaurants and wrote down lease related assets for three and four restaurants, respectively. All periods include ongoing equipment costs for restaurants previously impaired.

The Company closed six restaurants during the second quarter of 2025 and closed nine restaurants in the first two quarters of 2025. The Company did not close any restaurants in the second quarter of 2024 and had two restaurant closures during the first two quarters of 2024. Both periods included ongoing expenses from restaurant closures during the period and in prior years. These closure costs were offset by \$0.6 million in gains from lease asset remeasurements in each of the first two quarters of 2025 and 2024. Additionally, the Company had a net gain of \$0.5 million and a net loss of \$0.5 million from early lease termination settlements during the first two quarters of 2025 and 2024, respectively.

In the second quarter and first two quarters of 2024, loss on disposal of assets and other includes a gain from the sale of six company-owned restaurants to a franchisee in April 2024 (the "DND Sale"). Based on the sales price, there was no write down of assets related to this transaction and a gain on sale of \$0.5 million was recorded in the second quarter of 2024. Both periods include assets disposed in the normal course of business and sublease expense related to leases for which the Company remains obligated in connection with the divestiture of company-owned restaurants in previous years.

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, warrants and RSUs. 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):

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Net loss	\$ (17,552)	\$ (13,625)	\$ (26,609)	\$ (19,765)
Shares:				
Basic weighted average shares outstanding	46,161,993	45,450,949	45,972,673	45,265,152
Effect of dilutive securities	—	—	—	—
Diluted weighted average shares outstanding	46,161,993	45,450,949	45,972,673	45,265,152
Loss per share				
Basic and diluted loss per share	\$ (0.38)	\$ (0.30)	\$ (0.58)	\$ (0.44)

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. The shares issuable on the vesting or exercise of share-based awards that were excluded from the calculation of diluted loss per share because the effect of their inclusion would have been anti-dilutive totaled 4,427,864 and 3,744,541 for the second quarter of 2025 and 2024, and totaled 4,112,138 and 3,529,837 for the first two quarters of 2025 and 2024, respectively.

9. Leases

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

Classification		July 1, 2025	December 31, 2024
Assets			
Operating	Operating lease assets, net	\$ 141,194	\$ 157,821
Finance	Property and equipment	7,479	3,807
Total leased assets		\$ 148,673	\$ 161,628
Liabilities			
Current lease liabilities			
Operating	Current operating lease liabilities	\$ 30,632	\$ 32,055
Finance	Accrued expenses and other current liabilities	1,763	1,976
Long-term lease liabilities			
Operating	Long-term operating lease liabilities	140,060	156,723
Finance	Other long-term liabilities	5,921	2,014
Total lease liabilities		\$ 178,376	\$ 192,768

Sublease income recognized in the Condensed Consolidated Statements of Operations was \$0.7 million and \$0.8 million for the second quarters of 2025 and 2024, and \$1.5 million for both of the first two quarters of 2025 and 2024, respectively.

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

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Cash paid for lease liabilities:				
Operating leases	\$ 10,691	\$ 10,850	\$ 21,437	\$ 21,846
Finance leases	619	649	1,243	1,301
	<u>\$ 11,310</u>	<u>\$ 11,499</u>	<u>\$ 22,680</u>	<u>\$ 23,147</u>
Right-of-use assets obtained in exchange for lease liabilities:				
Operating leases	\$ 1,021	\$ 3,986	\$ 2,341	\$ 6,396
Finance leases	93	16	4,687	90
	<u>\$ 1,114</u>	<u>\$ 4,002</u>	<u>\$ 7,028</u>	<u>\$ 6,486</u>

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 first two quarters ended July 1, 2025 and July 2, 2024 (in thousands):

	July 1, 2025	July 2, 2024
Interest paid (net of amounts capitalized)	\$ 4,061	\$ 3,588
Income taxes paid	—	25
Purchases of property and equipment accrued in accounts payable	1,656	2,293

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. 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 July 1, 2025 and December 31, 2024, the current portion of the gift card liability amounting to \$2.0 million for both quarters was included in accrued expenses and other current liabilities, and the long-term portion amounting to \$0.7 million and \$1.0 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 \$0.6 million for both of the second quarters of 2025 and 2024, and \$1.3 million and \$1.6 million for the first two quarters of 2025 and 2024, respectively.

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 July 1, 2025 and December 31, 2024, the deferred revenue related to the rewards was \$1.0 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 July 1, 2025. 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 Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer. The Company has one reportable operating segment. The reportable operating segment is comprised of one operating segment, which has been aggregated to a single operating segment in consideration of the aggregation criteria set forth in ASC 280. 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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Revenue:				
Restaurant revenue	\$ 123,781	\$ 124,732	\$ 245,107	\$ 243,734
Franchising royalties and fees, and other	2,652	2,620	5,120	5,012
Total segment revenue	126,433	127,352	250,227	248,746
Less:				
Cost of sales	32,860	30,858	65,153	60,558
Labor	39,279	38,951	78,675	77,368
Occupancy	11,393	11,613	22,887	23,442
Other restaurant operating costs	24,414	23,925	50,070	47,389
General and administrative	12,404	13,568	25,214	26,611
Depreciation and amortization	7,139	7,367	14,229	14,737
Pre-opening	69	531	220	969
Restaurant impairments, closure costs and asset disposals	13,653	12,057	14,944	13,286
Total segment expenses	141,211	138,870	271,392	264,360
Segment loss from operations	\$ (14,778)	\$ (11,518)	\$ (21,165)	\$ (15,614)
Reconciliation:				
Interest expense, net	2,753	1,997	5,400	3,976
Consolidated loss before income taxes	\$ (17,531)	\$ (13,515)	\$ (26,565)	\$ (19,590)
Other segment disclosures (in thousands):				
Total long-lived assets ⁽¹⁾			\$ 264,130	\$ 295,058
Total assets			\$ 294,575	\$ 324,648

(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 31, 2024. 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 2025 and 2024 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 unit growth and planned restaurant openings, projected capital expenditures and our financial condition and liquidity needs. Our actual results may differ materially from those anticipated in these forward-looking statements due to reasons including, but not limited to, current performance trends and our expectations for future performance and ability to obtain financing on acceptable terms, if at all, and comply with our covenants under the A&R Credit Agreement, our ability to sustain our overall growth, including, our digital sales growth; our ability to open new restaurants, if any, and cause those newly opened restaurants to be successful; 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; economic conditions, including inflation, an economic recession, an elevated interest rate environment, or tariffs and trade restrictions; price and availability of commodities and other supply chain challenges; our ability to adequately staff our restaurants; changes in labor costs; 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 31, 2024 and as updated by Item 1A. Risk Factors of this 10-Q Report.

Recent Trends, Risks and Uncertainties

Revenue. In the second quarter we saw an increase in system-wide comparable restaurant sales, and correspondingly in total revenue. System-wide comparable restaurant sales increased 1.5% in the second quarter of 2025 compared to the same period of 2024, comprised of a 1.5% increase at company-owned restaurants and a 1.6% increase at franchise-owned restaurants.

Near-term sales growth remains constrained by macroeconomic uncertainty and current consumer sentiment. We have responded with a comprehensive menu upgrade that we introduced in March along with increased marketing support and a new brand strategy. We plan to continue launching new menu items, including lower priced value offerings.

Cost of Sales. Our first two quarters of 2025 cost of sales were impacted by our comprehensive menu upgrade as some new menu items had a higher cost than the items that were replaced. 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 on our operations as some of our food items are imported from Mexico and other countries. As of July 1, 2025, 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 2025. 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%.

Other Restaurant Operating Costs. We have incurred and expect to continue to incur third-party delivery fees resulting from significant and increasing usage of third-party delivery services.

Restaurant Development. In the first two quarters of 2025, we opened two new company-owned restaurants, which completes our restaurant development for 2025. As of July 1, 2025, we had 364 company-owned restaurants and 89 franchise restaurants in 31 states.

Impairments and Certain Restaurant Closures. We impaired fixed assets related to 15 restaurants in the first two quarters of 2025. In the first two quarters of 2025, we wrote down lease-related assets for 11 restaurants. We permanently closed nine company-owned restaurants in the first two quarters of 2025 and we anticipate closing an additional 19 to 23 restaurants in 2025. We continue to analyze our restaurant portfolio and expect to close certain restaurants that are either generating low or negative cash flows, at or are approaching the expiration of their leases or in trade areas that are not as well positioned for current consumer trends.

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 restaurant sales may fluctuate significantly.

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. Restaurants that were temporarily closed or operating at reduced hours remained in comparable restaurant sales.

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 that impact consumer sentiment, financial health and 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;
- weather patterns;
- food safety and foodborne illness concerns;
- the impact of health pandemics;
- local and national competition;
- trade area dynamics, including 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. Since opening new company-owned and franchise restaurants is a part of our long-term growth strategy and we anticipate new restaurants will be a component of our long-term revenue growth, 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. Based on this calculation, temporarily closed restaurants are excluded from the definition of AUV, however, restaurants with temporarily reduced operating hours are included. 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), (gain) loss on sale of restaurants, severance and executive transition costs and stock-based compensation.

We believe that EBITDA and adjusted EBITDA provide clear pictures of our operating results by eliminating non-cash expenses and certain other expenses that may vary widely from period to period and we believe 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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
	(in thousands, unaudited)			
Net loss	\$ (17,552)	\$ (13,625)	\$ (26,609)	\$ (19,765)
Depreciation and amortization	7,139	7,367	14,229	14,737
Interest expense, net	2,753	1,997	5,400	3,976
Provision for income taxes	21	110	44	175
EBITDA	\$ (7,639)	\$ (4,151)	\$ (6,936)	\$ (877)
Restaurant impairments ⁽¹⁾	11,861	10,933	12,487	11,104
Loss on disposal of assets	800	551	1,763	1,277
Lease exit costs (benefits), net	252	331	(878)	—
Gain on sale from franchising transactions	—	(490)	—	(490)
Severance and executive transition costs	14	674	466	1,147
Stock-based compensation expense	728	1,347	1,518	2,534
Adjusted EBITDA	\$ 6,016	\$ 9,195	\$ 8,420	\$ 14,695

(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 loss from operations to restaurant contribution:

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Loss from operations	\$ (14,778)	\$ (11,518)	\$ (21,165)	\$ (15,614)
Less: Franchising royalties and fees, and other	2,652	2,620	5,120	5,012
Plus: General and administrative	12,404	13,568	25,214	26,611
Depreciation and amortization	7,139	7,367	14,229	14,737
Pre-opening	69	531	220	969
Restaurant impairments, closure costs and asset disposals	13,653	12,057	14,944	13,286
Restaurant contribution	\$ 15,835	\$ 19,385	\$ 28,322	\$ 34,977
Restaurant contribution margin	12.8 %	15.5 %	11.6 %	14.4 %

Restaurant Openings, Closures and Relocations

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

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
Company-Owned Restaurant Activity				
Beginning of period	369	380	371	380
Openings	1	5	2	7
Closures	(6)	—	(9)	(2)
Divestitures ⁽¹⁾	—	(6)	—	(6)
Restaurants at end of period	364	379	364	379
Franchise Restaurant Activity				
Beginning of period	91	89	92	90
Openings	—	—	—	1
Acquisitions ⁽¹⁾	—	6	—	6
Closures	(2)	(1)	(3)	(3)
Restaurants at end of period	89	94	89	94
Total restaurants	453	473	453	473

(1) Represents six company-owned restaurants sold to a franchisee in 2024.

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		Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024	July 1, 2025	July 2, 2024
	(unaudited)			
<i>Revenue:</i>				
Restaurant revenue	97.9 %	97.9 %	98.0 %	98.0 %
Franchising royalties and fees, and other	2.1 %	2.1 %	2.0 %	2.0 %
Total revenue	100.0 %	100.0 %	100.0 %	100.0 %
<i>Costs and expenses:</i>				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	26.5 %	24.7 %	26.6 %	24.8 %
Labor	31.7 %	31.2 %	32.1 %	31.7 %
Occupancy	9.2 %	9.3 %	9.3 %	9.6 %
Other restaurant operating costs	19.7 %	19.2 %	20.4 %	19.4 %
General and administrative	9.8 %	10.7 %	10.1 %	10.7 %
Depreciation and amortization	5.6 %	5.8 %	5.7 %	5.9 %
Pre-opening	0.1 %	0.4 %	0.1 %	0.4 %
Restaurant impairments, closure costs and asset disposals	10.8 %	9.5 %	6.0 %	5.3 %
Total costs and expenses	111.7 %	109.0 %	108.5 %	106.3 %
Loss from operations	(11.7)%	(9.0)%	(8.5)%	(6.3)%
Interest expense, net	2.2 %	1.6 %	2.2 %	1.5 %
Loss before income taxes	(13.9)%	(10.6)%	(10.6)%	(7.8)%
Provision for income taxes	— %	0.1 %	— %	0.1 %
Net loss	(13.9)%	(10.7)%	(10.6)%	(7.9)%

Second Quarter Ended July 1, 2025 Compared to Second Quarter Ended July 2, 2024

The table below presents our unaudited operating results for the second quarters of 2025 and 2024, and the related quarter-over-quarter changes.

