# UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
# FORM 10-K

(Mark One)
☒ **Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the fiscal year ended June 28, 2026 or**

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to ____.

**Commission File Number 0-12919**

# RAVE RESTAURANT GROUP, INC.

(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Missouri** | **45-3189287** |
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **3551 Plano Parkway** | |
| **The Colony, Texas** | **75056** |
| **(Address of principal executive offices)** | **(Zip Code)** |

Registrant's telephone number, including area code: **(469) 384-5000**

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.01 par value | RAVE | The Nasdaq Stock Market LLC |

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ | Non-accelerated filer ☒ | Smaller reporting company ☒ |
| Emerging growth company ☐ | | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of December 26, 2025, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting and non-voting common equity held by non-affiliates was approximately $33.5 million computed by reference to the price at which the common equity was last sold on The Nasdaq Stock Market LLC.

As of September 17, 2026, there were 14,211,566 shares of the registrant's common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's definitive proxy statement, to be filed pursuant to Section 14(a) of the Securities Exchange Act in connection with the registrant's annual meeting of shareholders scheduled for December 8, 2026, have been incorporated by reference in Part III of this report.

**Forward-Looking Statements**

This Form 10-K contains certain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, which are intended to be covered by the safe harbors created thereby. Forward-looking statements include statements which are predictive in nature, which depend upon or refer to future events or conditions, or which include words such as "expect," "anticipate," "intend," "plan," "believe," "estimate" or similar expressions. These statements include the plans and objectives of management for future operations, including plans and objectives relating to future growth of our business activities and availability of funds. Statements that address business and growth strategies, performance goals, projected financial condition and operating results, our understanding of our competition, industry and market trends, and any other statements or assumptions that are not historical facts are forward-looking statements.

The forward-looking statements included in this Form 10-K are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to these forward-looking statements involve judgments with respect to, among other things, future economic, competitive and market conditions, regulatory framework and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the assumptions underlying these forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Form 10-K will prove to be accurate. In light of the significant uncertainties inherent in these forward-looking statements, the inclusion of such information should not be regarded as a representation that our objectives and plans will be achieved.

## PART I

## ITEM 1. BUSINESS.

### General

Rave Restaurant Group, Inc., (www.raverestaurantgroup.com) through its subsidiaries (collectively, the "Company" or "we," "us" or "our"), franchises pizza buffet ("Buffet Units"), delivery/carry-out ("Delco Units"), express restaurants ("Express Units") and ghost kitchens ("Pizza Inn Ghost Kitchen Units") under the trademark "Pizza Inn" and franchises fast casual pizza restaurants ("Pie Five Units") and ghost kitchens ("Pie Five Ghost Kitchen Units") under the trademarks "Pie Five Pizza Company" or "Pie Five". The Company also licenses Pizza Inn Express, or PIE, kiosks ("PIE Units") under the trademark "Pizza Inn". During the quarter ended June 28, 2026, the last remaining PIE Unit closed, and we have no intentions on opening any new PIE Units in the future. We facilitate food, equipment, and supply distribution to our domestic and international system of restaurants through agreements with third-party distributors.

As of June 28, 2026, we had 109 franchised Pizza Inn restaurants, 13 franchised Pie Five Units, and zero licensed PIE Units. The 91 domestic franchised Pizza Inn restaurants were comprised of 80 Buffet Units, four Delco Units, seven Express Units and zero Pizza Inn Ghost Kitchen Units. As of June 28, 2026, there were 18 international franchised Pizza Inn restaurants. Domestic Pizza Inn restaurants were located predominantly in the southern half of the United States, with North Carolina, Texas, Arkansas and South Carolina accounting for approximately 21%, 18%, 11% and 10%, respectively, of the total number of domestic units.

### Our History

The Company has offered consumers affordable, high-quality pizza since 1958, when the first Pizza Inn restaurant opened in Dallas, Texas. We awarded our first franchise in 1963 and opened our first buffet restaurant in 1969. We began franchising the Pizza Inn brand internationally in the late 1970s. In 1993, our stock began trading on The Nasdaq Stock Market LLC and presently trades under the ticker symbol "RAVE." In June 2011, we opened the first Pie Five restaurant in Ft. Worth, Texas. In November 2012, we signed our first franchise development agreement for Pie Five.

### Our Concepts

We operate and franchise restaurant concepts under two distinct brands: Pizza Inn and Pie Five.

Pizza Inn

We franchise Buffet Units, Delco Units, Express Units and Pizza Inn Ghost Kitchen Units under the Pizza Inn brand. Buffet Units and Delco Units feature crusts that are hand-made from dough made fresh in the restaurant each day. Our pizzas are made with a proprietary all-in-one flour mixture, real mozzarella cheese, and a proprietary mix of classic pizza spices. In international markets, the menu mix of toppings and side items is occasionally adapted to local tastes.

Buffet Units offer dine-in, carryout, and catering service and, in many cases, also offer delivery service. Buffet Units offer a variety of pizza crusts with standard toppings and special combinations of toppings in addition to pasta, salad, sandwiches, appetizers, desserts and beverages, including beer and wine in some locations, in an informal, family-oriented atmosphere. We occasionally offer other items on a limited promotional basis. Buffet Units are generally located in free standing buildings or strip center locations in retail developments near offices, shopping centers and residential areas. The current standard Buffet Units are between 1,800 and 9,600 square feet in size and seat 50 to 300 customers. The interior decor is designed to promote a casual, lively, contemporary, family-style atmosphere. Some Buffet Units feature game rooms that offer a range of electronic game entertainment for the entire family.

Delco Units offer delivery and carryout service only and are typically located in shopping centers or other in-line retail developments. Delco Units typically offer a variety of crusts and some combination of side items. Delco Units occupy approximately 1,200 square feet, are primarily production facilities and, in most instances, do not offer seating. The decor of the Delco Unit is designed to be bright and highly visible and feature neon lighted displays and awnings. We have attempted to locate Delco Units strategically to facilitate timely delivery service and to provide easy access for carryout service.

Express Units serve our customers through a variety of non-traditional points of sale. Express Units are typically located in a convenience store, food court, college campus, airport terminal, travel plaza, athletic facility, or other commercial facility. They have limited or no seating and solely offer quick carryout service of a limited menu of pizza and other foods and beverages. An Express Unit typically occupies approximately 200 to 400 square feet and is commonly operated by the operator or food service licensee of the commercial host facility. We have developed a high-quality, pre-prepared crust that is topped and cooked on-site, allowing this concept to offer a lower initial investment and reduced labor and operating costs while maintaining product quality and consistency. Like Delco Units, Express Units are primarily production-oriented facilities and, therefore, do not require all of the equipment, labor or square footage of the Buffet Unit.

PIE Units serve customers through a non-traditional, licensed, pizza-only model called Pizza Inn Express. Like Delco Units and Express Units, the PIE Units are primarily production-oriented facilities and, therefore, do not require all of the equipment, labor or square footage of the Buffet Unit. As of June 28, 2026 there are no longer any PIE Units operating and the Company does not intend to open additional PIE Units in the foreseeable future.

Pizza Inn Ghost Kitchen Units primarily serve customers online through third-party delivery companies and are located in a Pie Five restaurant. Dine-in, carryout, or catering services are not offered. We have attempted to strategically locate Pizza Inn Ghost Kitchen Units in areas where Pie Five restaurants are presently located, but Pizza Inn is not. We currently have no Pizza Inn Ghost Kitchen Units in operation but may open a limited number of locations in the future.

Pie Five

Pie Five is a fast-casual pizza concept that creates individualized pizzas which are baked in our specially designed oven. Pizzas are created at the direction of our customers who choose from a variety of freshly prepared and displayed proprietary and non-proprietary toppings, cheeses, sauces and doughs. Customers can also get freshly prepared side salads, also made to order from our recipes or at the customer's direction. A variety of soft beverages are available, as well as beer and wine in some locations.

Traditional Pie Five restaurants typically occupy leased, in-line or end-cap space of between 1,800 and 2,400 square feet in retail strip or multi-unit retail space. With seating for 65 to 85 customers in most units, and patio seating where available, Pie Five restaurants primarily serve lunch and dinner to families, adults and kids of all ages. Pie Five restaurants typically are in high traffic, high visibility urban or suburban sites in mid to large-size metropolitan areas. Sales are predominantly on-premise though carry out and delivery are offered as well. Due to the relatively compact footprint of the restaurants, and other operating advantages, we believe Pie Five is also well suited for non-traditional locations such as airports.

**Site Selection**

We consider the restaurant site selection process critical to a restaurant’s long-term success and devote resources to the investigation and evaluation of potential sites. The site selection process includes a review of trade area demographics and an evaluation process. We may also rely on a franchisee’s knowledge of the trade area and market characteristics when selecting a location for a franchised restaurant. A member of our development team visits each potential domestic restaurant location.

**Development and Operations**

New Unit Development

We intend to expand the Pizza Inn system domestically and internationally in markets with significant long-term growth potential and where we believe we can use our competitive strengths to establish brand recognition and gain local market share. We plan to expand our Pizza Inn branded domestic restaurant base primarily through opening new franchised restaurants with new and existing franchisees. We expect to evaluate the continued development of new Pizza Inn Buffet and Delco Units in international markets in fiscal 2027.

The Company previously granted area developer rights for Pizza Inn restaurants in existing domestic markets. However, the Company is no longer pursuing such agreements. A Pizza Inn area developer typically paid a negotiated fee to purchase the right to operate or develop restaurants within a defined territory and agreed to a multi-restaurant development schedule. The area developer assisted us in local franchise service and quality control in exchange for half of the franchise fees and royalties from all restaurants within the territory during the term of the agreement.

We will opportunistically evaluate developing franchised Pie Five Units domestically. The rate at which we will be able to continue to expand the Pie Five concept through franchise development is determined in part by our success at selecting qualified franchisees, by our ability to identify satisfactory sites in appropriate markets, and by our ability to continue training and monitoring our franchisees. We intend to continue to focus on franchise development opportunities with experienced, well-capitalized restaurant operators. We believe that Pie Five units will decrease in future periods.

Domestic Franchise Operations

*Franchise and development agreements.* Since the Pizza Inn concept was first franchised in 1963, industry franchising concepts and development strategies have evolved, and our present franchise relationships are evidenced by a variety of contractual forms. Common to those forms are provisions that: (i) require the franchisee to follow the Pizza Inn system of restaurant operation and management, (ii) require the franchisee to pay a franchise fee, contribute a specified percentage of sales to a marketing fund managed by the Company, and pay continuing royalties, and (iii) except for Express Units, prohibit the development of one restaurant within a specified distance from another.

We launched the franchise program for Pie Five in fiscal 2013. Our Pie Five franchise agreement requires that the franchisees: (i) follow the Pie Five system of restaurant operation and management, (ii) pay a franchise fee and continuing royalties, (iii) contribute a specified percentage of sales to a marketing fund managed by the Company, and (iv) only open restaurants that comply with site and design standards determined by the Company.