	Fiscal Quarter Ended		Increase / (Decrease)	
	July 1, 2025	July 2, 2024	\$	%
(in thousands, unaudited)				
<i>Revenue:</i>				
Restaurant revenue	\$ 123,781	\$ 124,732	\$ (951)	(0.8)%
Franchising royalties and fees, and other	2,652	2,620	32	1.2 %
Total revenue	126,433	127,352	(919)	(0.7)%
<i>Costs and expenses:</i>				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	32,860	30,858	2,002	6.5 %
Labor	39,279	38,951	328	0.8 %
Occupancy	11,393	11,613	(220)	(1.9)%
Other restaurant operating costs	24,414	23,925	489	2.0 %
General and administrative	12,404	13,568	(1,164)	(8.6)%
Depreciation and amortization	7,139	7,367	(228)	(3.1)%
Pre-opening	69	531	(462)	(87.0)%
Restaurant impairments, closure costs and asset disposals	13,653	12,057	1,596	13.2 %
Total costs and expenses	141,211	138,870	2,341	1.7 %
Loss from operations	(14,778)	(11,518)	(3,260)	28.3 %
Interest expense, net	2,753	1,997	756	37.9 %
Loss before taxes	(17,531)	(13,515)	(4,016)	29.7 %
Provision for income taxes	21	110	(89)	(80.9)%
Net loss	\$ (17,552)	\$ (13,625)	\$ (3,927)	28.8 %
<i>Company-owned:</i>				
Average unit volume	\$ 1,353	\$ 1,322	\$ 31	2.3 %
Comparable restaurant sales	1.5 %	1.3 %		

* Not meaningful.

Revenue

Total revenue decreased \$0.9 million in the second quarter of 2025, or 0.7%, to \$126.4 million, compared to \$127.4 million in the second quarter of 2024. This decrease was primarily due to a reduction of \$3.6 million in sales from permanent restaurant closures, mostly offset by an increase of \$1.6 million in comparable sales and a \$1.4 million increase in new restaurant revenue. System-wide comparable restaurant sales increased 1.5% in the second quarter of 2025 compared to the same period of 2024, comprised of a 1.5% increase at company-owned restaurants and a 1.6% increase at franchise-owned restaurants.

Cost of Sales

Cost of sales increased by \$2.0 million, or 6.5%, in the second quarter of 2025 compared to the same period of 2024. As a percentage of restaurant revenue, cost of sales increased to 26.5% in the second quarter of 2025 compared to 24.7% in second quarter of 2024, primarily due to a 2.2% impact from a combination of menu investments, mix shifts, and inflation, which were partially offset by a 0.4% menu price benefit.

Labor Costs

Labor costs increased by \$0.3 million, or 0.8%, in the second quarter of 2025 compared to the same period of 2024. As a percentage of restaurant revenue, labor costs increased to 31.7% in the second quarter of 2025 compared to 31.2% in the second

quarter of 2024 primarily due to 0.7% of wage inflation and 0.5% increase in labor hours related to the new menu rollout, partially offset by a 0.2% benefit from sales leverage and a 0.5% benefit from lower incentive pay and benefits.

Occupancy Costs

Occupancy costs decreased by \$0.2 million in the second quarter of 2025 compared to the second quarter of 2024. As a percentage of restaurant revenue, occupancy costs decreased to 9.2% in the second quarter of 2025, compared to 9.3% in the second quarter of 2024 primarily due to sales leverage.

Other Restaurant Operating Costs

Other restaurant operating costs increased by \$0.5 million, or 2.0%, in the second quarter of 2025 compared to the second quarter of 2024. As a percentage of restaurant revenue, other restaurant operating costs increased to 19.7% in the second quarter of 2025 compared to 19.2% in the second quarter of 2024 primarily due to a 0.4% impact from higher delivery fees driven by higher delivery sales and 0.4% from the new menu rollout which includes increased marketing spend, partially offset by 0.3% of sales leverage.

General and Administrative Expense

General and administrative expense decreased by \$1.2 million, or 8.6%, in the second quarter of 2025 compared to the second quarter of 2024, primarily due to lower stock based compensation of \$0.4 million, a decrease in legal expenses of \$0.3 million and lower compensation of \$0.3 million. As a percentage of revenue, general and administrative expense decreased to 9.8% in the second quarter of 2025 from 10.7% in the second quarter of 2024.

Depreciation and Amortization

Depreciation and amortization decreased by \$0.2 million, or 3.1%, in the second quarter of 2025 compared to the second quarter of 2024, due primarily to restaurant closures since the second quarter of 2024.

Restaurant Impairments, Closure Costs and Asset Disposals

Restaurant impairments, closure costs and asset disposals increased \$1.6 million to \$13.7 million in the second quarter of 2025 and the second quarter of 2024. We recorded fixed asset impairment on 15 restaurants and wrote down lease related assets on ten restaurants during the second quarter of 2025. We recorded fixed asset impairment on 12 restaurants and wrote down lease related assets on three restaurants during the second quarter of 2024.

Interest Expense, Net

Interest expense, net increased \$0.8 million in the second quarter of 2025 compared to the second quarter of 2024, due primarily to higher average debt balances in the second quarter of 2025 as compared to the second quarter of 2024.

Provision for Income Taxes

The effective tax rate for the second quarter of 2025 and for the second quarter of 2024 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 2025, 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.

Two Quarters Ended July 1, 2025 Compared to Two Quarters Ended July 2, 2024

The table below presents our unaudited operating results for the first two quarters of 2025 and 2024, and the related period-over-period changes.

	Two Fiscal Quarters Ended		Increase / (Decrease)	
	July 1, 2025	July 2, 2024	\$	%
(in thousands, except percentages)				
<i>Revenue:</i>				
Restaurant revenue	\$ 245,107	\$ 243,734	\$ 1,373	0.6 %
Franchising royalties and fees, and other	5,120	5,012	108	2.2 %
Total revenue	250,227	248,746	1,481	0.6 %
<i>Costs and expenses:</i>				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	65,153	60,558	4,595	7.6 %
Labor	78,675	77,368	1,307	1.7 %
Occupancy	22,887	23,442	(555)	(2.4)%
Other restaurant operating costs	50,070	47,389	2,681	5.7 %
General and administrative	25,214	26,611	(1,397)	(5.2)%
Depreciation and amortization	14,229	14,737	(508)	(3.4)%
Pre-opening	220	969	(749)	(77.3)%
Restaurant impairments, closure costs and asset disposals	14,944	13,286	1,658	12.5 %
Total costs and expenses	271,392	264,360	7,032	2.7 %
Loss from operations	(21,165)	(15,614)	(5,551)	35.6 %
Interest expense, net	5,400	3,976	1,424	35.8 %
Loss before taxes	(26,565)	(19,590)	(6,975)	35.6 %
Provision for income taxes	44	175	(131)	(74.9)%
Net loss	\$ (26,609)	\$ (19,765)	\$ (6,844)	34.6 %
<i>Company-owned:</i>				
Average unit volumes	\$ 1,333	\$ 1,287	\$ 46	3.6 %
Comparable restaurant sales	3.0 %	(2.2)%		

* Not meaningful.

Revenue

Total revenue increased by \$1.5 million, or 0.6%, in the first two quarters of 2025, to \$250.2 million compared to \$248.7 million in the same period of 2024. The increase was primarily due to a \$6.9 million increase in company same store sales and a \$3.5 million increase from new restaurant revenue partially offset by reduced revenue of \$6.3 million from permanent restaurant closures and \$2.5 million from refranchising the six company-owned restaurants in the Oregon market as part of the DND Sale. Comparable restaurant sales increased 2.9% system-wide in the first two quarters of 2025 compared to the first two quarters of 2024 comprised of a 3.0% increase at company-owned restaurants and a 2.3% increase at franchise-owned restaurants.

Cost of Sales

Cost of sales increased by \$4.6 million, or 7.6%, in the first two quarters of 2025 compared to the same period of 2024. As a percentage of restaurant revenue, cost of sales increased to 26.6% in the first two quarters of 2025 compared to 24.8% in the first two quarters of 2024 primarily due to a 1.9% impact from a combination of menu investments, menu mix shifts and inflation.

Labor Costs

Labor costs increased by \$1.3 million, or 1.7%, in the first two quarters of 2025 compared to the same period of 2024. As a percentage of restaurant revenue, labor costs increased to 32.1% in the first two quarters of 2025 compared to 31.7% in the first two quarters of 2024 primarily due to 0.8% of wage inflation and 0.5% increase in labor hours related to new menu rollout, partially offset by a 0.6% benefit from sales leverage and a 0.5% benefit from lower incentive pay and benefits.

Occupancy Costs

Occupancy costs decreased by \$0.6 million, or 2.4%, in the first two quarters of 2025 compared to the first two quarters of 2024. As a percentage of restaurant revenue, occupancy costs decreased to 9.3% in the first two quarters of 2025 compared to 9.6% in the first two quarters of 2024 primarily due to sales leverage.

Other Restaurant Operating Costs

Other restaurant operating costs increased by \$2.7 million, or 5.7%, in the first two quarters of 2025 compared to the first two quarters of 2024. As a percentage of restaurant revenue, other restaurant operating costs increased to 20.4% in the first two quarters of 2025, compared to 19.4% in the first two quarters of 2024, primarily due to 0.65% impact from higher delivery fees driven by higher delivery sales, 0.5% from the new menu rollout which includes increased marketing spend, 0.3% from increased facility and utilities costs, partially offset by 0.4% of sales leverage.

General and Administrative Expense

General and administrative expense decreased by \$1.4 million, or 5.2%, in the first two quarters of 2025 compared to the first two quarters of 2024, due primarily to lower incentive pay of \$0.9 million, lower stock based compensation of \$0.6 million and a decrease in legal expenses of \$0.3 million, partially offset by higher marketing expenses of \$0.5 million. As a percentage of revenue, general and administrative expense decreased to 10.1% in the first two quarters of 2025 from 10.7% in the first two quarters of 2024.

Depreciation and Amortization

Depreciation and amortization decreased by \$0.5 million, or 3.4%, in the first two quarters of 2025 compared to the first two quarters of 2024, primarily due to restaurant closures.

Restaurant Impairments, Closure Costs and Asset Disposals

Restaurant impairments, closure costs and asset disposals increased \$1.7 million to \$14.9 million in the first two quarters of 2025 and the first two quarters of 2024. We recorded fixed asset impairment on 15 restaurants and wrote down lease related assets on 11 restaurants in the first two quarters of 2025. We recorded fixed asset impairment on 12 restaurants and wrote down lease related assets on four restaurants in the first two quarters of 2024.

Interest Expense

Interest expense increased by \$1.4 million in the first two quarters of 2025 compared to the same period of 2024. The increase was primarily due to higher average borrowings and higher interest rates in the first two quarters of 2025 compared to the first two quarters of 2024.

Provision for Income Taxes

The effective tax rate for the first two quarters of 2025 and for the first two quarters of 2024 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 2025, 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 2025 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 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.

We believe that we will have sufficient sources of cash to meet our liquidity needs and capital resource requirements for at least the next twelve months, through currently available cash and cash equivalents, availability under our revolving credit facility and cash flows from operations. We were in compliance with our covenants as of July 1, 2025, and expect to continue to be in compliance for the next twelve months. The required Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) steps down from the current requirement of 5.50 to 1.00 to 5.25 to 1.00 for the fourth quarter of fiscal year 2025, and then further steps down to 5:00 to 1.00 for the first two quarters of fiscal 2026. The required Minimum Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) steps up from the current requirement of 1.05 to 1.00 to 1.15 to 1.00 for the fourth quarter of fiscal year 2025 and the first quarter of fiscal 2026, and then further steps up to 1.25 to 1.00 for the second quarter of fiscal 2026.

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

	Two Fiscal Quarters Ended	
	July 1, 2025	July 2, 2024
Net cash provided by operating activities	\$ 3,181	\$ 11,728
Net cash used in investing activities	(6,318)	(15,774)
Net cash provided by financing activities	4,252	2,839
Net increase (decrease) in cash and cash equivalents	\$ 1,115	\$ (1,207)

Operating Activities

Net cash provided by operating activities was \$3.2 million in the first two quarters of 2025 compared to net cash provided by operating activities of \$11.7 million in the first two quarters of 2024. The decrease in operating cash flow resulted primarily from a decrease in net income 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 \$9.5 million to \$6.3 million in the first two quarters of 2025 from \$15.8 million in the first two quarters of 2024. This decrease was primarily due to decreased investment in new restaurants and restaurant technology.

Financing Activities

Net cash provided by financing activities was \$4.3 million in the first two quarters of 2025, compared to \$2.8 million in the first two quarters of 2024. The increase from the first two quarters of 2024 was primarily due to borrowings on the revolver as a result of the decrease in cash provided by operating activities, partially offset by repayments on the swingline.

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. We are obligated under non-cancelable leases for our restaurants, administrative

offices and equipment. In addition, our target for new store development will require capital each 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 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 estimate capital expenditures will be approximately \$12.0 million to \$13.0 million for fiscal year 2025, including \$5.0 million to \$6.0 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 July 1, 2025, we had a cash balance of \$2.3 million compared to \$1.1 million as of December 31, 2024. The amount available for future borrowings under our A&R Credit Agreement (defined below) was \$13.7 million as of July 1, 2025. 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 will be sufficient to fund our cash requirements for working capital needs and capital improvements and maintenance of existing restaurants for at least the next twelve months.

Credit Facility

On July 27, 2022, we entered 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 matures on July 27, 2027. Among other things, the A&R Credit Agreement: (i) increased the credit facility from \$100.0 million to \$125.0 million; (ii) eliminated the term loan and principal amortization components of the credit facility; (iii) removed the capital expenditure covenant; (iv) enhanced flexibility for certain covenants and restrictions; and (v) lowered the spread of our cost of borrowing and transitioned from LIBOR to 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 is secured by a pledge of stock of substantially all of our subsidiaries and a lien on substantially all of our and our subsidiaries’ personal property assets. The A&R Credit Agreement was subsequently amended on December 21, 2023.

On October 29, 2024, we amended our A&R Credit Agreement, by entering into that certain Second Amendment to Amended and Restated Credit Agreement (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 (x) 5.50 to 1.00 for the fiscal quarter ending on October 1, 2024 until and including the last day of the fiscal quarter ending September 30, 2025 and (y) stepping down to (1) 5.25 to 1.00 for the fiscal quarter ending December 30, 2025, (2) 5.00 to 1.00 for the fiscal quarters ending March 31, 2026 and June 30, 2026, (3) 4.75 to 1.00 for the fiscal quarters ending September 29, 2026 and December 29, 2026 and (4) 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 (x) 1.05 to 1.00 for the fiscal quarter ending on October 1, 2024 until and including the last day of the fiscal quarter ending September 30, 2025 and (y) stepping up to (1) 1.15 to 1.00 for the fiscal quarters ending December 30, 2025 and March 31, 2026 and (2) 1.25 to 1.00 for the fiscal quarter ending June 30, 2026 and thereafter.

As of July 1, 2025, we had \$108.3 million of indebtedness (excluding \$1.8 million of unamortized debt issuance costs) and \$3.0 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 July 1, 2025.

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 31, 2024. 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 31, 2024.

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 July 1, 2025, we had \$108.3 million of outstanding borrowings under our A&R Credit Agreement, with an average interest rate during the first two quarters of 2025 of 8.6%, compared to 8.7% during the first two quarters of 2024. 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 \$1.1 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. In 2024 and 2025, the commodity markets underlying our cost of food began to stabilize. 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. 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 July 1, 2025, 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 July 1, 2025 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 31, 2024. Except for the Risk Factors set forth below, 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 31, 2024.

We have received a notice of non-compliance with continued listing requirements and if we fail to qualify for continued listing on the Nasdaq Global Select Market, delisting could make it more difficult for our stockholders to sell their shares and reduce our ability to raise additional capital.

We are required to satisfy the continued listing requirements of the Nasdaq Global Select Market (“Nasdaq”) to maintain such listing, including, among other things, the maintenance of a minimum closing bid price of \$1.00 per share.

On June 24, 2025, we received a notice from Nasdaq indicating that we were not in compliance with the minimum bid price requirements set forth in Nasdaq Listing Rule 5450(a)(1) for continued listing on Nasdaq. Nasdaq Listing Rule 5450(a)(1) requires listed securities maintain a minimum closing bid price of \$1.00 per share, and Nasdaq Listing Rule 5810(c)(3)(A) provides that a failure to meet the minimum closing bid price requirement exists if the deficiency continues for a period of 30 consecutive business days (the “Minimum Bid Price Requirement”). The notification of noncompliance has no immediate effect on the listing or trading of our common stock on Nasdaq and we have 180 calendar days from the date of notice to achieve compliance with the minimum bid price requirement. To regain compliance, the closing bid price of our common stock must be at least \$1.00 per share for a minimum of 10 consecutive business days at any time prior to the expiration of the 180-calendar day grace period, unless Nasdaq exercised its discretion to extend this ten-day period.

We had previously received a notice indicating that we were not in compliance with the Minimum Bid Price Requirement on December 24, 2024, however, due to increased trading prices for our common stock thereafter, on February 5, 2025, Nasdaq notified us that, as of February 5, 2025, we had regained compliance with the Minimum Bid Price Requirement and that such matter is now closed.

We intend to monitor closely the closing bid price of our common stock and to consider all of the options for again regaining, compliance with the Minimum Bid Price Requirement, including by proposing a reverse stock split for stockholder approval, if necessary. While we plan to review all available options, there can be no assurance that we will be able to regain compliance with Nasdaq Listing Rule 5450(a)(1) during the 180-calendar day compliance period or any subsequent extension period, to the extent available, even though we were able to do so in February 2025.

If our common stock is delisted by Nasdaq, we could face significant material adverse consequences, including: a limited availability of market quotations for our common stock; reduced liquidity with respect to our common stock; a determination that our shares are “penny stock,” which will require brokers trading in our shares to adhere to more stringent shares, and which may limit demand for our common stock; a limited amount of analyst coverage for our company; and a decreased ability to obtain additional financing in the future.

Our indebtedness and credit facility contain financial covenants and other restrictions on our actions that may limit our financial and operational flexibility or otherwise adversely affect our liquidity and results of operations. Further, we may be unable to negotiate favorable borrowing terms, and any additional capital we may require could be senior to existing equity holders, dilute existing equity holders or include unfavorable restrictions.

As a general matter, operating and developing our business requires significant capital. Our A&R Credit Agreement ends in 2027 and securing access to credit on reasonable terms thereafter will require us to extend or refinance such agreement. In

addition, in order to pursue our business and operational strategies, we may need additional sources of liquidity in the future and it may be difficult or impossible at such time to increase our liquidity. Our lenders may not agree to amend our credit agreement at such time to increase our borrowing capacity.

Further, our requirements for additional liquidity may coincide with periods during which we are not in compliance with covenants under our credit agreement and our lenders may not agree to further amend our credit agreement to accommodate such non-compliance. We amended our credit agreement in 2023 and 2024, which resulted in an increase in our borrowing rates and modifications to both the Fixed Charge and Consolidated Total Lease Adjusted Leverage ratios and restrictions related to new restaurant growth and new leases, and these restrictions become more stringent beginning in the fourth quarter of 2025.

We were in compliance with our covenants as of July 1, 2025, and expect to continue to be in compliance through the next twelve months; however there is no assurance that we will be able to do so. The required Consolidated Total Lease Adjusted Leverage Ratio (as defined in the A&R Credit Agreement) steps down from the current requirement of 5.50 to 1.00 to 5.25 to 1.00 for the fourth quarter of fiscal year 2025, and then further steps down to 5.00 to 1.00 for the first two quarters of fiscal 2026. The required Minimum Consolidated Fixed Charge Coverage Ratio (as defined in the A&R Credit Agreement) steps up from the current requirement of 1.05 to 1.00 to 1.15 to 1.00 for the fourth quarter of fiscal year 2025 and the first quarter of fiscal 2026, and then further steps up to 1.25 to 1.00 for the second quarter of fiscal 2026. Our ability to comply with these covenants or, if we are not in compliance, our ability to obtain covenant waivers or modifications depends on many factors, some of which are beyond our control, including without limitation macroeconomic conditions, operating performance and the effectiveness of our strategic initiatives. The A&R Credit Agreement contains various events of default that include, among others, non-payment of principal or interest, breach of covenants, inaccuracy of representations and warranties, cross defaults to certain other indebtedness, bankruptcy and insolvency events, material judgments, and events constituting a change of control, in each case subject to thresholds and cure periods as set forth in the A&R Credit Agreement. Upon the occurrence and during the continuance of such an event of default, our lenders would have the right to terminate their commitments and accelerate our obligations under the A&R Credit Agreement as well as exercise other rights and remedies provided for under the A&R Credit Agreement, the other loan documents and applicable law. If outstanding borrowings under the A&R Credit Agreement were to be accelerated, we may not have sufficient cash on hand or be able to borrow sufficient funds to refinance the debt or sell sufficient assets to repay the debt, which could immediately adversely affect our business, cash flows, results of operations, and financial condition.

Even 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.

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

Director and Executive Officer Trading

During the quarter ended July 1, 2025, 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*	Form of 2025 Restricted Stock Unit Agreement
10.2*	Form of 2025 Performance Restricted Stock Unit Agreement
10.3*	Form of Restricted Stock Unit Agreement for Non-Employee Directors
10.4*	Transition Agreement between Noodles & Company and Drew Madsen dated August 5, 2025
10.5*	Amended and Restated Employment Agreement between Noodles & Company and Joseph Christina dated August 5, 2025
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)

*Indicates management contract or compensatory plan or arrangement.

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 August 14, 2025

RESTRICTED STOCK UNIT AGREEMENT

This RESTRICTED STOCK UNIT AGREEMENT (this "Agreement") is made as of May 15, 2025 (the "Effective Date") by and between Noodles & Company, a Delaware corporation (the "Company"), and XXXXX(the "Participant").

RECITALS

A. The Company has adopted the Noodles & Company Amended and Restated 2023 Stock Incentive Plan (the "Plan"), a copy of which is attached as an exhibit to the Company's Form 10-K for the most recently complete fiscal year as filed with the U.S. Securities and Exchange Commission.

B. The Company desires to grant the Participant the right to a proprietary interest in the Company to encourage the Participant's contribution to the success and progress of the Company.

C. In accordance with the Plan, the Administrator (as defined in the Plan) has granted to the Participant restricted stock units with respect to XXXXX shares of the Class A Common Stock of the Company, par value \$0.01 per share ("Shares"), subject to the terms and conditions of the Plan and this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual terms, conditions and other covenants and agreements set forth herein, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used herein shall have the following meanings, and capitalized terms not otherwise defined herein shall have the meaning specified in the Plan:

"Agreement" has the meaning set forth in the Preamble.

"Business Day" means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

"Cause" has the meaning in the Participant's employment agreement with the Company or, if there is no such agreement or definition, means that the Participant (a) is convicted of, or pleads guilty or *nolo contendere* to, a felony (other than a traffic-related felony) or any other crime involving dishonesty or moral turpitude; or (b) willfully engages in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company; or (c) willfully violates any nonsolicitation covenant between the Participant and the Company. The determination of "Cause" shall be in the reasonable discretion of the Administrator.

"Company" has the meaning set forth in the Preamble.

"Competing Business" has the meaning set forth in Section 23(a).

"Confidential Information" has the meaning set forth in Section 23(b).

"Disability" has the meaning ascribed to such term in the Plan.

"Effective Date" has the meaning set forth in the Preamble.

"Employer" means the Company and/or any of its subsidiaries with which the Participant is employed.

"Participant" has the meaning set forth in the Preamble.

"Person" means and includes an individual, a partnership, a corporation, a limited liability company, a trust, a joint venture, an unincorporated organization and any governmental or regulatory body or agency or other authority.

"Plan" has the meaning set forth in the Recitals.

"Qualifying Termination" means (i) if the Participant is party to an employment agreement with a "Good Reason" provision, termination of the Participant's employment by the Participant for Good Reason in accordance with the terms of such employment agreement or (ii) the Participant's termination of employment by the Company without Cause.

"RSUs" has the meaning set forth in Section 2.

"Shares" has the meaning set forth in the Recitals.

"Termination Date" means the date on which the Participant experiences a Termination of Employment (as defined in the Plan).

"Third Party Information" has the meaning set forth in Section 23(b).

"Vesting Period" has the meaning set forth in Section 3(a).

"Withholding Obligation" means the amount determined in the Administrator's sole discretion to be the minimum sufficient to satisfy all federal, state, local and other withholding tax obligations that the Administrator determines may arise with respect to the issuance of Shares or payment of income earned in respect of any RSUs.

2. Grant of RSUs. The Company grants to the Participant restricted stock units (the "RSUs") with respect to XXXXX Shares.

3. Vesting.

(a) The RSUs shall vest in 25% increments on each of the first through fourth anniversaries of the Effective Date (each such annual period, a "Vesting Period") so long as the Participant remains continuously employed by the Employer.

(b) Notwithstanding Section 3(a), upon receipt of a release of claims acceptable to the Company within forty-five days following the Participant's Termination Date (which, for any Participant subject to an employment agreement with an attached release of claims, shall be such attached release of claims), if the Participant's termination of employment

was due to a Qualifying Termination or due to the Participant's death or Disability, a pro rata portion of the next vesting installment (based on time worked relative to the 12 months in that Vesting Period) shall also vest.

(c) Notwithstanding Sections 3(a) and 3(b), if the Participant experiences a termination of employment due to a Qualifying Termination within twelve (12) months following a Change in Control, the portion of the RSUs that has not previously expired pursuant to this Agreement shall vest upon such event.

(d) In addition, the Administrator may, at any time in its sole discretion, accelerate the vesting of all or any portion of the RSUs.

4. Settlement.

(a) Unless deferred by the Participant to the extent permitted by the Board, the RSUs shall be settled promptly following their vesting pursuant to Section 3 by the Company delivering to the Participant one Share for each RSU that has vested. Unless deferred by the Participant, in no event shall such settlement occur later than March 15 of the year following the year in which the RSUs vest.

(b) Subject to Sections 3(b) and 3(c), the unvested RSUs shall immediately expire on the Termination Date.

5. Nontransferability of the RSUs. Except as permitted by the Administrator or as permitted under the Plan, the Participant may not assign or transfer the RSUs to anyone other than by will or the laws of descent and distribution. The Company may cancel the Participant's RSUs if the Participant attempts to assign or transfer them in a manner inconsistent with this Section 5.

6. Adjustments.

(a) In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities or other property, but excluding regular, quarterly and other periodic cash dividends), stock split or a combination or consolidation of the outstanding Shares into a lesser number of shares, is declared with respect to the Shares, then the RSUs shall be subject to adjustment as provided in Section 12(a) of the Plan.

(b) In connection with a Change in Control, the Administrator may provide for any adjustment or action specified in Section 12(b) of the Plan.

7. Restrictions on Resales of Shares. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued as a result of the settlement of the RSUs, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and other grantees and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

8. No Interest in Shares Subject to RSUs. Neither the Participant (individually or as a member of a group) nor any beneficiary or other Person claiming under or through the Participant shall have any right, title, interest, or privilege in or to any Shares allocated or reserved for the purpose of the Plan or subject to this Agreement except as to such Shares, if any, as shall have been issued to such Person following vesting of the RSUs.

9. Plan Controls. The RSUs hereby granted are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan as the same may be amended from time to time in accordance with the terms thereof; provided, however, that no such amendment shall be effective as to the RSUs without the Participant's consent insofar as it adversely affects the Participant's material rights under this Agreement, which consent will not be unreasonably withheld by the Participant.

10. Not an Employment Contract. Nothing in the Plan, this Agreement or any other instrument executed pursuant hereto or thereto shall confer upon the Participant any right to continue in the employ of the Employer or any affiliate thereof or shall affect the right of the Employer to terminate the employment of the Participant at any time with or without Cause (unless otherwise set forth in an employment agreement between the Company and the Participant).