*Training.* We offer numerous training programs for the benefit of franchisees and their restaurant crew managers. The training programs, taught by experienced Company employees, focus on food preparation, service, cost control, sanitation, safety, local store marketing, personnel management, and other aspects of restaurant operation. The training programs include group classes, supervised work in restaurants, and special field seminars. Initial and certain supplemental training programs are offered free of charge to franchisees, who pay their own travel and lodging expenses. New franchisees also receive on-site training from Company employees to assist with their first two restaurant openings under their development agreements. Restaurant managers train their staff through on-the-job training using video and printed materials produced by us.

*Standards.* We require franchisee adherence to a variety of standards designed to ensure proper operations and to protect and enhance the Pizza Inn and Pie Five brands. All franchisees are required to operate their restaurants in compliance with these written policies, standards, and specifications, which include matters such as menu items, ingredients, materials, supplies, services, furnishings, decor, and signs. Our efforts to maintain consistent operations may result, from time to time, in the closing of certain restaurants that have not maintained a consistent standard of quality or operations. We also maintain adherence to our standards through ongoing support and education of our franchisees by our franchise business consultants, who are deployed locally in markets where our franchisees are located.

International Franchise Operations

We also offer master license rights to develop Pizza Inn and Pie Five restaurants in certain foreign countries, with negotiated fees, development schedules, and ongoing royalties although we are currently not actively marketing rights internationally for Pie Five. A master licensee for a foreign country pays a negotiated fee to purchase the right to develop and operate restaurants within a defined territory, typically for a term of 20 years, plus a ten-year renewal option. The master licensee agrees to a multi-restaurant development schedule, and we train the master licensee to monitor and assist franchisees in their territory with local service and quality control with support from us. In return, the master licensee typically retains half the franchise fees and half the royalties on all restaurants within the territory during the term of the agreement. Master licensees may open restaurants that they own and operate, or they may open sub-franchised restaurants owned and operated by third parties through agreements with the master licensee subject to our approval.

Our first franchised Pizza Inn restaurant outside of the United States opened in the late 1970s. As of June 28, 2026, there were 18 Pizza Inn restaurants operating internationally. Except for three restaurants in Honduras and two restaurants in New Zealand, all of the Pizza Inn restaurants operated or sub-licensed by our international master licensees are in Saudi Arabia and adjoining countries in the Middle East. Our ability to continue to develop select international markets is affected by a number of factors, including our ability to locate experienced, well-capitalized developers who can commit to an aggressive multi-restaurant development schedule and achieve maximum initial market penetration with minimal supervision by us.

**Food and Supply Distribution**

Our franchisees and licensees purchase food and supplies directly from authorized, reputable, and experienced supply and distribution companies. The Company provides sourcing, quality assurance, and research and development for both the Pizza Inn and Pie Five systems. The authorized distributors make deliveries to all domestic units from several distribution centers, with delivery territories and responsibilities for each determined according to geographical region. As a franchisor, the Company is able to leverage the advantages of direct vendor negotiations and volume purchasing of food, equipment, and supplies for the franchisees' and licensees' benefit in the form of a concentrated, one-truck delivery system, competitive pricing, and product consistency. Franchisees and licensees are able to source all products and ingredients from authorized distributors. In order to assure product quality and consistency, our franchisees and licensees are required to purchase from authorized distributors certain food products that are proprietary to the Pizza Inn and Pie Five systems, including cheese, pizza sauce, flour mixture, certain meats, and spice blend. Franchisees and licensees may purchase other non-proprietary food products and supplies either from authorized distributors or from other suppliers who meet our requirements for quality and reliability.

Non-proprietary food and ingredients, equipment and other supplies are generally available from several qualified sources. With the exception of several proprietary food products, such as cheese and dough flour, we are not dependent upon any one supplier or a limited group of suppliers. We contract with established food processors for the production of our proprietary products according to our specifications.

We have not experienced any significant shortages of supplies or any delays in receiving our food or beverage inventories, restaurant supplies, or products, but disruption of supply chains or other factors could cause difficulty in obtaining inventories or supplies in the future. Prices charged by our suppliers are subject to fluctuation, and franchisees and licensees bear increased costs or benefit from savings through changes in product pricing. We do not engage in commodity hedging but enter into pricing arrangements for up to a year in advance for certain high-volume products.

**Marketing and Advertising**

By communicating a common brand message at the regional, local market, and restaurant levels, we believe we can create and reinforce a strong, consistent marketing message to consumers and increase our market share. We offer or facilitate several ways for the brand image and message to be promoted at the local and regional levels.

Pizza Inn and Pie Five franchisees contribute a specified percentage of their sales to the Company to fund the creation and production of various marketing and advertising programs and materials, which may include print and digital advertisements, direct mail materials, customer satisfaction systems, social media and e-mail marketing, television and radio commercials, in-store promotional materials, marketing and public relations services, and consumer research. We anticipate continuing to optimize Pizza Inn and Pie Five marketing activities commensurate with the contributions of the marketing funds.

Pizza Inn and Pie Five franchisees are required to conduct independent marketing efforts in addition to their participation in the national marketing programs for each brand. We provide franchised restaurants with access to an assortment of local store marketing materials, including pre-approved print, radio, and digital media marketing materials. We also provide local store marketing materials and programs specifically to support new restaurant openings.

**Trademarks and Quality Control**

We own various trademarks, including the names "Pizza Inn" and "Pie Five," that are used in connection with the restaurants and have been registered with the United States Patent and Trademark Office. The duration of our trademarks is unlimited, subject to periodic renewal and continued use. In addition, we have obtained trademark registrations for our marks in several foreign countries and have periodically re-filed and applied for registration in others. We believe that we hold the necessary rights for protection of the trademarks essential to our business.

**Government Regulation**

We and our franchisees are subject to various federal, state and local laws affecting the operation of our restaurants. Each restaurant is subject to licensing and regulation by several governmental authorities, which include health, safety, sanitation, wage and hour, alcoholic beverage, building and fire agencies in the state and municipality in which the restaurant is located. Difficulties in obtaining, or the failure to obtain, required licenses or approvals could delay or prevent the opening of a new restaurant or require the temporary or permanent closing of an existing restaurant in a particular area.

We are subject to Federal Trade Commission ("FTC") regulations and to various state laws regulating the offer and sale of franchises. The FTC requires us to furnish to prospective franchisees a franchise disclosure document containing prescribed information. Substantive state laws that regulate the franchisor-franchisee relationship presently exist in a number of states, and bills have been introduced in Congress from time to time that would provide for further federal regulation of the franchisor-franchisee relationship in certain respects. Some foreign countries also have disclosure requirements and other laws regulating franchising and the franchisor-franchisee relationship.

**Employees**

As of June 28, 2026, we had 24 full-time employees. None of our employees are currently covered by collective bargaining agreements.

**Industry and Competition**

The restaurant industry is intensely competitive with respect to price, service, location, and food quality, and there are many well-established competitors with substantially greater brand recognition and financial and other resources than the Company. Competitors include a number of international, national, and regional restaurant and pizza chains, as well as local restaurants and pizza operators. Some of our competitors may be better established in the markets where our restaurants are or may be located. Within the pizza segment of the restaurant industry, we believe that our primary competitors are national pizza chains and several regional chains. We also compete against the frozen pizza products available at grocery stores and large superstore retailers. In recent years, several competitors have developed fast-casual pizza concepts that compete with Pie Five in certain metropolitan areas. A change in the pricing or other market strategies of one or more of our competitors could have an adverse impact on our sales and earnings.

With respect to the sale of franchises and licenses, we compete with many franchisors of restaurants and other business concepts. We believe that the principal competitive factors affecting the sale of franchises are product quality, price, value, consumer acceptance, franchisor experience and support, and the quality of the relationship maintained between the franchisor and its franchisees. In general, there is active competition for management personnel and attractive commercial real estate sites suitable for our restaurants.

## ITEM 1A. RISK FACTORS.

Not required for a smaller reporting company.

## ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable.

## ITEM 1C. CYBERSECURITY.

The Company recognizes the critical importance of maintaining the safety and security of our systems and data and has a holistic process for overseeing and managing cybersecurity and related risks. The Company believes that cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected and are not reasonably likely to materially affect our business strategy, results of operations or financial condition.

**Cybersecurity Risk Management and Strategy**

Personnel

The Company has an information security program and procedures in place to protect, identify, detect, respond to and manage reasonably foreseeable cybersecurity risks and threats. The Company uses various security tools that help prevent, identify, investigate, resolve and recover from identified vulnerabilities and security incidents to protect our information systems and data from cybersecurity threats. This framework is implemented and overseen by management's information security department which is led by the Information Technology ("IT") Support Associate Director and overseen by the Company's IT Steering Committee. The IT Support Associate Director has over twenty years of experience in technology management and cybersecurity. The IT Steering Committee is comprised of the Company's two Associate IT Directors, the CEO, and CFO and convenes quarterly to review IT control policies and procedures are properly followed and any new employees were properly onboarded in compliance with security procedures.

Third-Party Engagement

The Company employs third-party risk security vendors to identify, mitigate, and remediate cybersecurity risks; however, we rely on the third parties we use to implement security programs commensurate with their risks, and we cannot ensure in all circumstances that their efforts will be successful. The Company employs a third-party vendor to securely host the Company's data in a cloud-based storage system. The third-party vendor conducts quarterly vulnerability scans on both the hosted data environment and the Company's corporate data network. Scans of the Company's firewall are conducted regularly by the third-party vendor. Any necessary remediation would also be provided by the third-party vendor after the scan, but none has been required. The Company uses multiple third-party developed software to continually monitor technology systems for viruses, malicious software, executable harmful files, and other cybersecurity risks. The Company requires the annual submission of SOC 1 security certificates from our third-party vendors which have access to our financial and sales data. The Company also maintains cybersecurity insurance providing coverage for certain costs related to security failures and specified cybersecurity related incidents.

The Company recognizes that threat actors frequently target employees to gain unauthorized access to information systems. Therefore, each employee is required to complete information security and data privacy training to build awareness of cybersecurity risks to the organization. The Company has engaged a third-party vendor to periodically send each employee an email that mimics a potentially harmful phishing attempt each month and to report to management the results of the phishing security test.

Governance

The Board of Directors is acutely aware of the critical nature of managing risks associated with cybersecurity threats. Each quarterly meeting, management presents a cybersecurity update which includes results of testing by third-party vendors and any suspected cybersecurity incidents to the entire Board of Directors. Management would report any material cybersecurity breach immediately to the full Board of Directors. The Company has a written policy for the employee reporting of any cybersecurity suspected incidents.

The Audit Committee of the Board has the primary responsibility to oversee effective governance in managing risks associated with cybersecurity threats. Our Audit Committee is composed of members with diverse expertise, including risk management, technology, and finance, equipping them to oversee cybersecurity risks effectively.

## ITEM 2. PROPERTIES.

The Company leases its 19,576 square foot corporate office facility with average annual lease payments of approximately $18.00 per square foot. This lease began on January 2, 2017 and has a ten-year term. The Company amended its lease agreement in June 2020 and elected to defer one-half of the monthly base rent for the period from June 2020 through May 2021. The Company is planning on relocating its corporate headquarters in January of 2027 within the Dallas market and is in the process of negotiating a new lease agreement.