11. Governing Law. This Agreement, and any disputes or controversies arising hereunder, shall be construed and enforced in accordance with and governed by the internal laws of the State of Delaware other than principles of law that would apply the law of another jurisdiction.

12. Taxes. The Administrator may, in its sole discretion, make such provisions and take such steps as it may deem necessary or appropriate to satisfy the Withholding Obligations with respect to the issuance of Shares, including deducting the amount of any such Withholding Obligations from any other amount then or thereafter payable to the Participant, requiring the Participant to pay to the Company the amount of such Withholding Obligations or to execute such documents as the Administrator deems necessary or desirable to enable it to satisfy the Withholding Obligations, or any other means provided in the Plan; provided, however, that, the Participant may satisfy any Withholding Obligations by (i) directing the Company to withhold that number of Shares with an aggregate fair market value equal to the amount of the Withholding Obligations or (ii) delivering to the Company such number of previously held Shares that have been owned by the Participant with an aggregate fair market value equal to the amount of the Withholding Obligations.

13. Notices. All notices, requests, demands and other communications called for or contemplated hereunder shall be in writing and shall be deemed to have been given when delivered to the party to whom addressed or when sent by telecopy (if promptly confirmed by registered or certified mail, return receipt requested, prepaid and addressed) to the parties, their successors in interest, or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid:

If to the Company to:

Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
Email: Legal@Noodles.com
Attention: Vice President-Legal

If to the Participant to the address set forth below the Participant's signature below.

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section 13, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided for in this Section 13, be deemed given upon facsimile confirmation, (iii) if delivered by mail in the manner described above to the address as provided for in this Section 13, be deemed given on the earlier of the third Business Day following mailing or upon receipt, and (iv) if delivered by overnight courier to the address as provided in this Section 13, be deemed given on the earlier of the first Business Day following the date sent by such overnight courier or upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 13). Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

Either party may, by notice given to the other party in accordance with this Section 13, designate another address or Person for receipt of notices hereunder.

14. Amendments and Waivers. This Agreement shall not be changed, altered, modified or amended, except by a written agreement signed by both parties hereto. The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement. Any waiver by any party of any provision hereof shall be effective only by a writing signed by the party to be charged.

15. Entire Agreement. This Agreement, together with the Plan, sets forth the entire agreement and understanding between the parties hereto as to the subject matter hereof and

thereof and supersedes all prior oral and written and all contemporaneous oral discussions, agreements and understandings of any kind or nature, regarding the subject matter hereof and thereof between the parties hereto.

16. Separability. If any term or provision of this Agreement shall to any extent be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement nevertheless shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the invalid or unenforceable provisions, to the extent permitted by law, shall be deemed amended and given such interpretation so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the maximum extent possible.

17. Headings; Construction. Headings in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect. The words "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

18. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

19. Further Assurances. The Participant shall cooperate and take such action as may be reasonably requested by the Company in order to carry out the provisions and purposes of this Agreement.

20. Remedies. In the event of a breach by any party to this Agreement of its obligations under this Agreement, any party injured by such breach, in addition to being entitled to exercise all rights granted by law, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. The parties agree that the provisions of this Agreement shall be specifically enforceable, it being agreed by the parties that the remedy at law, including monetary damages, for breach of any such provision will be inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived.

21. Electronic Delivery. By executing the Agreement, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the subsidiaries, the Plan, the RSUs and the Shares via Company web site or other electronic delivery

22. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns, including any Permitted Transferees.

23. Participant Covenants.

(a) Non-Solicitation. While employed by the Company or a subsidiary and for six (6) months thereafter, other than in the course of performing his or her duties, the Participant shall not, directly or indirectly through another Person, induce or attempt to induce any employee of the Company or any of its subsidiaries (other than restaurant-level employees who are not managers) to leave the employ of the Company or such subsidiary, or in any way interfere with the relationship between the Company or any of its subsidiaries and any such employee.

(b) Confidentiality. The Participant acknowledges that the confidential business information generated by the Company and its subsidiaries, whether such information is written, oral or graphic, including, but not limited to, financial plans and records, marketing plans, business strategies and relationships with third parties, present and proposed products, present and proposed patent applications, trade secrets, information regarding customers and suppliers, strategic planning and systems and contractual terms obtained by the Participant while employed by the Company and its subsidiaries concerning the business or affairs of the Company or any subsidiary of the Company (collectively, the "Confidential Information") is the property of the Company or such subsidiary. The Participant agrees that he or she shall not disclose to any Person or use for the Participant's own purposes any Confidential Information or any confidential or proprietary information of other Persons in the possession of the Company and its subsidiaries ("Third Party Information"), without the prior written consent of the Board, unless and to the extent that (i) the Confidential Information or Third Party Information becomes generally known to and available for use by the public, other than as a result of the Participant's acts or omissions or (ii) the disclosure of such Confidential Information is required by law, in which case the Participant shall give notice to and the opportunity to the Company to comment on the form of the disclosure and only the portion of Confidential Information that is required to be disclosed by law shall be disclosed. The Participant shall deliver to the Company on the date of his or her termination of employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer files, disks and tapes, printouts and software and other documents and data (and copies thereof) embodying or relating to Third Party Information, Confidential Information, or the business of the Company or any of its subsidiaries which he or she may then possess or have under his or her control.

(c) Specific Performance. The Participant recognizes and agrees that a violation by him or her of his or her obligations under this Section 23 may cause irreparable harm to the Company that would be difficult to quantify and that money damages may be inadequate. As such, the Participant agrees that the Company shall have the right to seek injunctive relief (in addition to, and not in lieu of any other right or remedy that may be available to it) to prevent or restrain any such alleged violation without the necessity of posting a bond or other security and without the necessity of proving actual damages. However, the foregoing shall not prevent the Participant from contesting the Company's request for the issuance of any such injunction on the grounds that no violation or threatened violation of this Section 23 has occurred and that the Company has not suffered irreparable harm. If a court of competent jurisdiction determines that the Participant has violated the obligations of any covenant for a

particular duration, then the Participant agrees that such covenant will be extended by that duration.

(d) Scope and Duration of Restrictions. The Participant expressly agrees that the character, duration and geographical scope of the restrictions imposed under this Section 23 are reasonable in light of the circumstances as they exist at the date upon which this Agreement has been executed. However, should a determination nonetheless be made by a court of competent jurisdiction at a later date that the character, duration or geographical scope of any of the covenants contained herein is unreasonable in light of the circumstances as they then exist, then it is the intention of both the Participant and the Company that such covenant shall be construed by the court in such a manner as to impose only those restrictions on the conduct of the Participant which are reasonable in light of the circumstances as they then exist and necessary to assure the Company of the intended benefit of such covenant.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

THE COMPANY:

NOODLES & COMPANY

By: _____
Name: Cheryl Lucente
Title: Vice President-Legal

PARTICIPANT:

Name:
Address: _____

Tel: _____

PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

This PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (this "Agreement") is made as of May 15, 2025 (the "Grant Date") by and between Noodles & Company, a Delaware corporation (the "Company"), and _____ (the "Participant").

RECITALS

A. The Company has adopted the Noodles & Company Amended and Restated 2023 Stock Incentive Plan (the "Plan"), a copy of which is attached as an exhibit to the Company's Form 10-K for the most recently complete fiscal year as filed with the U.S. Securities and Exchange Commission.

B. The Company desires to grant the Participant the right to a proprietary interest in the Company to encourage the Participant's contribution to the success and progress of the Company.

C. In accordance with the Plan, the Administrator (as defined in the Plan) has granted to the Participant restricted stock units with respect to a target number of _____ shares (the "Target Number of Shares") of Class A Common Stock of the Company, par value \$0.01 per share ("Shares"), subject to the terms and conditions of the Plan and this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual terms, conditions and other covenants and agreements set forth herein, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used herein shall have the following meanings, and capitalized terms not otherwise defined herein shall have the meaning specified in the Plan:

"Agreement" has the meaning set forth in the Preamble.

"Business Day" means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

"Cause" has the meaning in the Participant's employment or severance protection agreement with the Company or, if there is no such agreement or definition, means that the Participant (a) is convicted of, or pleads guilty or *nolo contendere* to, a felony (other than a traffic-related felony) or any other crime involving dishonesty or moral turpitude; or (b) willfully engages in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company; or (c) willfully violates any nonsolicitation covenant between the Participant and the Company. The determination of "Cause" shall be in the reasonable discretion of the Administrator.

"Change in Control Price" means the price per Share on a fully-diluted basis offered in conjunction with any transaction resulting in a Change in Control as determined in good faith by the Administrator as constituted before the Change in Control, or in the case of a Change in Control that does not result in a payment for Shares, the average Fair Market Value of

a Share on the 30 trading days immediately preceding the date on which the Change in Control occurs.

"Company" has the meaning set forth in the Preamble.

"Disability" has the meaning ascribed to such term in the Plan.

"Employer" means the Company and/or any of its subsidiaries with which the Participant is employed.

"Good Reason" has the meaning specified in the employment agreement or severance agreement between the Employer and the Participant.

"Grant Date" has the meaning set forth in the Preamble.

"Participant" has the meaning set forth in the Preamble.

"Performance Period" for the PSUs means the period beginning on the Grant Date and ending on the third anniversary thereof.

"Person" means and includes an individual, a partnership, a corporation, a limited liability company, a trust, a joint venture, an unincorporated organization and any governmental or regulatory body or agency or other authority.

"Plan" has the meaning set forth in the Recitals.

"Pro Rata Portion" means a fraction, (i) the numerator of which is the number of days from the Grant Date through the Termination Date, and (ii) the denominator of which is 1,095.

"PSUs" has the meaning set forth in Section 2.

"Qualifying Termination" means (i) the Participant's termination of employment for Good Reason or (ii) the Participant's termination of employment by the Company without Cause.

"Shares" has the meaning set forth in the Recitals.

"Termination Date" means the date on which the Participant experiences a Termination of Employment (as defined in the Plan).

"Withholding Obligation" means the amount determined in the Administrator's sole discretion to be the minimum sufficient to satisfy all federal, state, local and other withholding tax obligations that the Administrator determines may arise with respect to the issuance of Shares or payment of income earned in respect of any PSUs.

2. Grant of PSUs. The Company grants to the Participant performance restricted stock units (the "PSUs") with respect to the Target Number of Shares, subject to adjustment as provided herein and in the Plan.

3. Earned PSUs. The PSUs shall be earned as specified in Exhibit 1 (the “Earned PSUs”) and the earned PSUs shall be eligible to vest pursuant to Sections 4 and 5.

4. Vesting.

(a) The Earned PSUs shall vest on the third anniversary of the Grant Date (the “Vesting Date”) so long as the Participant remains continuously employed by the Employer through the Vesting Date.

(b) Notwithstanding Section 4(a), upon receipt of a release of claims acceptable to the Company within forty-five days following the Participant's Termination Date (which, for any Participant subject to an employment agreement with an attached release of claims, shall be such attached release of claims), if the Participant's termination of employment was due to a Qualifying Termination or due to the Participant's death or Disability prior to the Vesting Date, the Pro Rata Portion of the Earned PSUs shall vest on the Vesting Date.¹

5. Change in Control.

(a) Notwithstanding Section 4, in the event a Change in Control occurs before the end of the Performance Period, unless otherwise determined by the Administrator in its discretion and subject to Section 5(b), the Earned PSUs shall be determined pursuant to Exhibit 1 using the Change in Control Price, and such Earned PSUs shall be converted into time-vesting restricted stock units or such other rights as determined by the Administrator (collectively, “RSUs”). Such RSUs shall vest on the Vesting Date, subject to the Participant remaining continuously employed; provided, however, that if the Participant experiences a termination of employment due to a Qualifying Termination or due to the Participant's death or Disability prior to the Vesting Date, the RSUs shall vest in full upon such termination.

(b) Notwithstanding Section 5(a), if the Earned PSUs are not converted into RSUs in connection with the Change in Control, the number of Earned PSUs shall be determined by the Administrator (taking into account the principles in Section 5(a) for conversion to RSUs), the date of the Change in Control shall be the Vesting Date, and the Participant will receive with respect to each Earned PSU either (i) the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Shares for each Share held on the effective date of the Change in Control, (ii) common stock of the successor to the Company with a value equal to the Change in Control Price, or (iii) cash equal to the Change in Control Price, as determined by the Administrator in its discretion.

6. Settlement.

(a) The Earned PSUs shall be settled promptly following the certification of the applicable results by the Committee following the Vesting Date by the Company delivering to the Participant one Share for each PSU that has been earned and vests. In no event shall such settlement occur later than May 31 of the year in which the Earned PSUs vest; provided that if Section 5 applies, the Earned PSUs shall be settled as specified in Section 5 no later than 10 days following the consummation of the Change in Control.

(b) All PSUs that are not earned or that do not vest or remain eligible to vest shall immediately be forfeited on the Termination Date.

7. Dividends. Any cash dividends paid with respect to Shares before settlement of the Shares underlying PSUs shall not be paid currently, but shall be converted into additional PSUs pursuant to this Section 7, to be settled pursuant to Section 6 at the same time as the underlying PSUs and with respect to the number of Shares earned with respect to such PSUs that vest (e.g., if 110% of the Target Number of Shares are earned and vest, then the Dividend Units issued with respect to such earned and vested Shares shall also be earned and vest). Any PSUs resulting from such conversion (the "Dividend Units") will be considered PSUs for purposes of this Agreement and will be subject to all of the terms, conditions and restrictions set forth herein (including, without limitation, vesting) that apply to the underlying PSUs that generated the Dividend Units. As of each date that the Company would otherwise pay the declared dividend on the Shares underlying the PSUs (the "Dividend Payment Date") in the absence of the reinvestment requirements of this Section, the number of Dividend Units will be determined by dividing the amount of dividends otherwise attributable to the PSUs but not paid on the Dividend Payment Date by the Fair Market Value of the Shares on the Dividend Payment Date.

8. No Transferability of the PSUs. Except as permitted by the Administrator or as permitted under the Plan, the Participant may not assign or transfer the PSUs to anyone other than by will or the laws of descent and distribution. The Company may cancel the Participant's PSUs if the Participant attempts to assign or transfer them in a manner inconsistent with this Section 8.

9. Adjustments. In the event that any special dividend or other distribution (whether in the form of cash, Shares, other securities or other property, but excluding regular, quarterly and other periodic cash dividends), stock split or a combination or consolidation of the outstanding Shares into a lesser number of shares, is declared with respect to the Shares, then the PSUs shall be subject to adjustment as provided in Section 12(a) of the Plan.

10. Restrictions on Resales of Shares. The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued as a result of the settlement of the PSUs, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and other grantees and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers. Notwithstanding the foregoing and for the avoidance of doubt, nothing herein shall restrict the ability of the Participant to satisfy the Withholding Obligations through any method permissible under Section 16 or the Plan.

11. No Interest in Shares Subject to PSUs. Neither the Participant (individually or as a member of a group) nor any beneficiary or other Person claiming under or through the Participant shall have any right, title, interest, or privilege in or to any Shares allocated or reserved for the purpose of the Plan or subject to this Agreement except as to such Shares, if any, as shall have been issued to such Person following vesting of the PSUs.

12. Clawback Policy. The PSUs and any Shares issued in settlement thereof are subject to the Company's clawback policy as in effect from time to time.

13. Plan Controls. The PSUs hereby granted are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan as the same may be amended from time to time in accordance with the terms thereof; provided, however, that no such amendment shall be effective as to the PSUs without the Participant's consent insofar as it adversely affects the Participant's material rights under this Agreement, which consent will not be unreasonably withheld by the Participant.

14. Not an Employment Contract. Nothing in the Plan, this Agreement or any other instrument executed pursuant hereto or thereto shall confer upon the Participant any right to continue in the employ of the Employer or any affiliate thereof or shall affect the right of the Employer to terminate the employment of the Participant at any time with or without Cause (unless otherwise set forth in an employment agreement between the Company and the Participant).

15. Governing Law. This Agreement, and any disputes or controversies arising hereunder, shall be construed and enforced in accordance with and governed by the internal laws of the State of Delaware other than principles of law that would apply the law of another jurisdiction.

16. Taxes. The Administrator may, in its sole discretion, make such provisions and take such steps as it may deem necessary or appropriate to satisfy the Withholding Obligations with respect to the issuance of Shares, including deducting the amount of any such Withholding Obligations from any other amount then or thereafter payable to the Participant, requiring the Participant to pay to the Company the amount of such Withholding Obligations or to execute such documents as the Administrator deems necessary or desirable to enable it to satisfy the Withholding Obligations, or any other means provided in the Plan; provided, however, that, the Participant may satisfy any Withholding Obligations by (i) directing the Company to withhold that number of Shares with an aggregate fair market value equal to the amount of the Withholding Obligations or (ii) delivering to the Company such number of previously held Shares that have been owned by the Participant with an aggregate fair market value equal to the amount of the Withholding Obligations.

17. Notices. All notices, requests, demands and other communications called for or contemplated hereunder shall be in writing and shall be deemed to have been given when delivered to the party to whom addressed or when sent by telecopy (if promptly confirmed by registered or certified mail, return receipt requested, prepaid and addressed) to the parties, their successors in interest, or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid:

If to the Company to:

Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
Fax: (720) 214-1921
Attention: Vice President-Legal

If to the Participant to the address in the Employer's payroll records.

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section 16, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided for in this Section 17, be deemed given upon facsimile confirmation, (iii) if delivered by mail in the manner described above to the address as provided for in this Section 17, be deemed given on the earlier of the third Business Day following mailing or upon receipt, and (iv) if delivered by overnight courier to the address as provided in this Section 17, be deemed given on the earlier of the first Business Day following the date sent by such overnight courier or upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 16. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

Either party may, by notice given to the other party in accordance with this Section 17, designate another address or Person for receipt of notices hereunder.

18. Amendments and Waivers. This Agreement shall not be changed, altered, modified or amended, except by a written agreement signed by both parties hereto. The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement. Any waiver by any party of any provision hereof shall be effective only by a writing signed by the party to be charged.

19. Entire Agreement. This Agreement, together with the Plan, sets forth the entire agreement and understanding between the parties hereto as to the subject matter hereof and thereof and supersedes all prior oral and written and all contemporaneous oral discussions, agreements and understandings of any kind or nature, regarding the subject matter hereof and thereof between the parties hereto.

20. Separability. If any term or provision of this Agreement shall to any extent be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement nevertheless shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the invalid or unenforceable provisions, to the extent permitted by law, shall be deemed amended and given such interpretation so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the maximum extent possible.

21. Headings; Construction. Headings in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect. The words "include," "includes"

and "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

22. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

23. Further Assurances. The Participant shall cooperate and take such action as may be reasonably requested by the Company in order to carry out the provisions and purposes of this Agreement.

24. Electronic Delivery. By executing the Agreement, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the subsidiaries, the Plan, the PSUs and the Shares via Company web site or other electronic delivery.

25. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns, including any Permitted Transferees.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Grant Date.

THE COMPANY:

NOODLES & COMPANY

By: _____
Name: Cheryl Lucente
Title: Vice President-Legal

PARTICIPANT:

Name:

Exhibit 1

The PSUs shall be earned and eligible to vest as follows based on performance during the Performance Period:

Highest VWAP	Percentage of Target Number of Shares that Become Earned PSUs
Less than \$4.50	0%
\$4.50 (" <u>Threshold Amount</u> ")	50%
\$6.50 (" <u>Target Amount</u> ")	100%
\$8.50 (" <u>Maximum Amount</u> ") or more	150%

If actual Highest VWAP for the Performance Period is between Threshold Amount and Target Amount, or between Target Amount and Maximum Amount, the number of Earned PSUs will be determined by linear interpolation. In addition, the stock price targets above shall be adjusted in the manner set forth in Section 12(a) of the Plan if an event described in Section 12(a) of the Plan occurs after the Grant Date.

For purposes hereof, "Highest VWAP" means the highest volume-weighted average stock price for the Shares during any 45 consecutive trading day-period commencing on the Grant Date and ending on the Vesting Date.

RESTRICTED STOCK UNIT AGREEMENT FOR NONEMPLOYEE DIRECTORS

This RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”) is made as of May 15, 2025 (the “Effective Date”), by and between Noodles & Company, a Delaware corporation (the “Company”), and _____ (the “Participant”).

RECITALS

A. The Company has adopted the Noodles & Company Amended and Restated 2023 Stock Incentive Plan (the “Plan”), a copy of which is attached as an exhibit to the Company’s Form 10-K for the most recently complete fiscal year as filed with the U.S. Securities and Exchange Commission.

B. The Company desires to grant the Participant the right to a proprietary interest in the Company to encourage the Participant’s contribution to the success and progress of the Company.

C. In accordance with the Plan, the Administrator (as defined in the Plan) has granted to the Participant restricted stock units with respect to _____ shares of the Class A Common Stock of the Company, par value \$0.01 per share (“Shares”), subject to the terms and conditions of the Plan and this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual terms, conditions and other covenants and agreements set forth herein, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used herein shall have the following meanings, and capitalized terms not otherwise defined herein shall have the meaning specified in the Plan:

“Agreement” has the meaning set forth in the Preamble.

“Board” means the board of directors of the Company.

“Business Day” means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

“Company” has the meaning set forth in the Preamble.

“Effective Date” has the meaning set forth in the Preamble.

“Participant” has the meaning set forth in the Preamble.

“Person” means and includes an individual, a partnership, a corporation, a limited liability company, a trust, a joint venture, an unincorporated organization and any governmental or regulatory body or agency or other authority.

“Plan” has the meaning set forth in the Recitals.

“RSUs” has the meaning set forth in Section 2.

“Shares” has the meaning set forth in the Recitals.

“Termination Date” means the date the Participant ceases to serve as a member of the Board.

“Withholding Obligation” means the amount determined in the Administrator’s sole discretion to be the minimum sufficient to satisfy all federal, state, local and other withholding tax obligations that the Administrator determines may arise with respect to the issuance of Shares or payment of income earned in respect of any RSUs.

2. Grant of RSUs. The Company grants to the Participant restricted stock units (the “RSUs”) with respect to _____ Shares, on the terms and conditions set forth herein. Each RSU represents the right to receive one (1) Share, subject to the terms and conditions hereof.

3. Vesting. The RSUs shall be fully vested upon grant.

4. Settlement. Unless deferred by the Participant to the extent permitted by the Board, the RSUs shall be settled promptly following their vesting pursuant to Section 3 by the Company delivering to the Participant one Share for each RSU that has vested. Unless deferred by the Participant, in no event shall such settlement occur later than March 15 of the year following the year in which the RSUs vest.

5. Nontransferability of the RSUs. Except as permitted by the Administrator or as permitted under the Plan, the Participant may not assign or transfer the RSUs to anyone other than by will or the laws of descent and distribution. The Company may cancel the Participant’s RSUs if the Participant attempts to assign or transfer them in a manner inconsistent with this Section 5.

6. Adjustments.

(a) In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities or other property, but excluding regular, quarterly and other periodic cash dividends), stock split or a combination or consolidation of the outstanding Shares into a lesser number of shares, is declared with respect to the Shares, then the RSUs shall be subject to adjustment as provided in Section 12(a) of the Plan.

(b) In connection with a Change in Control, the Administrator may provide for any adjustment or action specified in Section 12(b) of the Plan.

7. No Interest in Shares Subject to RSUs. Neither the Participant (individually or as a member of a group) nor any beneficiary or other Person claiming under or through the Participant shall have any right, title, interest, or privilege in or to any Shares allocated or

reserved for the purpose of the Plan or subject to this Agreement except as to such Shares, if any, as shall have been issued to such Person following vesting of the RSUs.

8. Plan Controls. The RSUs hereby granted are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan as the same may be amended from time to time in accordance with the terms thereof; provided, however, that no such amendment shall be effective as to the RSUs without the Participant's consent insofar as it adversely affects the Participant's material rights under this Agreement, which consent will not be unreasonably withheld by the Participant.

9. Not an Employment Contract. Nothing in the Plan, this Agreement or any other instrument executed pursuant hereto or thereto shall confer upon the Participant any right to continue in the service of the Company or any affiliate thereof or shall affect the right of the Company to terminate the service of the Participant at any time and for any reason.

10. Governing Law. This Agreement, and any disputes or controversies arising hereunder, shall be construed and enforced in accordance with and governed by the internal laws of the State of Delaware other than principles of law that would apply the law of another jurisdiction.

11. Taxes. The Administrator may, in its sole discretion, make such provisions and take such steps as it may deem necessary or appropriate to satisfy the Withholding Obligations with respect to the issuance of Shares, including deducting the amount of any such Withholding Obligations from any other amount then or thereafter payable to the Participant, requiring the Participant to pay to the Company the amount of such Withholding Obligations or to execute such documents as the Administrator deems necessary or desirable to enable it to satisfy the Withholding Obligations, or any other means provided in the Plan; provided, however, that, the Participant may satisfy any Withholding Obligations by (i) directing the Company to withhold that number of Shares with an aggregate fair market value equal to the amount of the Withholding Obligations or (ii) delivering to the Company such number of previously held Shares that have been owned by the Participant with an aggregate fair market value equal to the amount of the Withholding Obligations.

12. Notices. All notices, requests, demands and other communications called for or contemplated hereunder shall be in writing and shall be deemed to have been given when delivered to the party to whom addressed or when sent by telecopy (if promptly confirmed by registered or certified mail, return receipt requested, prepaid and addressed) to the parties, their successors in interest, or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid:

If to the Company to:

Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
Email: Legal@Noodles.com
Attention: Vice President-Legal

If to the Participant to the address set forth below the Participant's signature below.

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this Section 12, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided for in this Section 12, be deemed given upon facsimile confirmation, (iii) if delivered by mail in the manner described above to the address as provided for in this Section 12, be deemed given on the earlier of the third Business Day following mailing or upon receipt, and (iv) if delivered by overnight courier to the address as provided in this Section 12, be deemed given on the earlier of the first Business Day following the date sent by such overnight courier or upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 12). Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

Either party may, by notice given to the other party in accordance with this Section 12, designate another address or Person for receipt of notices hereunder.

13. Amendments and Waivers. This Agreement shall not be changed, altered, modified or amended, except by a written agreement signed by both parties hereto. The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement. Any waiver by any party of any provision hereof shall be effective only by a writing signed by the party to be charged.

14. Entire Agreement. This Agreement, together with the Plan, sets forth the entire agreement and understanding between the parties hereto as to the subject matter hereof and thereof and supersedes all prior oral and written and all contemporaneous oral discussions, agreements and understandings of any kind or nature, regarding the subject matter hereof and thereof between the parties hereto.

15. Separability. If any term or provision of this Agreement shall to any extent be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement nevertheless shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the invalid or unenforceable provisions, to the extent permitted by law, shall be deemed amended and given such interpretation so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the maximum extent possible.

16. Headings; Construction. Headings in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect. The words “include,” “includes” and “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

17. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

18. Further Assurances. The Participant shall cooperate and take such action as may be reasonably requested by the Company in order to carry out the provisions and purposes of this Agreement.

19. Remedies. In the event of a breach by any party to this Agreement of its obligations under this Agreement, any party injured by such breach, in addition to being entitled to exercise all rights granted by law, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. The parties agree that the provisions of this Agreement shall be specifically enforceable, it being agreed by the parties that the remedy at law, including monetary damages, for breach of any such provision will be inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived.