## ITEM 3. LEGAL PROCEEDINGS.

On August 31, 2026, the Company's Chief Executive Officer, Mr. Brandon Solano, delivered email correspondence (the "***Solano Correspondence***") to the Chairman of the Company's Audit Committee, Mr. William C. Hammett, Jr. to "formally complain about workplace harassment and discrimination by RAVE Restaurant Group's Board of Directors, the Compensation Committee members, and Chairman Mark Schwarz." The Solano Correspondence claimed harassment, intimidation, and threats, resulting in the Company's failure to increase Mr. Solano's annual base salary.

The Solano Correspondence included a request for the Company to conduct "an investigation by an outside investigator to address these concerns" (an "***Independent Investigation***"). Solano also claimed that he had "filed a complaint with the Civil Rights Division of the Texas Workforce Commission due to the discrimination I have endured from RAVE's board" (the "***Texas Workforce Claim***"). The Company engaged the Hagan Law Group on September 1, 2026, to conduct the Investigation. As of the date of this report, we have not received any notification, written or otherwise, from the Texas Workforce Commission regarding the Texas Workforce Claim, so we are unable to assess Mr. Solano's claims at this time on anything other than the Solano Correspondence and the advice we have received from the Hagan Law Group.

Many of the claims set forth in the Solano Correspondence relate to Mr. Solano's assertion the Company has denied him salary increases enjoyed by other RAVE employees and Executive Team members based on his race and national origin (the "***Discriminatory Compensation Claims***"). In the context of the Discriminatory Compensation Claims asserted by Mr. Solano, we believe it material to provide the following facts regarding Mr. Solano's compensation history.

***Fiscal Year 2026.*** On October 20, 2025, the Rave Restaurant Group Compensation Committee passed a resolution to increase Mr. Solano's salary to $370,000 per annum, with a proportional increase in his associated target bonus opportunity and restricted stock unit grants. The increased salary, bonus potential, and restricted stock grants were effective as of the first regular pay date after October 21, 2025 (the "***Fiscal 2026 Compensation Increase").*** Mr. Solano emailed our Chairman on August 26, 2026, with a request for a significant increase in his combined salary, bonus, and equity compensation as well as to be appointed as a member of the Company's Board of Directors (the "***Requested Compensation Increase***"). Mr. Schwarz initiated a phone conversation with Mr. Solano the next day, August 27, 2026 where Mr. Schwarz indicated to Solano that his Requested Compensation Increase beginning Fiscal Year 2027 and increasing 2.5 times to $2.3 million annually for Fiscal Year 2029 could be discussed at the Board's upcoming meeting, but that for Mr. Schwarz such a request was a "non-starter". Four days later, the Solano Correspondence was delivered to the Company.

***Fiscal Years 2020-2025.*** For additional context, we have provided historic compensation information regarding Mr. Solano's summary compensation prior to the Fiscal Year 2026 Compensation Increase for the Company's fiscal years 2020-2025, as reported in the Company's publicly filed proxy statements on Schedule 14A:

| Fiscal Year | Salary | Bonus | Stock Awards | All Other Compensation | Total Compensation |
|---|---|---|---|---|---|
| 2025 | $ 350,000 | $ 244,195 | $ 179,157 | $ 6,900 | $ 780,252 |
| 2024 | 350,000 | 317,667 | 175,391 | - | 843,058 |
| 2023 | 350,000 | 276,900 | 259,473 | 327 | 886,700 |
| 2022 | 350,000 | 329,163 | 143,750 | 7,000 | 829,913 |
| 2021 | 350,000 | 262,500 | 67,531 | 2,400 | 682,431 |
| 2020 | 230,252 | 90,257 | - | - | 320,509 |

Total compensation in the amount of $4.3 million beginning with the partial year worked in Fiscal Year 2020, which does not include additional compensation received during the Fiscal Year 2026 and Fiscal Year 2027 to date.

***Employment Agreement***. Mr. Solano has an employment letter with the Company (the "***Solano Agreement***") confirming his employment as Chief Executive Officer of the Company. The Solano Agreement provides for at-will employment at an annual base salary, subject to adjustment over time, which is currently $370,000. The Solano Agreement also provides for incentive compensation of up to $555,000 or 150% of base annual salary split equally between annual cash bonus and restricted stock units granted under the Company's 2015 Long Term Incentive Plan, which continued under the 2025 LTIP Plan. Restricted stock units represent the right to receive shares of common stock upon satisfaction of vesting requirements and performance conditions over a period of three fiscal years. Mr. Solano is also entitled to other typical benefits generally available to senior executives of the Company. The Solano Agreement also contains a covenant not to compete which precludes Mr. Solano from engaging in any pizza restaurant business for a period of 12 months after the termination of his employment, as well as non-disclosure, non-solicitation, and other common employment covenants.

The Board takes any claim of harassment or discrimination very seriously and is reviewing the available information and will determine what actions, if any, are warranted after the Independent Investigation is completed and we have had the opportunity to review and respond to the Texas Workforce Claim.

In addition to the foregoing, the Company is subject to various claims and contingencies related to employment agreements, franchise disputes, lawsuits, taxes, food product purchase contracts and other matters arising out of the normal course of business. Management believes that any such claims and actions currently pending are either covered by insurance or would not have a material adverse effect on the Company's annual results of operations or financial condition if decided in a manner that is unfavorable to the Company.

## ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

The Company's common stock is listed on The Nasdaq Stock Market LLC under the ticker symbol “RAVE”. As of September 17, 2026, there were approximately 1,883 stockholders of record of the Company's common stock. This number excludes stockholders whose stock is held in nominee or “street name” by brokers.

The Company had no sales of unregistered securities during fiscal 2026 or 2025, nor did the Company repurchase any shares of its common stock during fiscal 2026.

The Company has not paid dividends historically, and currently there is no intention to pay any dividends on our common stock, but dividends may be considered in the future.

**Equity Compensation Plan Information**

The following table furnishes information with respect to the Company’s stock option equity compensation plans as of June 28, 2026:

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants, and rights | Weighted average exercise price of outstanding options or RSU grant date fair value | Number of securities remaining available for future issuance under equity compensation plan (1) |
|---|---|---|---|
| 2015 Long Term Incentive Plan | | | |
| Stock options compensation plans approved by securities holders | 40,000 | $ 1.06 | - |
| Stock options compensation plans not approved by securities holders | - | - | - |
| RSU Compensation plans approved by securities holders | 311,929 | 2.51 | - |
| 2015 Long Term Incentive Plan Total | 351,929 | $ 2.34 | - |
| | | | |
| 2025 Long Term Incentive Plan | | | |
| Stock options compensation plans approved by securities holders | - | - | - |
| Stock options compensation plans not approved by securities holders | - | - | - |
| RSU Compensation plans approved by securities holders | 202,608 | 2.79 | 1,297,392 |
| 2025 Long Term Incentive Plan Total | 202,608 | $ 2.79 | 1,297,392 |

(1) Securities remaining available for future issuance under the 2025 Long Term Incentive Plan are net of a maximum of 202,608 shares of common stock issuable pursuant to outstanding restricted stock units, subject to applicable vesting requirements and performance criteria. See Note G to the audited consolidated financial statements included in this report.

**ITEM 6. RESERVED.**

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

### Results of Operations

*The following discussion should be read in conjunction with the consolidated financial statements and accompanying notes appearing elsewhere in this Annual Report on Form 10-K and may contain certain forward-looking statements. See "Forward-Looking Statements."*

*A comparison of our results of operations and cash flows for fiscal year 2025 compared to fiscal year 2024 can be found under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended June 29, 2025, filed with the SEC on September 25, 2025, as amended on November 6, 2025.*

*Pursuant to Instruction 1 to Item 303(a) of Regulation S-K, the discussion of fiscal year 2024 results has been omitted from this Annual Report on Form 10-K. Such discussion may be found under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended June 29, 2025, filed with the SEC on September 25, 2025, as amended on November 6, 2025.*

**Overview**

The Company franchises pizza buffet ("Buffet Units"), delivery/carry-out ("Delco Units"), express restaurants ("Express Units") and ghost kitchens ("Pizza Inn Ghost Kitchen Units") under the trademark "Pizza Inn" and franchises fast casual pizza restaurants ("Pie Five Units") and ghost kitchens ("Pie Five Ghost Kitchen Units") under the trademarks "Pie Five Pizza Company" or "Pie Five". The Company also licenses Pizza Inn Express, or PIE, kiosks ("PIE Units") under the trademark "Pizza Inn". We facilitate food, equipment and supply distribution to our domestic and international system of restaurants through agreements with third-party distributors. At June 28, 2026, franchised and licensed restaurants consisted of the following:

**Fiscal Year Ended June 28, 2026**
(in thousands, except unit data)

| | Pizza Inn | | Pie Five | | All Concepts | |
|---|---|---|---|---|---|---|
| | Ending Units | System-Wide Retail Sales | Ending Units | System-Wide Retail Sales | Ending Units | System-Wide Retail Sales |
| Domestic Franchised/Licensed | 91 | $ 112,125 | 13 | $ 8,600 | 104 | $ 120,725 |
| International Franchised | 18 | $ 5,597 | - | $ - | 18 | $ 5,597 |

The domestic units were located in 16 states predominantly situated in the southern half of the United States. The international restaurants were located in six foreign countries predominantly in the Middle East.

Results of operations for the fiscal years 2026 and 2025 both included 52 weeks.

**Non-GAAP Financial Measures and Other Terms**

The Company's financial statements are prepared in accordance with United States generally accepted accounting principles ("GAAP"). However, the Company also presents and discusses certain non-GAAP financial measures that it believes are useful to investors as measures of operating performance. Management may also use such non-GAAP financial measures in evaluating the effectiveness of business strategies and for planning and budgeting purposes. However, these non-GAAP financial measures should not be viewed as an alternative or substitute for the results reflected in the Company's GAAP financial statements.

We consider EBITDA and Adjusted EBITDA to be important supplemental measures of operating performance that are commonly used by securities analysts, investors and other parties interested in our industry. We believe that EBITDA is helpful to investors in evaluating our results of operations without the impact of expenses affected by financing methods, accounting methods and the tax environment. We believe that Adjusted EBITDA provides additional useful information to investors by excluding non-operational or non-recurring expenses to provide a measure of operating performance that is more comparable from period to period. Management also uses these non-GAAP financial measures for evaluating operating performance, assessing the effectiveness of business strategies, projecting future capital needs, budgeting and other planning purposes.

The following key performance indicators presented herein, some of which represent non-GAAP financial measures, have these meanings and are calculated as follows:

- "EBITDA" represents earnings before interest, taxes, depreciation and amortization.
- "Adjusted EBITDA" represents earnings before interest, taxes, depreciation and amortization, stock-based compensation expense, severance, gain/loss on sale of assets, costs related to impairment and other lease charges, franchisee default and closed store revenue/expense, and closed and non-operating store costs.
- "Retail sales" represents the restaurant sales reported by our franchisees, which may be segmented by brand or domestic/international locations.
- "Comparable store retail sales" includes the retail sales for restaurants that have been open for at least 18 months as of the end of the reporting period. The sales results for a restaurant that was closed for seven consecutive days or longer are not included in the calculation.
- "Average units open" reflects the number of restaurants open during a reporting period weighted by the percentage of the days in a reporting period that each restaurant was open.
- "Franchisee default and closed store revenue/expense" represents the net of accelerated revenues and costs attributable to defaulted area development agreements and closed franchised stores.
- "Closed and non-operating store costs" represent gain or loss on asset disposal, store closure expenses, lease termination expenses and expenses related to abandoned store sites.