20. Electronic Delivery. By executing the Agreement, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the subsidiaries, the Plan, the RSUs and the Shares via Company web site or other electronic delivery

21. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns, including any Permitted Transferees.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

THE COMPANY:

NOODLES & COMPANY

By: _____

Name:

Title:

PARTICIPANT:

Name:

Address: _____

Tel: _____

Fax: _____

EXHIBIT 1

NOODLES & COMPANY
2023 STOCK INCENTIVE PLAN

TRANSITION AGREEMENT

This Transition Agreement (“Agreement”) is made as of August 5, 2025 (the “Agreement Date”) between **Noodles & Company**, a Delaware corporation (the “Company”) and **Drew Madsen** (“Executive”) (each a “party” and together the “parties”):

WHEREAS, Executive is employed by the Company pursuant to an Employment Agreement dated March 6, 2024 (the “Employment Agreement”);

WHEREAS, the Executive has elected to resign from the Company and terminate his employment effective as of August 31, 2025 (“Effective Date”); and

WHEREAS, the parties wish to establish the terms of Executive’s resignation as described herein.

NOW, THEREFORE, the parties agree as follows:

- 1. Terms.** Capitalized terms used in this Agreement but not defined in this Agreement shall have the meanings set forth in the Employment Agreement.
- 2. Resignation from Employment.** Executive shall resign from employment with the Company pursuant to Section 5(d) of the Employment Agreement effective as of the Effective Date. Upon the termination of Executive’s employment, Executive shall receive the Accrued Benefits. The Company hereby waives the requirement set forth in Section 5(d) of the Employment Agreement for Executive to provide the Company with ninety days’ prior written notice of resignation.
- 3. Continued Board Service.** Executive shall remain a member of the Company’s Board of Directors for the remainder of his current term ending as of the Company’s annual meeting of stockholders to be held in 2027 and until such time as Executive’s successor is elected and qualified or until his earlier death, resignation or removal.
- 4. Equity Awards.** As of the Effective Date, the equity awards granted under the Company’s Amended and Restated 2023 Stock Incentive Plan (the “Plan”) then held by the Executive will be treated as follows: (a) the unvested portion of the grant of 199,203 restricted stock units (“RSUs”) under the Restricted Stock Unit Agreement dated March 6, 2024 (the “Award Agreement”) will continue to vest in accordance with the terms of the Award Agreement and as provided under the Plan so long as Executive continues to serve as a member of the Company’s Board of Directors and, to the extent any such RSUs remain unvested at the time his Board service terminates, such unvested RSUs will be forfeited and (b) all other outstanding equity awards that are not then vested will be canceled and Executive will have no further rights thereunder.
- 5. Executive’s Obligations.** Nothing herein affects Executive’s obligations under the Employment Agreement that survive the termination of Executive’s employment.

6. **Indemnification Agreement.** The Indemnification Agreement between the Company and Executive dated October 24, 2017 (the “Indemnification Agreement”) shall continue in effect after the Effective Date with respect to any possible claims based on the fact that Executive continues to be or was a director, officer, employee, agent, or trustee of the Company or was serving at the request of the Company as a director, officer, employee, agent, or trustee of another corporation or of a partnership, joint venture, trust, or other enterprise, including service with respect to an employee benefit plan.
7. **Execution of Release.** On the Effective Date, Executive and the Company will enter into the Release Agreement attached hereto as Exhibit A.
8. **No Admission.** This Agreement and the Release are not an admission by either party of any violation of law or other wrongdoing of any kind.
9. **Governing Law.** This Agreement and any disputes or controversies arising hereunder shall be construed and enforced in accordance with and governed by the internal laws of the State of Colorado, without reference to principles of law that would apply the substantive law of another jurisdiction.

IN WITNESS WHEREOF, Executive and the Company have executed this Agreement as of the dates shown below, to be effective as of the Agreement Date.

THE COMPANY:

Noodles & Company

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

Date: August 5, 2025

EXECUTIVE:

Drew Madsen

/s/ DREW MADSEN
Drew Madsen

Date: August 5, 2025

Exhibit A

RELEASE AGREEMENT

1. **Drew Madsen** (“Executive”), individually and on behalf of his heirs and assigns, hereby releases, waives and discharges Company, and all subsidiary, parent or affiliated companies and corporations, and their present, former or future respective subsidiary, parent or affiliated companies or corporations, and their respective present or former directors, officers, shareholders, trustees, managers, supervisors, employees, partners, attorneys, agents, representatives and insurers, and the respective successors, heirs and assigns of any of the above described persons or entities (hereinafter referred to collectively as “Released Parties”), from any and all claims, causes of action, losses, damages, costs, and liabilities of every kind and character, whether known or unknown (“Claims”), that Executive may have or claim to have, in any way relating to or arising out of, in whole or in part, (a) any event or act of omission or commission occurring on or before the Effective Date, including Claims arising by reason of the continued effects of any such events or acts, which occurred on or before the Effective Date, or (b) Executive’s employment with Company or the termination of such employment with Company, including but not limited to Claims arising under federal, state, or local laws prohibiting disability, handicap, age, sex, race, national origin, religion, retaliation, or any other form of discrimination, such as the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Age Discrimination in Employment Act, as amended, 29 U.S.C. §§ 621 et seq.; and Title VII of the 1964 Civil Rights Act, as amended, 42 U.S.C. §§ 2000e et seq.; Claims for intentional infliction of emotional distress, tortious interference with contract or prospective advantage, and other tort claims; and Claims for breach of express or implied contract; with the exception of Executive’s vested rights, if any, under Company retirement plans. Executive hereby warrants that he has not assigned or transferred to any person any portion of any claim that is released, waived and discharged above. Executive understands and agrees that by signing this Agreement he is giving up his right to bring any legal claim against any Released Party concerning, directly or indirectly, Executive’s employment relationship with the Company, including his separation from employment, and/or any and all contracts between Executive and Company, express or implied except as expressly provided in this Agreement below. Executive agrees that this legal release is intended to be interpreted in the broadest possible manner in favor of the Released Parties, to include all actual or potential legal claims that Executive may have against any Released Party, except as specifically provided otherwise in this Agreement. This release does not cover Claims relating to the validity or enforcement of this Agreement. Further, Executive has not released any claim for indemnity or legal defense available to him due to his service as a board member, officer or director of the Company, as provided by the certificate of incorporation or bylaws of the Company, the Indemnification Agreement or by any applicable insurance policy, or under any applicable corporate law.

2. The Company hereby releases Executive from any Claim that Company may have or claim to have (whether known or unknown) in any way relating to or arising out of, in whole or in part, any event or act of omission or commission occurring on or before the Effective Date, including Claims arising by reason of the continued effects of any such events or acts, which

occurred on or before the Effective Date, in connection with Executive's employment with Company or the termination of such employment with Company.

3. Executive agrees and acknowledges that he: (i) understands the language used in this Agreement and the Agreement's legal effect; (ii) understands that by signing this Agreement he is giving up the right to sue the Company for age discrimination; (iii) has been advised by Company to consult with an attorney before signing this Agreement; and (iv) was given no less than twenty-one days to consider whether to sign this Agreement. For a period of seven days after the effective date of this Agreement, Executive may, in his sole discretion, rescind this Agreement, by delivering a written notice of rescission to the Board. If Executive rescinds this Agreement within seven calendar days after the effective date, this Agreement shall be void, all actions taken pursuant to this Agreement shall be reversed, and neither this Agreement nor the fact of or circumstances surrounding its execution shall be admissible for any purpose whatsoever in any proceeding between the parties, except in connection with a claim or defense involving the validity or effective rescission of this Agreement. If Executive does not rescind this Agreement within seven calendar days after the Effective Date, this Agreement shall become final and binding and shall be irrevocable.
4. Nothing herein affects Executive's obligations under the Employment Agreement that survive Executive's termination of employment.
5. Capitalized terms not defined herein have the meaning specified in the Transition Agreement between the Company and the Executive dated August 5, 2025.

IN WITNESS WHEREOF, the Company and Executive have executed this Release Agreement on the dates set forth below.

THE COMPANY:

EXECUTIVE:

Noodles & Company

Drew Madsen

By:

Michael Hynes
Chief Financial Officer

Drew Madsen

Date: _____, 2025

Date: _____, 2025

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the “Agreement”) is entered into as of August 5, 2025, by and between Noodles & Company, a Delaware corporation (the “Company”), and Joseph Christina, an individual (the “Executive”).

INTRODUCTION

1. The Company and the Executive previously entered into an Employment Agreement, dated February 12, 2025, which set forth the terms of the Executive’s employment as President and Chief Operating Officer of the Company (the “Original Agreement”).
2. The Company wishes to promote the Executive to serve as its President and Chief Executive Officer.
3. The Company and the Executive desire to amend and restate the Original Agreement to set forth the terms of Executive’s employment as President and Chief Executive Officer.

AGREEMENT

In consideration of the premises and mutual promises herein below set forth, the parties hereby agree to amend and restate the Original Agreement in its entirety as follows, effective as of the Effective Date (as defined below):

1. Employment Period

The term of the Executive’s employment by the Company as President and Chief Executive Officer pursuant to this Agreement (the “Employment Period”) shall commence on August 31, 2025 (the “Effective Date”) and shall continue until terminated pursuant to Section 5.

2. Employment

(a) Title; Duties. The Executive shall serve as President and Chief Executive Officer of the Company during the Employment Period, and the Executive hereby accepts such employment. The duties assigned and authority granted to the Executive shall be as determined by the Company’s Board of Directors (the “Board”) from time to time. The Executive agrees to perform his duties for the Company diligently, competently, and in a good faith manner.

(b) Exclusive Employment. During the Employment Period, the Executive shall devote his full business time to his duties and responsibilities set forth above, and may not, without the prior written consent of the Board or its designee, operate, participate in the management, board of directors, operations or control of, or act as an employee,

officer, consultant, agent or representative of, any type of business or service (other than as an employee of the Company); provided, however, that the Executive may (i) engage in civic and charitable activities, (ii) participate in industry associations, deliver lectures or fulfill speaking engagements, and (iii) make and maintain outside personal investments, provided that none of the foregoing activities significantly interfere with the Executive's performance of his duties hereunder.

3. Compensation

(a) Base Salary. Beginning on the Effective Date, the Executive shall be entitled to receive a base salary from the Company during the Employment Period at the rate of \$550,000.00 per year. The Executive's base salary shall be reviewed annually by the Board or the Compensation Committee of the Board (the "Committee"), and may be increased (but not decreased). The base salary shall be paid in accordance with the Company's payroll procedures as in effect from time-to-time.

(b) Annual Bonus. Beginning with the fiscal year ending December 30, 2025, the Executive shall be eligible to receive an annual bonus (the "Annual Bonus") for each calendar year during the Employment Period in an amount targeted at one hundred percent (100%) of the Executive's then-effective annual base salary, contingent upon the Executive achieving certain targeted goals that will be established by the Board or the Committee and prorated for partial years of employment. Any Annual Bonus to which the Executive may be entitled under this Section 3(b) shall be paid in cash in the form of a lump sum as soon as practicable following the completion of the financial audit for the applicable fiscal year, and in no event later than April 30 after the end of the fiscal year to which such Annual Bonus relates. Whether and to what degree the Executive has met the performance goals described in this Section 3(b) shall be determined by the Board in its reasonable discretion in accordance with the applicable bonus/performance goals document for that bonus year described in the first sentence of this Section 3(b).

(c) Equity Grants. In connection with the commencement of the Executive's employment with the Company as President and Chief Executive Officer, and on the Effective Date, the Executive will receive a restricted stock unit grant for 250,000 shares of the Company's Class A common stock (the "CEO Equity Award") under the Company's 2023 Stock Incentive Plan. The CEO Equity Award will vest ratably on each of the first, second, third and fourth anniversary of the grant date, subject to the Executive's continued employment with the Company through each such vesting date. The Executive shall be eligible to receive future equity grants during the Employment Period as determined by the Compensation Committee of the Board in its sole discretion.

4. Other Benefits; Location

(a) Insurance. During the Employment Period, the Executive and the Executive's dependents shall be eligible for coverage under the group insurance plans made available from time to time to Company's executive employees. The premiums for the coverage of

the Executive and the Executive's dependents under that plan shall be paid by the Company pursuant to the formula in place for other executive employees covered by Company's group insurance plans.

(b) Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all other savings and retirement plans, practices, policies and programs, in each case on terms and conditions no less favorable than the terms and conditions generally applicable to the Company's other executive employees.

(c) Vacation. During the Employment Period, the Executive shall be entitled to an annual vacation pursuant to the Company's Time Away From Work policy, as in effect from time to time.

(d) Reimbursement of Expenses. The Company shall promptly reimburse the Executive for all reasonable out of pocket travel, entertainment, and other expenses incurred or paid by the Executive in connection with, or related to, the performance of his responsibilities or services under this Agreement upon the submission of appropriate documentation pursuant to the Company's policies in effect from time to time.

5. Termination

(a) Termination by the Company with Cause. Upon written notice to the Executive, the Company may terminate the Executive's employment for Cause (as defined below). In the event that the Executive's employment is terminated for Cause, the Executive shall receive from the Company payments for (i) any and all earned and unpaid portion of his then-effective base salary (on or before the first regular payroll date following the Date of Termination in accordance with applicable law); (ii) any and all unreimbursed business expenses (in accordance with the Company's reimbursement policy); (iii) any and all accrued and unused vacation time through the Date of Termination (on or before the first regular payroll date following the Date of Termination in accordance with applicable law); and (iv) any other benefits the Executive is entitled to receive as of the Date of Termination under the employee benefit plans of the Company, less standard withholdings (items (i) through (iv) are hereafter referred to as "Accrued Benefits"). Except for the Accrued Benefits or as required by law, after the Date of Termination, the Company shall have no obligation to make any other payment, including severance or other compensation of any kind on account of the Executive's termination of employment or to make any payment in lieu of notice to the Executive in the event of a termination pursuant to this Section 5(a). Except as required by law or as otherwise provided herein, all benefits provided by the Company to the Executive under this Agreement or otherwise shall cease as of the Date of Termination in the event of a termination pursuant to this Section 5(a).