**EBITDA and Adjusted EBITDA**

Adjusted EBITDA for the fiscal year ended June 28, 2026, increased to $3.9 million compared to $3.6 million for the prior fiscal year. The following table sets forth a reconciliation of net income to EBITDA and Adjusted EBITDA for the periods shown (in thousands):

| | Fiscal Year Ended | |
|---|---|---|
| | June 28, 2026 | June 29, 2025 |
| Net income | $ 2,878 | $ 2,702 |
| Interest income | (391) | (354) |
| Income taxes | 1,006 | 918 |
| Depreciation and amortization | 167 | 182 |
| EBITDA | $ 3,660 | $ 3,448 |
| Stock-based compensation expense | 298 | 136 |
| Severance | 14 | 12 |
| Franchisee default and closed store revenue | (24) | (13) |
| Adjusted EBITDA | $ 3,948 | $ 3,583 |

The following table summarizes domestic comparable store retail sales for the Company.

| | 52 Weeks Ended | |
|---|---|---|
| | June 28, 2026 | June 29, 2025 |
| | (in thousands) | |
| Pizza Inn Domestic Comparable Store Retail Sales | $ 107,127 | $ 104,660 |
| Pie Five Domestic Comparable Store Retail Sales | 8,538 | 9,474 |
| **Total Rave Comparable Store Retail Sales** | $ 115,665 | $ 114,134 |

**Pizza Inn Brand Summary**

The following tables summarize certain key indicators for the Pizza Inn franchised and licensed domestic units that management believes are useful in evaluating performance:

| | 52 Weeks Ended | |
|---|---|---|
| | June 28, 2026 | June 29, 2025 |
| **Pizza Inn Retail Sales - Total Domestic Units** | (in thousands, except unit data) | |
| Buffet Units - Franchised | $ 109,800 | $ 105,204 |
| Delco/Express Units - Franchised | 2,305 | 3,209 |
| PIE Units - Licensed | 15 | 24 |
| Pizza Inn Ghost Kitchen Units - Franchised | 5 | 7 |
| Total Domestic Retail Sales | $ 112,125 | $ 108,444 |
| | | |
| **Pizza Inn Comparable Store Retail Sales - Total Domestic** | $ 107,127 | $ 104,660 |
| | | |
| **Pizza Inn Average Units Open in Period** | | |
| | | |
| Buffet Units - Franchised | 80 | 77 |
| Delco/Express Units - Franchised | 14 | 21 |
| PIE Units - Licensed | 1 | 1 |
| Pizza Inn Ghost Kitchen Units - Franchised | - | 1 |
| Total Domestic Units | 95 | 100 |

Pizza Inn total domestic retail sales increased by $3.7 million, or 3.4%, for fiscal 2026 when compared to the prior year. Compared to the prior year, average Buffet Units open in the period increased from 77 to 80. Comparable store retail sales increased by $2.5 million to $107.1 million for fiscal 2026 as compared to the prior year. For fiscal 2026, the increase in domestic retail sales was primarily the result of the increase in Buffet Units, supplemented by an increase in comparable store retail sales.

The following chart summarizes Pizza Inn restaurant activity for the fiscal year ended June 28, 2026:

| | Fiscal Year Ended June 28, 2026 | | | | |
|---|---|---|---|---|---|
| | Beginning Units | Opened | Transfer | Closed | Ending Units |
| Buffet Units - Franchised | 79 | 4 | 4 | 3 | 80 |
| Delco/Express Units - Franchised | 15 | 1 | - | 5 | 11 |
| PIE Units - Licensed | 1 | - | - | 1 | - |
| Pizza Inn Ghost Kitchen Units - Franchised | 1 | - | - | 1 | - |
| Total Domestic Units | 96 | 5 | 4 | 10 | 91 |
| International Units (all types) | 22 | 3 | - | 7 | 18 |
| Total Units | 118 | 8 | 4 | 17 | 109 |

There was a net decrease of five units in the total domestic Pizza Inn unit count during fiscal 2026. There were four transfers in the total domestic Pizza Inn unit count during fiscal 2026. For fiscal 2026, the number of international Pizza Inn units decreased by four units. There were zero transfers in the total international Pizza Inn unit count during fiscal 2026. The Company believes the number of both domestic and international Pizza Inn units will increase modestly in future periods.

**Pie Five Brand Summary**

The following tables summarize certain key indicators for the Pie Five franchised restaurants that management believes are useful in evaluating performance:

| | 52 Weeks Ended | |
|---|---|---|
| | June 28, 2026 | June 29, 2025 |
| **Pie Five Retail Sales - Total Units** | (in thousands, except unit data) | |
| Pie Five Units - Franchised | $ 8,560 | $ 11,005 |
| Pie Five Ghost Kitchen Units - Franchised | 40 | 274 |
| Total Domestic Retail Sales | $ 8,600 | $ 11,279 |
| **Pie Five Comparable Store Retail Sales - Total** | $ 8,538 | $ 9,474 |
| **Pie Five Average Units Open in Period** | | |
| Pie Five Units - Franchised | 15 | 18 |
| Pie Five Ghost Kitchen Units - Franchised | - | 2 |
| Total Domestic Units | 15 | 20 |

Pie Five total domestic retail sales decreased by $2.7 million, or 23.8%, for fiscal 2026 when compared to the prior year. Compared to the prior year, average units open in the period decreased from 20 to 15. Comparable store retail sales decreased by $0.9 million to $8.5 million for fiscal 2026 as compared to the prior year. For fiscal 2026, the decrease in domestic retail sales was primarily the result of the decrease in store count, supplemented by a decrease in comparable store retail sales.

The following chart summarizes Pie Five restaurant activity for the fiscal year ended June 28, 2026:

| | Fiscal Year Ended June 28, 2026 | | | | |
|---|---|---|---|---|---|
| | Beginning Units | Opened | Transfer | Closed | Ending Units |
| Pie Five Units - Franchised | 16 | - | - | 3 | 13 |
| Pie Five Ghost Kitchen Units - Franchised | 1 | - | - | 1 | - |
| Total Domestic Units | 17 | - | - | 4 | 13 |

There was a net decrease of four units in the total domestic Pie Five unit count during fiscal 2026. There was a net decrease of one Pie Five Ghost Kitchen Unit during fiscal 2026. We believe that Pie Five units will decrease in future periods.

**Financial Results**

In addition to Corporate overhead support, the Company defines its operating segments as Pizza Inn Franchising and Pie Five Franchising. The following is additional business segment information for the Fiscal Years ended June 28, 2026 and June 29, 2025 (in thousands):

| | Pizza Inn Franchising | | Pie Five Franchising | | Corporate | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Fiscal Year Ended | | Fiscal Year Ended | | Fiscal Year Ended | | Fiscal Year Ended | |
| | June 28, 2026 | June 29, 2025 | June 28, 2026 | June 29, 2025 | June 28, 2026 | June 29, 2025 | June 28, 2026 | June 29, 2025 |
| **REVENUES:** | | | | | | | | |
| Franchise and license revenues | $ 11,995 | $ 10,790 | $ 900 | $ 1,184 | $ - | $ - | $ 12,895 | $ 11,974 |
| Rental income | - | - | - | - | - | 53 | - | 53 |
| Other franchise revenue | - | - | 15 | 12 | - | - | 15 | 12 |
| Total revenues | 11,995 | 10,790 | 915 | 1,196 | - | 53 | 12,910 | 12,039 |
| **COSTS AND EXPENSES:** | | | | | | | | |
| General and administrative expenses | - | - | - | - | 5,898 | 5,234 | 5,898 | 5,234 |
| Franchise expenses | 3,091 | 2,997 | 273 | 400 | - | - | 3,364 | 3,397 |
| Provision (recovery) for credit losses | - | - | - | - | 7 | (21) | 7 | (21) |
| Depreciation and amortization expense | - | - | - | - | 167 | 182 | 167 | 182 |
| Total costs and expenses | 3,091 | 2,997 | 273 | 400 | 6,072 | 5,395 | 9,436 | 8,792 |
| **OPERATING INCOME** | 8,904 | 7,793 | 642 | 796 | (6,072) | (5,342) | 3,474 | 3,247 |
| Interest income | - | - | - | - | 391 | 354 | 391 | 354 |
| Other income | - | - | - | - | 19 | 19 | 19 | 19 |
| Total other income | - | - | - | - | 410 | 373 | 410 | 373 |
| **INCOME/(LOSS) BEFORE TAXES** | $ 8,904 | $ 7,793 | $ 642 | $ 796 | $ (5,662) | $ (4,969) | $ 3,884 | $ 3,620 |

*Revenues:*

Revenues are derived from franchise royalties, supplier and distributor incentive revenues, franchise license fees, area development exclusivity fees and foreign master license fees, advertising fund contributions, supplier convention funds, rental income, and other income. The volume of supplier and distributor incentive revenues is dependent on the level of total retail sales, which are impacted by changes in comparable store sales and restaurant count, as well as the products sold to franchisees through third-party food distributors.

Total revenues for fiscal 2026 and fiscal 2025 were $12.9 million and $12.0 million, respectively.

<u>Pizza Inn Franchise and License</u>

Pizza Inn franchise revenues increased by $1.2 million to $12.0 million for fiscal 2026 as compared to $10.8 million for fiscal 2025. The 11.2% increase was driven by increases in supplier and distributor incentives and domestic royalties mainly due to an increase in system-wide retail sales.

<u>Pie Five Franchise and License</u>

Pie Five franchise revenues decreased by $0.3 million to $0.9 million for fiscal 2026 as compared to $1.2 million for fiscal 2025. The 23.6% decrease was driven by decreases in domestic royalties from lower system-wide retail sales mainly due to unit closures.

*Costs and Expenses:*

<u>General and Administrative Expenses</u>

Total general and administrative expenses increased by $0.7 million to $5.9 million for fiscal 2026 as compared to $5.2 million for fiscal 2025. The 12.7% increase was driven by increases in salaries, offset by decreases in legal fees.

Franchise Expenses

Franchise expenses include general and administrative expenses directly related to the sale and continuing service of domestic and international franchises. Total franchise expenses remained relatively stable at $3.4 million for fiscal 2026 as compared to fiscal 2025. Pizza Inn franchise expenses increased by $0.1 million to $3.1 million for fiscal 2026 as compared to $3.0 million for fiscal 2025. The 3.1% increase was driven by increases in advertising fees, offset by decreases in salaries directly related to franchise operations. Pie Five franchise expenses decreased by $0.1 million to $0.3 million for fiscal 2026 as compared to $0.4 million for fiscal 2025. The 31.8% decrease was driven by decreases in salaries directly related to franchise operations and advertising fees.