(b) Termination by the Company Without Cause. The Company may, at any time and without prior written notice, terminate the Executive's employment without Cause. In the event that the Executive's employment with the Company is terminated without Cause,

the Executive shall receive the Accrued Benefits and any unpaid portion of the Annual Bonus from a prior year (payable when other senior executives receive their annual bonuses for such year, and in no event later than March 15 of the year following the year for which the Annual Bonus was earned). In addition, the Executive shall be entitled to receive from the Company the following: (i) severance payments totaling (A) if the termination does not occur during the CIC Protection Period, twelve (12) months of base salary, paid in equal installments according to the Company's regular payroll schedule over the twelve (12) months following the Date of Termination (the "Severance Period"), or (B) if the termination occurs during the CIC Protection Period, twelve (12) months of base salary, paid in a lump sum within five (5) days following the release of claims specified in Exhibit A becoming irrevocable, (ii) (A) if the termination does not occur during the CIC Protection Period, a pro rata portion of the Annual Bonus for the year in which the Date of Termination occurs, based on the number of full months employed in such fiscal year and actual performance for such year, paid when other senior executives receive their annual bonuses for such year (and in no event later than March 15 of the year following the year in which the Date of Termination occurs), or (B) if the termination occurs during the CIC Protection Period, a pro rata Target Bonus (with the proration determined in the same manner as in clause (ii)(A)), paid in a lump sum within five (5) days following the release of claims specified in Exhibit A becoming irrevocable; and (iii) a cash payment equal to the "COBRA" premium for Executive's elected coverage as of the Date of Termination for twelve (12) months, payable in a lump sum within five (5) days following the release of claims specified in Exhibit A becoming irrevocable. The Executive's entitlement to the severance payments and benefits in the foregoing sentence is conditioned on (A) the Executive's executing and delivering to the Company of a release of claims substantially in the form attached hereto as Exhibit A within forty-five (45) days following the Date of Termination, and on such release becoming effective, and (B) the Executive's continued compliance with the restrictive covenants set forth in Sections 6, 7 and 8; provided, that if such forty-five (45) day period begins in one taxable year and ends in the following taxable year, the payments described in (i) of the preceding sentence shall commence in the second taxable year (and any payments that would have been made in the first taxable year shall be paid in a lump sum at the time payments commence pursuant hereto). Except as specifically provided in this Section 5(b) or in another section of this Agreement, or except as required by law, all benefits provided by the Company to the Executive under this Agreement or otherwise shall cease as of the Date of Termination in the event of a termination pursuant to this Section 5(b). For the avoidance of doubt, a Change in Control shall not, standing alone, make the Executive eligible for any severance benefits pursuant to this Section 5(b) or Section 5(c); rather, this Agreement includes a "double-trigger" pursuant to which a termination without Cause or a resignation for Good Reason is a prerequisite for any such benefits following a Change in Control.

(c) Termination by the Executive for Good Reason. The Executive may voluntarily terminate his employment with the Company and receive the severance payments, bonus payments, and other benefits detailed in Section 5(b) following the occurrence of an

event constituting Good Reason (as defined below) that has not been cured by the Company within the timeframe specified in the definition of Good Reason.

(d) Voluntary Termination. If the Executive terminates employment with the Company without Good Reason, the Executive agrees to provide the Company with thirty (30) days' prior written notice. In the event that the Executive's employment is terminated under this Section 5(d), the Executive shall receive from the Company payment for all Accrued Benefits described in Section 5(a) above at the times specified in Section 5(a) above. Except as required by law, after the Date of Termination, the Company shall have no obligation to make any other payment, including severance or other compensation, of any kind to the Executive on account of the Executive's termination of employment pursuant to this Section 5(d).

(e) Termination Upon Death or Disability. If the Executive's employment is terminated as a result of death or Disability prior to the expiration of the Employment Period, the Executive (or the Executive's estate, or other designated beneficiary(s) as shown in the records of the Company in the case of death) shall be entitled to receive from the Company (i) payment for the Accrued Benefits described in Section 5(a) above at the times specified in Section 5(a) above and any unpaid portion of the Annual Bonus from a prior year (payable when other senior executives receive their annual bonuses for such year, and in no event later than March 15 of the year following the year for which the Annual Bonus was earned), and (ii) a portion of the Annual Bonus that the Executive would have been eligible to receive for days employed by the Company in the year in which the Executive's death or Disability occurs, determined by multiplying (x) the Annual Bonus based on the actual level of achievement of the applicable performance goals for such year, by (y) a fraction, the numerator of which is the number of days up to and including the Date of Termination in the year in which the Date of Termination occurs, and the denominator of which is 365, such amount to be paid in the same time and the same form as the Annual Bonus otherwise would be paid. Except as required by law, after the Date of Termination, the Company shall have no obligation to make any other payment, including severance or other compensation, of any kind to the Executive (or the Executive's estate, or other designated beneficiary(s), as applicable) upon a termination of employment by death or Disability.

(f) Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below.

(A) "Cause" shall mean (i) the Executive breaches this Agreement or any material Company policy or procedure that, if curable, is not cured by the Executive to the reasonable satisfaction of the Board within 10 days following the Company notifying the Executive of such breach; (ii) the Executive commits a felony or any other crime involving dishonesty or moral turpitude; (iii) the Executive engages in fraudulent, dishonest or illegal conduct in the performance of services for or on behalf of Company; (iv) the Executive fails to follow lawful directions of the Board or the person to whom the Executive reports; (v) a harassment allegation against the Executive that the Board

reasonably determines to be credible; (vi) any willful misconduct or gross negligence by the Executive with respect to his performance of duties for the Company; (vii) the Executive materially violates any material Company policy (including with respect to discrimination, harassment, data security and retaliation); or (viii) the Executive reports to or is present at work under the influence of alcohol or engages in the unlawful use or possession of drugs or illegal drugs (whether or not in the workplace).

(B) “Change in Control” means the occurrence of any of the following events: (i) during any 12-month period, the members of the Board (the “Incumbent Directors”) cease for any reason other than due to death or disability to constitute at least a majority of the members of the Board, provided that any director whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the members of the Board who are at the time Incumbent Directors shall be considered an Incumbent Director, other than any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board; (ii) the acquisition or ownership by any individual, entity or “group” (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”), other than the Company or any of its affiliates or subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Affiliates or Subsidiaries, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the Company’s then outstanding voting securities entitled to vote generally in the election of directors (excluding for this purpose any ownership or additional acquisition of Common Stock by any person (or any affiliate thereof) that owns more than 10% of the Common Stock as of the Effective Date); (iii) the merger, consolidation or other similar transaction of the Company, as a result of which the stockholders of the Company immediately prior to such merger, consolidation or other transaction, do not, immediately thereafter, beneficially own, directly or indirectly, more than 50% of the combined voting power of the voting securities entitled to vote generally in the election of directors of the merged, consolidated or other surviving company; or (iv) the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company. However, a “Change in Control” shall not be deemed to occur if the Company undergoes a bankruptcy, liquidation or reorganization under the United States Bankruptcy Code.

(C) “CIC Protection Period” means the period beginning sixty (60) days prior to a Change in Control and ending twelve (12) months following such Change in Control.

(D) “Date of Termination” shall mean (i) if the Executive is terminated by the Company for Disability, thirty (30) days after written notice of termination is given to the Executive (provided that the Executive shall not have returned to the performance of his duties on a full-time basis during such 30-day period); (ii) if the Executive’s employment is terminated by the Company for any other reason, the date on which a written notice of

termination is given or such other date specified in the notice, specifying in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment is given, and in the case of termination for Cause, after compliance with the notice and cure provisions in the definition of Cause; (iii) if the Executive terminates employment for Good Reason, the date of the Executive's resignation; provided that the notice and cure provisions in the definition of Good Reason have been complied with; (iv) if the Executive terminates employment for other than a Good Reason, the date specified in the Executive's notice in compliance with Section 5(f); or (v) in the event of the Executive's death, the date of death.

(E) "Disability" shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness, which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

(F) "Good Reason" shall mean, in the absence of written consent of the Executive, (i) the Board requiring the Executive to relocate the Executive's principal place of employment by more than fifty (50) miles from its location as of the Effective Date (provided that in no event shall "Good Reason" exist under this prong (i) if the new principal place of employment is within fifty (50) miles of the Company's corporate headquarters in Broomfield, Colorado as of the Effective Date), or (ii) only if occurring during the CIC Protection Period: (A) the Executive's removal from the position of President and Chief Executive Officer of the Company; (B) a temporary reduction in the annualized base salary or the target Annual Bonus (other than temporary reductions of no more than 10% in connection with such reductions applicable to other senior executives of the Company); or (C) a material breach by the Company of this Agreement. If circumstances arise giving the Executive the right to terminate this Agreement for Good Reason, the Executive must within thirty (30) days notify the Company in writing of the existence of such circumstances, describing such circumstances with particularity and specifically citing this Section 5(f)(F), and the Company shall have thirty (30) days from receipt of such notice within which to investigate and remedy any such circumstances; if such circumstances exist and are not remedied within such 30-day period, then Executive shall thereafter have a period of thirty (30) days within which to exercise the right to terminate for Good Reason. If the Executive does not timely do so the right to terminate for Good Reason shall lapse and be deemed waived, and the Executive shall not thereafter have the right to terminate for Good Reason unless further circumstances occur giving rise independently to a right to terminate for Good Reason under this Section 5(f)(F).

(G) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive under this Section 5 (other than in the case of death) shall be communicated by a written notice (the "Notice of Termination") to the other party hereto, indicating the specific termination provision in this Agreement relied upon, setting forth as appropriate in reasonable detail any facts and circumstances claimed to

provide a basis for termination of the Executive's employment under the provision so indicated, and specifying a Date of Termination which notice shall be delivered within the time periods set forth in the various subsections of this Section 5, as applicable (the "Notice Period"); provided, however, that the Company may pay to the Executive all base salary, benefits and other rights due to the Executive during the Notice Period instead of employing the Executive during such Notice Period.

(H) Resignation from All Positions. Upon the Executive's termination of employment for any reason, the Executive shall immediately resign from all other positions with the Company and its affiliates (including, to the extent applicable, as a member of the Board).

6. Non-Competition; General Provisions Applicable to Restrictive Covenants

(a) Covenant not to Compete. For the duration of the Employment Period and for twelve (12) months thereafter, the Executive shall not, directly or indirectly, own any interest in, manage, control, participate in, consult with, advise, render services for, or be employed in an executive, managerial or administrative capacity by (i) any entity engaged in the fast or quick-casual restaurant business or (ii) any other entity that engages in or plans to engage in a business that directly competes with the business of the Company, in each case within North America (a "Competing Business"). Nothing herein shall prohibit the Executive from being a passive owner of not more than 5% of the outstanding stock of any class of a corporation which is publicly traded, so long as the Executive has no active participation in the business of such corporation.

(b) Specific Performance. The Executive recognizes and agrees that a violation by him of his obligations under this Section 6, or under Section 7, or subparts (a) or (d) of Section 8 may cause irreparable harm to the Company that would be difficult to quantify and that money damages may be inadequate. As such, the Executive agrees that the Company shall have the right to seek injunctive relief (in addition to, and not in lieu of any other right or remedy that may be available to it) to prevent or restrain any such alleged violation without the necessity of posting a bond or other security and without the necessity of proving actual damages. However, the foregoing shall not prevent the Executive from contesting the Company's request for the issuance of any such injunction on the grounds that no violation or threatened violation of the aforementioned Sections has occurred and that the Company has not suffered irreparable harm. If a court of competent jurisdiction determines that the Executive has violated the obligations of any covenant for a particular duration, then the Executive agrees that such covenant will be extended by that duration.

(c) Scope and Duration of Restrictions. The Executive expressly agrees that the character, duration and geographical scope of the restrictions imposed under this Section 6, and under Section 7, and all of Section 8 are reasonable in light of the circumstances as they exist at the date upon which this Agreement has been executed. However, should a determination nonetheless be made by a court of competent jurisdiction at a later date that

the character, duration or geographical scope of any of the covenants contained herein is unreasonable in light of the circumstances as they then exist, then it is the intention of both the Executive and the Company that such covenant shall be construed by the court in such a manner as to impose only those restrictions on the conduct of the Executive which are reasonable in light of the circumstances as they then exist and necessary to assure the Company of the intended benefit of such covenant.

7. Confidentiality Covenants

The Executive acknowledges that the confidential business information generated by the Company and its subsidiaries, whether such information is written, oral or graphic, including, but not limited to, financial plans and records, marketing plans, business strategies and relationships with third parties, present and proposed products, present and proposed patent applications, trade secrets, information regarding customers and suppliers, strategic planning and systems and contractual terms obtained by the Executive while employed by the Company and its subsidiaries concerning the business or affairs of the Company or any subsidiary of the Company (collectively, the “Confidential Information”) is the property of the Company or such subsidiary. The Executive agrees that he shall not disclose to any Person or use for the Executive’s own purposes any Confidential Information or any confidential or proprietary information of other persons in the possession of the Company and its subsidiaries (“Third Party Information”), without the prior written consent of the Board, unless and to the extent that (i) the Confidential Information or Third Party Information becomes generally known to and available for use by the public, other than as a result of the Executive’s acts or omissions or (ii) the disclosure of such Confidential Information is required by law, in which case the Executive shall give notice to and the opportunity to the Company to comment on the form of the disclosure and only the portion of Confidential Information that is required to be disclosed by law shall be disclosed. In addition, nothing in this Section 7 or any other provision of this Agreement prohibits the Executive from voluntarily communicating, without notice to or approval by the Company, with any federal government agency about a potential violation of federal law or regulation.