Provision (Recovery) for Credit Losses

The Company monitors franchisee receivable balances and adjusts credit terms when necessary to minimize the Company's exposure to high-risk accounts receivable. For fiscal 2026, provision for credit losses was $7 thousand compared to recoveries for credit losses of $21 thousand for fiscal 2025. During fiscal 2025, the Company recorded a gain in provision for credit losses due to the recoveries of receivables that had been previously reserved, partially offset by losses due to write offs of receivables.

Depreciation and Amortization Expense

Depreciation and amortization expense decreased by $15 thousand for fiscal 2026 to $167 thousand compared to $182 thousand in the prior year. The decrease was primarily the result of lower depreciation of equipment due to less capital expenditure spend.

Interest Income

Interest income increased by $37 thousand for fiscal 2026 to $391 thousand compared to $354 thousand in the prior year. The increase was primarily driven by interest received on U.S. Treasury bills.

Provision for Income Taxes

Total income tax expense consists of the following (in thousands):

| | Fiscal Year Ended | |
|---|---|---|
| | **June 28, 2026** | **June 29, 2025** |
| Federal tax expense | $ 880 | $ 793 |
| State tax expense | 126 | 125 |
| Total income tax expense | $ 1,006 | $ 918 |

For the year ended June 28, 2026, the Company recorded an income tax expense of $1,006 thousand. The federal and state tax expense was $880 thousand and $126 thousand, respectively. The increase was primarily driven by increases in federal taxes, primarily due to higher taxable income and fewer discrete tax items related to restricted stock units vesting than in the prior year. The Company utilized net operating losses to offset federal taxes payable. At the end of tax year ended June 28, 2026, the Company had federal net operating loss carryforwards totaling $12 million that are available to reduce future taxable income and will begin to expire in 2035. Under the Tax Cuts and Jobs Act, approximately $1.3 million of the loss carryforwards are limited to 80% and do not expire. Tax years that remain subject to examination by the IRS are the years ended June 25, 2023 through June 29, 2025. Tax years that remain subject to examination by state authorities are the years ended June 26, 2022 through June 29, 2025.

The Company continually reviews the realizability of its deferred tax assets, including an analysis of factors such as future taxable income, reversal of existing taxable temporary differences, and tax planning strategies. In assessing the need for a valuation allowance, the Company considers both positive and negative evidence related to the likelihood of realization of deferred tax assets. Future sources of taxable income are also considered in determining the amount of any required valuation allowance.

There are no material uncertain tax positions. Management's position is that all relevant requirements are met and necessary returns have been filed, and therefore the tax positions taken on the tax returns would be sustained upon examination.

Earnings per Share

Basic net income per common share increased $0.01 per share to $0.20 per share for fiscal 2026 compared to $0.19 per share in the prior fiscal year. Diluted net income per common share increased $0.01 per share to $0.20 per share for fiscal 2026 compared to $0.19 per share in the prior fiscal year. Net income increased $0.2 million to net income of $2.9 million for fiscal 2026 compared to a net income of $2.7 million for the prior fiscal year on revenues of $12.9 million for fiscal 2026 as compared to $12.0 million in fiscal 2025.

## Liquidity and Capital Resources

### Sources and Uses of Funds

During fiscal 2026, the Company's primary source of liquidity was proceeds from operating activities.

Cash flows from operating activities generally reflect net income adjusted for certain non-cash items including depreciation and amortization, changes in deferred taxes, stock-based compensation, and changes in working capital. Cash provided by operating activities was $3.6 million in fiscal 2026 compared to cash provided by operating activities of $3.4 million in fiscal 2025. The primary driver of increased operating cash flow during fiscal 2026 was increased revenues related to supplier and distributor incentives.

Cash flows from investing activities reflect purchases and maturities of short-term investments as well as net proceeds from the sale of assets and capital expenditures for the purchase of Company assets. Cash used in investing activities during fiscal 2026 was $5.3 million compared to cash used in investing activities of $2.0 million in fiscal 2025. Net cash used in investing activities in fiscal 2026 was primarily attributable to increased activity related to the purchase of short-term investments. The decrease in proceeds from maturities of short-term investments was primarily attributable to the timing of investment maturity, with fewer investments reaching maturity during fiscal 2026.

Cash flows used in financing activities generally reflect changes in the Company's stock and debt activity during the period. Net cash used in financing activities was zero for fiscal 2026 compared to net cash used in financing activities of $1.4 million for fiscal 2025. Net cash used by financing activities in fiscal 2025 was primarily attributable to repurchases of the Company's stock.

### Liquidity

We expect to fund continuing operations and planned capital expenditures for the next fiscal year primarily from cash on hand and operating cash flow. Based on budgeted and year-to-date cash flow information, we believe that we have sufficient liquidity to satisfy our cash requirements for the 2027 fiscal year and beyond.

### Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires the Company’s management to make estimates and assumptions that affect our reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent liabilities. The Company bases its estimates on historical experience and various other assumptions that it believes are reasonable under the circumstances. Estimates and assumptions are reviewed periodically. Actual results could differ materially from estimates.

The Company believes the following critical accounting policies require estimates about the effect of matters that are inherently uncertain, are susceptible to change, and therefore require subjective judgments. Changes in the estimates and judgments could significantly impact the Company’s results of operations and financial condition in future periods.

Accounts receivable consist primarily of receivables generated from franchise royalties and supplier incentives. The Company records an allowance for credit losses to allow for any amounts which may be unrecoverable based upon an analysis of the Company's prior collection experience, customer creditworthiness and current economic trends. Actual realization of accounts receivable could differ materially from the Company's estimates.

The Company reviews long-lived assets for impairment when events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is evaluated based on the sum of undiscounted estimated future cash flows expected to result from use and eventual disposition of the assets compared to their carrying value. If impairment is indicated, the carrying value of an impaired asset is reduced to its fair value, based on discounted estimated future cash flows.

Franchise revenue consists of income from license fees, royalties, area development and foreign master license agreements, advertising fund revenues, supplier incentive and convention contribution revenues. Franchise fees, area development and foreign master license agreement fees are amortized into revenue on a straight-line basis over the term of the related contract agreement. In event of a closed franchise or defaulted development agreement, the remaining balance of unamortized license fees will be recognized in entirety as of the date of the closure or default. Royalties and advertising fund revenues, which are based on a percentage of franchise retail sales, are recognized as income as retail sales occur. Supplier incentive revenues are recognized as earned, typically as the underlying commodities are shipped. During fiscal 2026, the Company had a concentration of revenue with a supplier, which accounted for approximately 14.0% of total revenues.

The Company continually reviews the realizability of its deferred tax assets, including an analysis of factors such as future taxable income, reversal of existing taxable temporary differences, and tax planning strategies. The Company assesses whether a valuation allowance should be established against its deferred tax assets based on consideration of all available evidence, using a "more likely than not" standard. In assessing the need for a valuation allowance, the Company considers both positive and negative evidence related to the likelihood of realization of deferred tax assets. In making such assessment, more weight is given to evidence that can be objectively verified, including recent operating performance. Future sources of taxable income are also considered in determining the amount of the recorded valuation allowance.

The Company accounts for uncertain tax positions in accordance with ASC 740-10, which prescribes a comprehensive model for how a company should recognize, measure, present, and disclose in its financial statements uncertain tax positions that it has taken or expects to take on a tax return. ASC 740-10 requires that a company recognize in its financial statements the impact of tax positions that meet a "more likely than not" threshold, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. As of June 28, 2026 and June 29, 2025, the Company had no uncertain tax positions.

The Company assesses its exposures to loss contingencies from legal matters based upon factors such as the current status of the cases and consultations with external counsel and provides for the exposure by accruing an amount if it is judged to be probable and can be reasonably estimated. If the actual loss from a contingency differs from management's estimate, operating results could be adversely impacted.

The Company determines if an arrangement is a lease at inception of the arrangement. To the extent that it can be determined that an arrangement represents a lease, it is classified as either an operating lease or a finance lease. The Company does not currently have any finance leases. The Company capitalizes operating leases on the Consolidated Balance Sheets through a right-of-use asset and a corresponding lease liability. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Short-term leases that have an initial term of one year or less are not capitalized. The Company does not presently have any short-term leases.

Operating lease right-of-use assets and liabilities are recognized at the commencement date of an arrangement based on the present value of lease payments over the lease term. In addition to the present value of lease payments, the operating lease right-of-use asset also includes any lease payments made to the lessor prior to lease commencement less any lease incentives and initial direct costs incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

## ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required for a smaller reporting company.

## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

See information set forth on Index to Consolidated Financial Statements and Supplementary Data appearing on page F-1 of this report on Form 10-K.

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Effective February 10, 2026, the Company engaged Bodwell Vasek Wells DeSimone LLP ("BVWD") as the independent registered public accounting firm to audit the Company's financial statements. During the two fiscal years ended June 29, 2025, and the subsequent interim period preceding such appointment, the Company did not consult with BVWD regarding (i) either the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or (ii) any matter that was either the subject of a disagreement with BVWD or a "reportable event" within the meaning of Item 304(a)(1)(v) of Regulation S-K. The Company dismissed Whitley Penn LLP as the Company's independent registered public accounting firm contemporaneously with the engagement of BVWD. Whitley Penn LLP had been the Company's auditors since January 9, 2023. The decision to change accountants was approved by the Audit Committee of the Company's board of directors.

## ITEM 9A. CONTROLS AND PROCEDURES.

**Evaluation of Disclosure Controls and Procedures**

The Company's management, with the participation of the Company's principal executive officer and principal financial and accounting officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the fourth quarter covered by this report. Based on that evaluation, the principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this report, were effective in assuring that the information required to be disclosed by the Company in reports filed under the Securities Exchange Act of 1934 is (i) accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding disclosure, and (ii) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

**Management's Annual Report on Internal Control over Financial Reporting**

The Company's management is responsible for establishing and maintaining adequate "internal control over financial reporting" (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934). Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, the Company has conducted an evaluation of the effectiveness of its internal control over financial reporting. The Company's management based its evaluation on criteria set forth in the framework in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based upon that evaluation, management has concluded that our internal control over financial reporting was effective as of June 28, 2026. The Annual Report does not include an attestation report of the registered independent accounting firm as the Company is not required to provide one as a smaller reporting company.

**Changes in Internal Control Over Financial Reporting**

There were no changes during the Company's fourth quarter that materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

## ITEM 9B. OTHER INFORMATION.

During the fiscal year ended June 28, 2026, no director or officer adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

## ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

# PART III

## ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The information required by this Item is incorporated by reference from the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

## ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated by reference from the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item is incorporated by reference from the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

## ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated by reference from the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

## ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated by reference from the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

## PART IV

## ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

1. The financial statements filed as part of this report are listed in the Index to Consolidated Financial Statements and Supplementary Data appearing on page F-1 of this report on Form 10-K.

2. Any financial statement schedule filed as part of this report is listed in the Index to Consolidated Financial Statements and Supplementary Data appearing on page F-1 of this report on Form 10-K.

3. Exhibits:

| | |
|---|---|
| 3.1 | Amended and Restated Articles of Incorporation of Rave Restaurant Group, Inc. (incorporated by reference to Exhibit 3.1 to the registrant’s Current Report on Form 8-K filed January 8, 2015). |
| 3.2 | Amended and Restated Bylaws of Rave Restaurant Group, Inc. (incorporated by reference to Exhibit 3.2 to the registrant’s Current Report on Form 8-K filed January 8, 2015). |
| 4.1 | Description of Registrant's Securities. (filed as Exhibit 4.4 to Form 10-K for the fiscal year ended June 28, 2020 and incorporated herein by reference). |
| 10.1 | 2015 Long Term Incentive Plan of the Company (filed as Exhibit 10.1 to Form 8-K filed November 20, 2014 and incorporated herein by reference).* |
| 10.2 | Form of Stock Option Grant Agreement under the Company’s 2015 Long Term Incentive Plan (filed as Exhibit 10.2 to Form 8-K filed November 20, 2014 and incorporated herein by reference).* |
| 10.3 | Form of Restricted Stock Unit Award Agreement under the Company’s 2015 Long-Term Incentive Plan (filed as Exhibit 10.3 to Form 10 K/A for the fiscal year ended June 30, 2019 and incorporated herein by reference).* |
| 10.4 | Lease Agreement dated November 1, 2016, between A&H Properties Partnership and Rave Restaurant Group, Inc. (filed as Exhibit 10.4 to Form 10-K for the year ended June 30, 2019 and incorporated herein by reference). |
| 10.5 | First Amendment to Lease and Expansion dated July 1, 2017, between A&H Properties Partnership and Rave Restaurant Group, Inc. (filed as Exhibit 10.5 to Form 10-K for the year ended June 30, 2019 and incorporated herein by reference). |
| 10.6 | Second Amendment to Lease Agreement effective June 1, 2020, between A&H Properties Partnership and Rave Restaurant Group, Inc. (filed as Exhibit 10.6 to Form 10-K for the fiscal year ended June 28, 2020 and incorporated herein by reference). |
| 10.7 | Letter agreement dated October 18, 2019, between Rave Restaurant Group, Inc. and Brandon Solano (filed as Exhibit 10.1 to Form 8-K filed October 21, 2019 and incorporated herein by reference).* |
| 10.8 | Letter agreement dated March 25, 2024, between Rave Restaurant Group, Inc. and Jay Rooney (filed as Exhibit 10.1 to Form 8-K filed March 26, 2024 and incorporated herein by reference).* |
| 10.9 | 2025 Long Term Incentive Plan of the Company (filed as Exhibit 10.9 to Form 10-Q for the fiscal quarter ended December 28, 2025 and incorporated herein by reference).* |
| 10.10 | Form of Stock Option Grant Agreement under the Company’s 2025 Long Term Incentive Plan (filed as Exhibit 10.10 to Form 10-Q for the fiscal quarter ended December 28, 2025 and incorporated herein by reference).* |
| 10.11 | Form of Restricted Stock Unit Award Agreement under the Company’s 2025 Long Term Incentive Plan (filed as Exhibit 10.11 to Form 10-Q for the fiscal quarter ended December 28, 2025 and incorporated herein by reference).* |
| 14.1 | Code of Ethics (filed herewith). |
| 19.1 | Rave Restaurant Group, Inc. Insider Trading Policy (filed as the corresponding exhibit number with the registrant's Form 10-K filed on September 25, 2025). |
| 21.1 | List of Subsidiaries (filed as Exhibit 21.1 to Form 10-K filed September 30, 2019 and incorporated herein by reference). |
| 23.1 | Consent of Independent Registered Public Accounting Firm. |
| 23.2 | Consent of Independent Registered Public Accounting Firm. |
| 31.1 | Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer. |
| 31.2 | Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer. |
| 32.1 | Section 1350 Certification of Principal Executive Officer. |
| 32.2 | Section 1350 Certification of Principal Financial Officer. |
| 97.1 | Policy Regarding Recovery of Excessive Incentive Based Compensation (filed as Exhibit 97.1 to Form 10-K/A for the fiscal year ended June 29, 2025 and incorporated herein by reference). |
| 101 | Interactive data files pursuant to Rule 405 of Regulation S-T. |
| 104 | Cover Page Interactive data file (formatted as Inline XBRL and contained in Exhibit 101). |

*Management contract or compensatory plan or agreement.

## ITEM 16. FORM 10-K SUMMARY.

None.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 24, 2026

Rave Restaurant Group, Inc.
By: /s/ Brandon L. Solano
Brandon L. Solano
Chief Executive Officer
(principal executive officer)

By: /s/ Jay D. Rooney
Jay D. Rooney
Chief Financial Officer
(principal financial and accounting officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

| Name and Position | Date |
|---|---|
| /s/ Brandon L. Solano<br>Brandon L. Solano<br>Chief Executive Officer<br>(principal executive officer) | September 24, 2026 |
| /s/ Jay D. Rooney<br>Jay D. Rooney<br>Chief Financial Officer<br>(principal financial and accounting officer) | September 24, 2026 |
| /s/ Mark E. Schwarz<br>Mark E. Schwarz<br>Director and Chairman of the Board | September 24, 2026 |
| /s/ Robert B. Page<br>Robert B. Page<br>Director | September 24, 2026 |
| /s/ William C. Hammett, Jr.<br>William C. Hammett, Jr.<br>Director | September 24, 2026 |
| /s/ Clinton J. Coleman<br>Clinton J. Coleman<br>Director | September 24, 2026 |

**RAVE RESTAURANT GROUP, INC.**
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**


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| Report of Independent Registered Public Accounting Firm (Whitley Penn LLP, PCAOB ID: 726) | F-3 |
| Consolidated Statements of Income for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024 | F-4 |
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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders
Rave Restaurant Group, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying balance sheet of Rave Restaurant Group, Inc. and subsidiaries (the "Company") as of June 28, 2026, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 28, 2026, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America ("GAAP").

**Basis for Opinion**

These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on the entity's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Critical Audit Matters**

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Bodwell Vasek Wells DeSimone LLP

We have served as the Company's auditor since 2026.

Dallas, Texas
September 24, 2026

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors

Rave Restaurant Group, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheet of Rave Restaurant Group, Inc and subsidiaries (the "Company") as of June 29, 2025, and the related consolidated statements of income, shareholders' equity, and cash flows for the years ended June 29, 2025 and June 30, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 29, 2025, and the results of their operations and their cash flows for the years ended June 29, 2025 and June 30, 2024, in conformity with accounting principles generally accepted in the United States of America ("GAAP").

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical Audit Matters**

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

We served as the Company's auditor from 2023 to 2026.

Plano, Texas
September 25, 2025

**RAVE RESTAURANT GROUP, INC.**
**CONSOLIDATED STATEMENTS OF INCOME**
**(In thousands, except per share amounts)**

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| **REVENUES** | $ 12,910 | $ 12,039 | $ 12,150 |
| | | | |
| **COSTS AND EXPENSES** | | | |
| General and administrative expenses | 5,898 | 5,234 | 5,277 |
| Franchise expenses | 3,364 | 3,397 | 3,656 |
| Provision (recovery) for credit losses | 7 | (21) | 69 |
| Depreciation and amortization expense | 167 | 182 | 219 |
| Total costs and expenses | 9,436 | 8,792 | 9,221 |
| **OPERATING INCOME** | 3,474 | 3,247 | 2,929 |
| Interest income | 391 | 354 | 153 |
| Other income | 19 | 19 | 10 |
| **INCOME BEFORE TAXES** | 3,884 | 3,620 | 3,092 |
| Income tax expense | 1,006 | 918 | 619 |
| **NET INCOME** | $ 2,878 | $ 2,702 | $ 2,473 |
| | | | |
| **INCOME PER SHARE OF COMMON STOCK** | | | |
| Basic | $ 0.20 | $ 0.19 | $ 0.17 |
| Diluted | $ 0.20 | $ 0.19 | $ 0.17 |
| | | | |
| **WEIGHTED AVERAGE COMMON SHARES OUTSTANDING** | | | |
| Basic | 14,212 | 14,499 | 14,446 |
| Diluted | 14,304 | 14,561 | 14,630 |

*See accompanying Notes to Consolidated Financial Statements.*

**RAVE RESTAURANT GROUP, INC.**
**CONSOLIDATED BALANCE SHEETS**
***(In thousands, except share amounts)***

| | June 28, 2026 | June 29, 2025 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 1,123 | $ 2,859 |
| Short-term investments | 12,487 | 7,024 |
| Accounts receivable, less allowance for credit losses of $30 and $31, respectively | 1,446 | 1,171 |
| Notes receivable, current | 37 | 45 |
| Assets held for sale | 33 | 38 |
| Deferred contract charges, current | 24 | 21 |
| Prepaid expenses and other current assets | 613 | 335 |
| Total current assets | 15,763 | 11,493 |
| | | |
| LONG-TERM ASSETS | | |
| Property and equipment, net | 101 | 137 |
| Operating lease right-of-use assets, net | 177 | 489 |
| Intangible assets definite-lived, net | 100 | 182 |
| Notes receivable, net of current portion | 41 | 75 |
| Deferred tax asset, net | 3,103 | 3,995 |
| Deferred contract charges, net of current portion | 251 | 186 |
| Total assets | $ 19,536 | $ 16,557 |
| | | |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable - trade | $ 203 | $ 207 |
| Accrued expenses | 933 | 855 |
| Operating lease liabilities, current | 193 | 370 |
| Deferred revenues, current | 364 | 308 |
| Total current liabilities | 1,693 | 1,740 |
| | | |
| LONG-TERM LIABILITIES | | |
| Operating lease liabilities, net of current portion | 12 | 206 |
| Deferred revenues, net of current portion | 501 | 457 |
| Total liabilities | 2,206 | 2,403 |
| | | |
| COMMITMENTS AND CONTINGENCIES (SEE NOTE H) | | |
| | | |
| SHAREHOLDERS' EQUITY | | |
| Common stock, $0.01 par value; authorized 26,000,000 shares; issued 25,647,171 and 25,647,171 shares, respectively; outstanding 14,211,566 and 14,211,566 shares, respectively | 256 | 256 |
| Additional paid-in capital | 37,814 | 37,516 |
| Retained earnings | 10,492 | 7,614 |
| Treasury stock, at cost | | |
| Shares in treasury: 11,435,605 and 11,435,605 respectively | (31,232) | (31,232) |
| Total shareholders' equity | 17,330 | 14,154 |
| | | |
| Total liabilities and shareholders' equity | $ 19,536 | $ 16,557 |

*See accompanying Notes to Consolidated Financial Statements.*

## RAVE RESTAURANT GROUP, INC.
## CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
*(In thousands)*

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Treasury Stock | | Total |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | Shares | Amount | |
| **Balance, June 25, 2023** | 25,090 | $ 251 | $ 37,729 | $ 2,439 | (10,936) | $ (30,028) | $ 10,391 |
| Stock-based compensation expense | - | - | 149 | - | - | - | 149 |
| RSU vested and taxes paid on RSUs | 432 | 4 | (315) | - | - | - | (311) |
| Net income | - | - | - | 2,473 | - | - | 2,473 |
| **Balance, June 30, 2024** | 25,522 | $ 255 | $ 37,563 | $ 4,912 | (10,936) | $ (30,028) | $ 12,702 |