Pursuant to 18 U.S.C. § 1833(b), Executive will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret of the Company or any of its subsidiaries that-(i) is made-(A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to Executive’s attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Executive files a lawsuit for retaliation by the Company or any of its subsidiaries for reporting a suspected violation of law, Executive may disclose the trade secret to the Executive’s attorney and use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal and does not disclose the trade secret except under court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

Nothing in the Agreement shall prohibit or restrict the Company or any of its subsidiaries, Executive or their respective attorneys from: (i) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to Executive's employment, or as required by law or legal process, including with respect to possible violations of law; (ii) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; or (iii) accepting any U.S. Securities and Exchange Commission awards. In addition, nothing in this Agreement prohibits or restricts the Company or any of its subsidiaries or Executive from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation.

8. Other Covenants

(a) Non-Solicitation. For the duration of the Employment Period and for twelve (12) months thereafter, other than in the course of performing his duties, the Executive shall not, directly or indirectly through another person, induce or attempt to induce any employee of the Company or any of its subsidiaries (other than restaurant-level employees who are not managers) to leave the employ of the Company or such subsidiary, or in any way interfere with the relationship between the Company or any of its subsidiaries and any such employee.

(b) Compliance with Company Policies. The Executive agrees that, during the Employment Period, he shall comply in all material respects with the Company's employee manual and other policies and procedures reasonably established by the Company from time to time, including but not limited to policies addressing matters such as management, supervision, recruiting and diversity.

(c) Cooperation. For a period of eighteen (18) months following the end of the Employment Period, the Executive shall, upon the Company's reasonable request and in good faith and with the Executive's commercially reasonable efforts and subject to the Executive's reasonable availability, cooperate and assist the Company in any dispute, controversy, or litigation in which the Company may be involved and with respect to which the Executive obtained knowledge while employed by the Company or any of its affiliates, successors, or assigns, including, but not limited to, participation in any court or arbitration proceedings, giving of testimony, signing of affidavits, or such other personal cooperation as counsel for the Company shall request. Any such activities shall be scheduled, to the extent reasonably possible, to accommodate the Executive's business and personal obligations at the time. The Company shall pay the Executive's reasonable travel and incidental out-of-pocket expenses incurred in connection with any such cooperation.

(d) **Return of Business Records and Equipment.** Upon termination of the Executive's employment hereunder, the Executive shall promptly return to the Company: (i) all documents, records, procedures, books, notebooks, and any other documentation in any form whatsoever, including but not limited to written, audio, video or electronic, containing any information pertaining to the Company which includes Confidential Information, including any and all copies of such documentation then in the Executive's possession or control regardless of whether such documentation was prepared or compiled by the Executive, Company, other employees of the Company, representatives, agents, or independent contractors, and (ii) all equipment or tangible personal property entrusted to the Executive by the Company. The Executive acknowledges that all such documentation, copies of such documentation, equipment, and tangible personal property are and shall at all times remain the sole and exclusive property of the Company.

9. Nondisparagement. During the Executive's employment with the Company and thereafter, the Executive agrees, to the fullest extent permissible by law, not to make, directly or indirectly, any public or private statements, gestures, signs, signals or other verbal or nonverbal, direct or indirect communications that the Executive, using reasonable judgment, should have known would be harmful to or reflect negatively on the Company or are otherwise disparaging of the Company or its past, present or future officers, board members, employees, shareholders, and their affiliates. Nothing in this Section 9 shall prohibit either party from truthfully responding to an accusation from the other party or require either party to violate any subpoena or law.

10. Governing Law. This Agreement and any disputes or controversies arising hereunder shall be construed and enforced in accordance with and governed by the internal laws of the State of Colorado, without reference to principles of law that would apply the substantive law of another jurisdiction.

11. Entire Agreement. This Agreement, together with the agreements granting to the Executive the stock options specified in Section 3(c), constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersedes and cancels any and all previous agreements, written and oral, regarding the subject matter hereof. This Agreement shall not be changed, altered, modified or amended, except by a written agreement that (i) explicitly states the intent of both parties hereto to supplement this Agreement and (ii) is signed by both parties hereto.

12. Notices. All notices, requests, demands and other communications called for or contemplated hereunder shall be in writing and shall be deemed to have been sufficiently given if personally delivered or if sent by registered or certified mail, return receipt requested to the parties, their successors in interest, or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid, and shall be deemed received upon actual receipt:

(a) to the Company at:

Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
Fax: (720) 214-1921
Attention: General Counsel

with a copy to:

Baker & Hostetler LLP
127 Public Square, Suite 2000
Cleveland, OH 44114
Attention: Janet Spreen, Esq.
Email: jspreen@bakerlaw.com

(b) to the Executive at the address reflected in the Company's payroll records

- 13.** **Severability.** If any term or provision of this Agreement, or the application thereof to any person or under any circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such terms to the persons or under circumstances other than those as to which it is invalid or unenforceable, shall be considered severable and shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 14.** **Waiver.** The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement.
- 15.** **Successors and Assigns.** This Agreement shall be binding upon the Company and any successors and assigns of the Company, including any corporation with which, or into which, the Company may be merged or which may succeed to the Company's assets or business. In the event that the Company sells or transfers all or substantially all of the assets of the Company, or in the event of any merger or consolidation of the Company, the Company shall use reasonable efforts to cause such assignee, transferee, or successor to assume the liabilities, obligations and duties of the Company hereunder. Neither this Agreement nor any right or obligation hereunder may be assigned by the Executive; provided, however, that this provision shall not preclude the Executive from designating one or more beneficiaries to receive any amount that may be payable after his death and shall not preclude his executor or administrator from assigning any right hereunder to the person or persons entitled hereto.

16. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

17. Headings. Headings in this Agreement are for reference only and shall not be deemed to have any substantive effect.

18. Opportunity to Seek Advice; Warranties and Representations. The Executive acknowledges and confirms that he has had the opportunity to seek such legal, financial and other advice and representation as he has deemed appropriate in connection with this Agreement. The Executive hereby represents and warrants to the Company that he is not under any obligation of a contractual or quasi-contractual nature known to him that is inconsistent or in conflict with this Agreement or that would prevent, limit or impair the performance by the Executive of his obligations hereunder.

19. Withholdings. All salary, severance payments, bonuses or benefits provided by the Company under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law.

20. Section 409A. The parties intend that any compensation, benefits and other amounts payable or provided to the Executive under this Agreement be paid or provided in compliance with Section 409A of the Internal Revenue Code and all regulations, guidance, and other interpretative authority issued thereunder (collectively, "Section 409A") such that there will be no adverse tax consequences, interest, or penalties for the Executive under Section 409A as a result of the payments and benefits so paid or provided to him. The parties agree to modify this Agreement, or the timing (but not the amount) of the payment hereunder of severance or other compensation, or both, to the extent necessary to comply with and to the extent permissible under Section 409A. In addition, notwithstanding anything to the contrary contained in any other provision of this Agreement, the payments and benefits to be provided the Executive under this Agreement shall be subject to the provisions set forth below.

(a) The date of the Executive's "separation from service," as defined in the regulations issued under Section 409A, shall be treated as Executive's Date of Termination for purpose of determining the time of payment of any amount that becomes payable to the Executive pursuant to Section 5 hereof upon the termination of his employment and that is treated as an amount of deferred compensation for purposes of Section 409A.

(b) In the case of any amounts that are payable to the Executive under this Agreement, or under any other "nonqualified deferred compensation plan" (within the meaning of Section 409A) maintained by the Company in the form of installment payments, (i) the Executive's right to receive such payments shall be treated as a right to receive a series of separate payments under Treas. Reg. §1.409A-2(b)(2)(iii), and (ii) to

the extent any such plan does not already so provide, it is hereby amended as of the date hereof to so provide, with respect to amounts payable to the Executive thereunder.

(c) If the Executive is a “specified employee” within the meaning of Section 409A at the time of his “separation from service” within the meaning of Section 409A, then any payment otherwise required to be made to him under this Agreement on account of his separation from service, to the extent such payment (after taking in to account all exclusions applicable to such payment under Section 409A) is properly treated as deferred compensation subject to Section 409A, shall not be made until the first business day after (i) the expiration of six months from the date of the Executive’s separation from service, or (ii) if earlier, the date of the Executive’s death (the “Delayed Payment Date”). On the Delayed Payment Date, there shall be paid to the Executive or, if the Executive has died, to the Executive’s estate, in a single cash lump sum, an amount equal to aggregate amount of the payments delayed pursuant to the preceding sentence.

(d) To the extent that the reimbursement of any expenses or the provision of any in-kind benefits pursuant to this Agreement is subject to Section 409A, (i) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided hereunder during any one calendar year shall not affect the amount of such expenses eligible for reimbursement or in-kind benefits to be provided hereunder in any other calendar year; provided, however, that the foregoing shall not apply to any limit on the amount of any expenses incurred by the Executive that may be reimbursed or paid under the terms of the Company’s medical plan, if such limit is imposed on all similarly situated participants in such plan; (ii) all such expenses eligible for reimbursement hereunder shall be paid to the Executive as soon as administratively practicable after any documentation required for reimbursement for such expenses has been submitted, but in any event by no later than December 31 of the calendar year following the calendar year in which such expenses were incurred; and (iii) the Executive’s right to receive any such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for any other benefit.

[The next page is the signature page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

NOODLES & COMPANY
a Delaware corporation

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

EXECUTIVE:

/s/ JOSEPH CHRISTINA
Joseph Christina

[Signature Page to Amended and Restated Employment Agreement]

Exhibit A

RELEASE AGREEMENT

1. Executive, individually and on behalf of his heirs and assigns, hereby releases, waives and discharges Company, and all subsidiary, parent or affiliated companies and corporations, and their present, former or future respective subsidiary, parent or affiliated companies or corporations, and their respective present or former directors, officers, shareholders, trustees, managers, supervisors, employees, partners, attorneys, agents, representatives and insurers, and the respective successors, heirs and assigns of any of the above described persons or entities (hereinafter referred to collectively as "Released Parties"), from any and all claims, causes of action, losses, damages, costs, and liabilities of every kind and character, whether known or unknown ("Claims"), that Executive may have or claim to have, in any way relating to or arising out of, in whole or in part, (a) any event or act of omission or commission occurring on or before the Date of Termination, including Claims arising by reason of the continued effects of any such events or acts, which occurred on or before the Date of Termination, or (b) Executive's employment with Company or the termination of such employment with Company, including but not limited to Claims arising under federal, state, or local laws prohibiting disability, handicap, age, sex, race, national origin, religion, retaliation, or any other form of discrimination, such as the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Age Discrimination in Employment Act, as amended, 29 U.S.C. §§ 621 et seq.; and Title VII of the 1964 Civil Rights Act, as amended, 42 U.S.C. §§ 2000e et seq.; Claims for intentional infliction of emotional distress, tortious interference with contract or prospective advantage, and other tort claims; and Claims for breach of express or implied contract; with the exception of Employee's vested rights, if any, under Company retirement plans. Executive hereby warrants that he has not assigned or transferred to any person any portion of any claim that is released, waived and discharged above. Executive understands and agrees that by signing this Agreement he is giving up his right to bring any legal claim against any Released Party concerning, directly or indirectly, Executive's employment relationship with the Company, including his separation from employment, and/or any and all contracts between Executive and Company, express or implied. Executive agrees that this legal release is intended to be interpreted in the broadest possible manner in favor of the Released Parties, to include all actual or potential legal claims that Executive may have against any Released Party, except as specifically provided otherwise in this Agreement. This release does not cover Claims relating to the validity or enforcement of this Agreement. Further, Executive has not released any claim for indemnity or legal defense available to him due to his service as a board member, officer or director of the Company, as provided by the certificate of incorporation or bylaws of the Company, or by any applicable insurance policy, or under any applicable corporate law.

2. Executive agrees and acknowledges that he: (i) understands the language used in this Agreement and the Agreement's legal effect; (ii) understands that by signing this Agreement he is giving up the right to sue the Company for age discrimination; (iii) will receive compensation under this Agreement to which he would not have been entitled without signing this Agreement; (iv) has been advised by Company to consult with an attorney before signing this Agreement; and (v) was given no less than twenty-one days to consider whether to sign this Agreement. For a

period of seven days after the effective date of this Agreement, Executive may, in his sole discretion, rescind this Agreement, by delivering a written notice of rescission to the Board. If Executive rescinds this Agreement within seven calendar days after the effective date, this Agreement shall be void, all actions taken pursuant to this Agreement shall be reversed, and neither this Agreement nor the fact of or circumstances surrounding its execution shall be admissible for any purpose whatsoever in any proceeding between the parties, except in connection with a claim or defense involving the validity or effective rescission of this Agreement. If Executive does not rescind this Agreement within seven calendar days after the Effective Date, this Agreement shall become final and binding and shall be irrevocable.

3. Nothing herein affects Executive's obligations under the Amended and Restated Employment Agreement between the Company and the Executive dated August 5, 2025 (the "Employment Agreement") that survive Executive's termination of employment.

4. Capitalized terms not defined herein have the meaning specified in the Employment Agreement.

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Drew Madsen, 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: August 14, 2025

/s/ DREW MADSEN

Drew Madsen
Chief Executive Officer
(Principal Executive Officer)

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: August 14, 2025

/s/ MIKE HYNES

Mike Hynes

Chief Financial Officer

(Principal Financial Officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

I, Drew Madsen, 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 July 1, 2025 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: August 14, 2025

By: /s/ DREW MADSEN
Name: Drew Madsen
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 July 1, 2025 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: August 14, 2025

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.