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Treasury Stock | | Total |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | Shares | Amount | |
| **Balance, June 30, 2024** | 25,522 | $ 255 | $ 37,563 | $ 4,912 | (10,936) | $ (30,028) | $ 12,702 |
| Stock-based compensation expense | - | - | 136 | - | - | - | 136 |
| RSU vested and taxes paid on RSUs | 125 | 1 | (183) | - | - | - | (182) |
| Purchase of treasury stock | - | - | - | - | (500) | (1,204) | (1,204) |
| Net income | - | - | - | 2,702 | - | - | 2,702 |
| **Balance, June 29, 2025** | 25,647 | $ 256 | $ 37,516 | $ 7,614 | (11,436) | $ (31,232) | $ 14,154 |

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Treasury Stock | | Total |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | Shares | Amount | |
| **Balance, June 29, 2025** | 25,647 | $ 256 | $ 37,516 | $ 7,614 | (11,436) | $ (31,232) | $ 14,154 |
| Stock-based compensation expense | - | - | 298 | - | - | - | 298 |
| Net income | - | - | - | 2,878 | - | - | 2,878 |
| **Balance, June 28, 2026** | 25,647 | $ 256 | $ 37,814 | $ 10,492 | (11,436) | $ (31,232) | $ 17,330 |

*See accompanying Notes to Consolidated Financial Statements.*

# RAVE RESTAURANT GROUP, INC.
## CONSOLIDATED STATEMENTS OF CASH FLOWS
*(In thousands)*

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | |
| Net income | $ 2,878 | $ 2,702 | $ 2,473 |
| Adjustments to reconcile net income to cash provided by operating activities: | | | |
| Amortization of discount on short-term investment | (219) | (115) | (50) |
| Stock-based compensation expense | 298 | 136 | 149 |
| Depreciation and amortization | 85 | 101 | 135 |
| Amortization of operating lease right-of-use assets | 313 | 352 | 410 |
| Amortization of definite-lived intangible assets | 82 | 81 | 84 |
| Non-cash lease expense | 10 | 24 | 46 |
| Provision (recovery) for credit losses | 7 | (21) | 69 |
| Deferred income tax | 892 | 761 | 586 |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | (282) | 261 | (335) |
| Notes receivable | 42 | 27 | (14) |
| Deferred contract charges | (68) | 16 | 30 |
| Prepaid expenses and other current assets | (278) | (168) | 37 |
| Accounts payable - trade | (4) | (152) | (143) |
| Accrued expenses | 78 | (60) | 25 |
| Operating lease liabilities | (382) | (429) | (511) |
| Deferred revenues | 100 | (121) | (146) |
| **Cash provided by operating activities** | 3,552 | 3,395 | 2,845 |
| | | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | |
| Purchases of short-term investments | (14,464) | (14,117) | (10,115) |
| Maturities of short-term investments | 9,220 | 12,153 | 5,220 |
| Purchase of assets held for sale | (4) | (19) | - |
| Proceeds from sale of assets held for sale | 9 | 14 | 3 |
| Purchase of definite-lived intangible assets | - | (11) | (8) |
| Purchase of property and equipment | (49) | (56) | (76) |
| **Cash used in investing activities** | (5,288) | (2,036) | (4,976) |
| | | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | | |
| Purchase of treasury stock | - | (1,204) | - |
| Taxes paid on issuance of restricted stock units | - | (182) | (311) |
| **Cash used in financing activities** | - | (1,386) | (311) |
| | | | |
| Net decrease in cash and cash equivalents | (1,736) | (27) | (2,442) |
| Cash and cash equivalents, beginning of period | 2,859 | 2,886 | 5,328 |
| Cash and cash equivalents, end of period | $ 1,123 | $ 2,859 | $ 2,886 |
| | | | |
| **SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION** | | | |
| | | | |
| **CASH PAID FOR:** | | | |
| Franchise and state income taxes, net of refunds | $ 117 | $ 122 | $ 5 |
| Federal income taxes, net of refunds | $ - | $ - | $ - |

*See accompanying Notes to Consolidated Financial Statements.*

**RAVE RESTAURANT GROUP, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

## NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

***Description of Business:***

Rave Restaurant Group, Inc., and its subsidiaries (collectively referred to as the "Company", or in the first person notations of "we", "us" and "our") franchise pizza buffet, delivery/carry-out, express restaurants and ghost kitchens domestically and internationally under the trademark "Pizza Inn" and franchise domestic fast casual restaurants under the trademarks "Pie Five Pizza Company" or "Pie Five". The Company also licensed pizza kiosks under the "Pizza Inn" trademark but discontinued doing so during the fiscal year ended June 28, 2026. We facilitate the procurement and distribution of food, equipment and supplies to our domestic and international system of restaurants through agreements with third-party distributors.

As of June 28, 2026, we had 109 franchised Pizza Inn restaurants, 13 franchised Pie Five Units, and zero licensed Pizza Inn Express, or PIE, kiosks ("PIE Units"). The 91 domestic franchised Pizza Inn restaurants were comprised of 80 pizza buffet restaurants ("Buffet Units"), four delivery/carry-out restaurants ("Delco Units"), seven express restaurants ("Express Units"), and zero ghost kitchen ("Pizza Inn Ghost Kitchen Units"). As of June 28, 2026, there were 18 international franchised Pizza Inn restaurants. Domestic Pizza Inn restaurants and kiosks were located predominantly in the southern half of the United States, with North Carolina, Texas, Arkansas and South Carolina accounting for approximately 21%, 18%, 11% and 10%, respectively, of the total number of domestic units.

***Principles of Consolidation:***

The consolidated financial statements include the accounts of Rave Restaurant Group, Inc. and its subsidiaries, all of which are wholly owned. All appropriate inter-company balances and transactions have been eliminated.

***Cash and Cash Equivalents:***

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

***Short-Term Investments:***

The Company holds short-term investments in U.S. Treasury bills, classified as trading securities. Accordingly, interest income is recorded through the Consolidated Statements of Income, when earned. Management has elected to classify all U.S. Treasury bills as short-term, regardless of their maturity dates, as these are readily available to fund current operations and can be liquidated at any time at the discretion of the Company. As of June 28, 2026 and June 29, 2025, the Company held treasury bills valued at approximately $12.5 million and $7.0 million, respectively, which are included within short-term investments on the accompanying Consolidated Balance Sheets. Interest income is reflected in the accompanying Consolidated Statements of Income and Cash Flows. For the years ended June 28, 2026, June 29, 2025, and June 30, 2024, interest income recognized on the treasury bills was $373 thousand, $313 thousand, and $151 thousand, respectively.

***Fair Value Measurements:***

Assets and liabilities carried at fair value are categorized based on the level of judgment associated with the inputs used to measure their fair value. Authoritative guidance for fair value measurements establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into the following three levels:

Level 1: Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2: Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3: Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The fair value of the Company's investments in U.S. Treasury bills at June 28, 2026 and June 29, 2025, was determined using level 1 observable inputs.

The following table summarizes the Company's financial assets and financial liabilities measured at fair value (in thousands):

| | June 28, 2026 | | | | June 29, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| **Fair Value Measurements** | **Level 1** | **Level 2** | **Level 3** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| U.S. Treasury bills | $ 12,487 | $ - | $ - | $ 12,487 | $ 7,024 | $ - | $ - | $ 7,024 |
| Total | $ 12,487 | $ - | $ - | $ 12,487 | $ 7,024 | $ - | $ - | $ 7,024 |

The Company has no financial assets or liabilities classified within Level 3 of the valuation hierarchy.

These items are classified in their entirety based on the lowest priority level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement of assets and liabilities within the levels of the fair value hierarchy.

***Concentration of Credit Risk:***

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist primarily of cash and cash equivalents. Balances in accounts are insured up to Federal Deposit Insurance Corporation ("FDIC") limits of $250 thousand per institution. At June 28, 2026 and June 29, 2025, the Company had cash and cash equivalent balances in excess of FDIC insurance coverage of approximately $0.5 million and $2.3 million, respectively. We do not believe we are exposed to any significant credit risk on cash and cash equivalents.

The Company invests in U.S. Treasury bills, which are considered short-term investments. While U.S. Treasury bills are not insured by the FDIC, they are backed by the full faith and credit of the United States government. However, following the downgrade of the U.S. sovereign credit rating in 2025, the Company recognizes that the long-term fiscal outlook of the United States has weakened. Nevertheless, the Company believes the credit risk associated with these investments is minimal.

Notes receivable, which potentially subject the Company to concentrations of credit risk, consist primarily of promissory notes from franchise agreements and structured Company-financed sales of assets. At June 28, 2026, and at various times during the fiscal year then ended, the Company had concentrations of credit risk with three franchisees on notes receivables with long-term maturities. At June 29, 2025, and at various times during the fiscal year then ended, the Company had concentrations of credit risk with three franchisees on notes receivables with both short and long term maturities. As of June 28, 2026 and June 29, 2025, the financed asset sales were executed with a weighted average interest rate of 5.5% and 5.3%, respectively. Principal payments are due weekly or monthly and mature from January 1, 2027 to January 10, 2029.

***Property and Equipment:***

Property and equipment are stated at cost less accumulated depreciation and amortization. Repairs and maintenance are charged to operations as incurred while major renewals and betterments are capitalized. Upon the sale or disposition of any property or equipment, the asset and the related accumulated depreciation or amortization are removed from the accounts and the gain or loss is included in operations. The Company capitalizes interest on borrowings during the active construction period of major capital projects. Capitalized interest is added to the cost of the underlying asset and amortized over the estimated useful life of the asset.

Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the assets or, in the case of leasehold improvements, over the term of the lease including any reasonably assured renewal periods, if shorter. The useful lives of the assets range from three to ten years.

***Leases:***

The Company determines if an arrangement is a lease at inception of the arrangement. To the extent that it can be determined that an arrangement represents a lease, it is classified as either an operating lease or a finance lease. The Company does not currently have any finance leases. The Company capitalizes operating leases on the Consolidated Balance Sheets through a right-of-use asset and a corresponding lease liability. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Short-term leases that have an initial term of one year or less are not capitalized. The Company does not presently have any short-term leases.

Operating lease right of use assets and liabilities are recognized at the commencement date of an arrangement based on the present value of lease payments over the lease term. In addition to the present value of lease payments, the operating lease right-of-use asset also includes any lease payments made to the lessor prior to lease commencement less any lease incentives and initial direct costs incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Nature of Leases

The Company leases certain office space, restaurant space, and information technology equipment under non-cancelable leases to support its operations. A more detailed description of significant lease types is included below.

*Office Space Agreements*

The Company rents office space from third parties for its corporate location. Office space agreements are typically structured with non-cancelable terms of one to 10 years. The Company has concluded that its office space agreements represent operating leases with a lease term that equals the primary non-cancelable contract term. Upon completion of the primary term, both parties have substantive rights to terminate the lease. As a result, enforceable rights and obligations do not exist under the rental agreement subsequent to the primary term.

*Restaurant Space Agreements*

The Company subleased one of its restaurant spaces to a third-party through January 2025. The Company has no plans to enter into future sublease arrangements.

*Information Technology Equipment Agreements*

The Company rents information technology equipment, primarily printers and copiers, from a third party for its corporate office location. Information technology equipment agreements are typically structured with non-cancelable terms of one to five years. The Company has concluded that its information technology equipment agreements are operating leases.

Discount Rate

Leases typically do not provide an implicit interest rate. Accordingly, the Company is required to use its incremental borrowing rate in determining the present value of lease payments based on the information available at the lease commencement date. The Company's incremental borrowing rate reflects the estimated rate of interest that it would pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments in a similar economic environment. The Company uses the implicit rate in the limited circumstances in which that rate is readily determinable.

Lease Guarantees

The Company is no longer guaranteeing the financial responsibilities of any franchised store lease.

Practical Expedients and Accounting Policy Elections

Certain lease agreements include lease and non-lease components. For all existing asset classes with multiple component types, the Company has utilized the practical expedient that exempts it from separating lease components from non-lease components. Accordingly, the Company accounts for the lease and non-lease components in an arrangement as a single lease component.

In addition, for all existing asset classes, the Company has made an accounting policy election not to apply the lease recognition requirements to short-term leases (that is, a lease that, at commencement, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the Company is reasonably certain to exercise). Accordingly, we recognize lease payments related to our short-term leases in our income statements on a straight-line basis over the lease term which has not changed from our prior recognition. To the extent that there are variable lease payments, we recognize those payments in our income statements in the period in which the obligation for those payments is incurred.

***Impairment of Long-Lived Assets and Other Lease Charges:***

The Company reviews long-lived assets for impairment when events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is evaluated based on the sum of undiscounted estimated future cash flows expected to result from use and eventual disposition of the assets compared to their carrying value. If impairment is indicated, the carrying value of an impaired asset is reduced to its fair value, based on discounted estimated future cash flows. For the years ended June 28, 2026, June 29, 2025, and June 30, 2024, impairment expense was zero, zero, and zero, respectively.

***Accounts Receivable and Allowance for Credit Losses:***

Accounts receivable consist primarily of receivables generated from franchise royalties and supplier incentives. The Company records an allowance for credit losses to allow for any amounts that may be unrecoverable based upon an analysis of the Company's prior collection experience, customer creditworthiness and current economic trends. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. Finance charges may be accrued at a rate of 18% per year, or up to the maximum amount allowed by law, on past due receivables. The interest income recorded from finance charges is immaterial.

The Company monitors franchisee receivable balances and adjusts credit terms when necessary to minimize the Company’s exposure to high-risk accounts receivable. For fiscal 2026, provision for credit losses was $7 thousand compared to recoveries for credit losses of $21 thousand for fiscal 2025.

Changes in the allowance for credit losses consisted of the following (in thousands):

| | June 28, 2026 | June 29, 2025 |
|---|---|---|
| Balance at beginning of year | $ 31 | $ 57 |
| Provision (recovery) for credit losses | 7 | (21) |
| Amounts written off | (8) | (5) |
| Ending balance | $ 30 | $ 31 |

***Notes Receivable and Allowance for Credit Losses:***

Notes receivable primarily consist of promissory notes arising from franchisee agreements and structured Company-financed sales of assets. The majority of amounts and terms are evidenced by formal promissory notes and personal guarantees. All notes allow for early payment without penalty. Fixed principal payments are due monthly. Notes receivable mature at various dates through 2029 and bear interest at a weighted average rate of 5.5% and 5.3% at June 28, 2026 and June 29, 2025, respectively.

Notes receivable are reported at original issue amount less principal repaid, reduced by an allowance for credit losses. An allowance for expected credit losses is determined based on a specific assessment of all notes that are delinquent or determined to be doubtful to be collected. Notes are considered delinquent if the repayment terms are not met. All amounts deemed to be uncollectible are charged against the allowance for credit losses in the period that determination is made.

The allowance for credit losses for notes receivable incorporates an estimate of lifetime expected credit losses and is recorded on each note upon asset origination. The starting point for the estimate of the allowance for credit losses is historical loss information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. An assessment of whether a borrower is experiencing financial difficulty is made on the date of a modification. As of June 28, 2026 and June 29, 2025, there were no modifications to notes receivable.

In evaluating the notes receivable, the Company determines that the notes are pooled based on historical collections and write-offs for purposes of determining its allowance for credit losses related to notes receivable. These notes have an amortized cost of approximately $78 thousand and $120 thousand at June 28, 2026 and June 29, 2025, respectively. Historical loss information for notes receivable at the Company shows a 0% loss rate over the contractual term.

As of June 28, 2026 and June 29, 2025, the Company has not recorded any allowance for credit losses related to the notes receivable balances. Additionally, as of June 28, 2026, the Company has one note receivable with non-accrual status as the Company conditionally forgave the remaining $15 thousand balance on a note as part of a franchise renewal negotiation provided the franchise remains in good standing through the end of the note's term on June 1, 2027. As of June 29, 2025, the Company did not have any notes receivable with past due or non-accrual status. The total amount of write-offs and recoveries of notes receivable were zero for the fiscal years ended June 28, 2026 and June 29, 2025.

The expected principal collections on notes receivable for the next three years are as follows as of June 28, 2026 (in thousands):

| | | Notes Receivable |
|---|---|---|
| 2027 | $ | 37 |
| 2028 | | 31 |
| 2029 | | 10 |
| Total | $ | 78 |

***Income Taxes:***

Income taxes are accounted for using the asset and liability method pursuant to the authoritative guidance on ASC 740 *Income Taxes*. Deferred taxes are recognized for the tax consequences of “temporary differences” by applying enacted statutory tax rates applicable to future years to differences between the financial statement and carrying amounts and the tax bases of existing assets and liabilities. The effect on deferred taxes for a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes future tax benefits to the extent that realization of such benefits is more likely than not.

The Company continually reviews the realizability of its deferred tax assets, including an analysis of factors such as future taxable income, reversal of existing taxable temporary differences, and tax planning strategies. In assessing the need for a valuation allowance, the Company considers both positive and negative evidence related to the likelihood of realization of deferred tax assets. Future sources of taxable income are also considered in determining the amount of any required valuation allowance.

There are no material uncertain tax positions. Management’s position is that all relevant requirements are met and necessary returns have been filed, and therefore the tax positions taken on the tax returns would be sustained upon examination.

Under ASC 740, we recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate resolution. From time to time, the Company may be assessed interest and penalties by taxing authorities. In those cases, the charges are recorded as income tax expense, as incurred, in the Consolidated Statements of Income.

***Revenue Recognition:***

Revenue is measured based on consideration specified in contracts with customers and excludes incentives and amounts collected on behalf of third parties, primarily sales tax. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction that are collected by the Company from a customer are excluded from revenue.

The following describes principal activities, separated by major product or service, from which the Company generates its revenues:

Franchise Revenues

Franchise revenues consist of 1) franchise royalties, 2) supplier and distributor incentive revenues, 3) franchise license fees, 4) area development exclusivity fees and foreign master license fees, 5) advertising fund contributions, and 6) supplier convention funds.

Franchise royalties, which are based on a percentage of net retail sales, are recognized as sales occur.

Supplier and distributor incentive revenues are recognized when title to the underlying commodities transfer.

Franchise license fees are typically billed upon execution of the franchise agreement and amortized over the term of the franchise agreement, which typically range from five to 20 years. Fees received for renewal periods are amortized over the life of the renewal period. In the event of a closed franchise or terminated development agreement, the remaining balance of unamortized license fees will be recognized in entirety as of the date of the closure or termination.

Area development exclusivity fees and foreign master license fees are typically billed upon execution of the area development and foreign master license agreements. Area development exclusivity fees are included in deferred revenue in the accompanying Consolidated Balance Sheets and allocated on a pro rata basis to all stores opened under that specific development agreement as the stores are opened. Area development exclusivity fees that include rights to sub-franchise are amortized as revenue over the term of the contract.

Advertising fund contributions for Pizza Inn and Pie Five units represent contributions collected where we have control over the activities of the fund. Contributions are based on a percentage of net retail sales. We have determined that we are the principal in these arrangements, and advertising fund contributions and expenditures are, therefore, reported on a gross basis in the Consolidated Statements of Income. In general, we expect such advertising fund contributions and expenditures to be largely offsetting and, therefore, do not expect a significant impact on our reported income before income taxes. Our obligation related to these funds is to develop and conduct advertising activities. Pizza Inn and Pie Five marketing fund contributions are billed and collected weekly or monthly.

Supplier convention funds are deferred until the obligations of the agreement are met and the event takes place.

The Company had subleased some of its restaurant space to a third-party. The Company's last remaining sublease term ended in January 2025 and the Company has no plans to enter into future sublease arrangements. The sublease agreements were non-cancelable through the end of the term and both parties had substantive rights to terminate the lease when the term is complete. Sublease agreements are not capitalized and are recorded as rental income in the period that rent is received.

Total revenues consist of the following (in thousands):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | **June 28, 2026** | **June 29, 2025** | **June 30, 2024** |
| Franchise royalties | $ 4,679 | $ 4,620 | $ 4,844 |
| Supplier and distributor incentive revenues | 5,728 | 4,940 | 4,833 |
| Franchise license fees | 106 | 153 | 281 |
| Area development exclusivity fees and foreign master license fees | 12 | 13 | 15 |
| Advertising fund contributions | 2,161 | 2,031 | 1,814 |
| Supplier convention funds | 209 | 217 | 217 |
| Rental income | - | 53 | 131 |
| Other franchise revenue | 15 | 12 | 15 |
| Total revenues | $ 12,910 | $ 12,039 | $ 12,150 |

During fiscal 2026, the Company had a concentration of revenue with a supplier, which accounted for approximately 14.0% of total revenues.

The following table reflects the changes in deferred franchise and development fees for the fiscal years ended on June 28, 2026 and June 29, 2025 (in thousands):

| | June 28, 2026 | June 29, 2025 |
|---|---|---|
| Beginning balance | $ 460 | $ 549 |
| Additions | 131 | 77 |
| Amount recognized to franchise revenues | (118) | (166) |
| Ending balance | $ 473 | $ 460 |

During fiscal 2026, the Company recognized approximately $209 thousand and $19 thousand in deferred convention revenue and other deferred supplier incentives, respectively. These amounts were included in deferred revenue at the beginning of the period, excluding deferred franchise and development fees presented in the table above.

The following table illustrates franchise and development fees expected to be recognized in the future related to performance obligations that were unsatisfied or partially satisfied as of June 28, 2026 (in thousands):

| Fiscal Year | Franchise and Development Fees Revenue Recognition |
|---|---|
| 2027 | $ 49 |
| 2028 | 43 |
| 2029 | 41 |
| 2030 | 32 |
| Thereafter | 308 |
| | $ 473 |

***Stock-Based Compensation:***

The Company accounts for stock options using the fair value recognition provisions of the authoritative guidance on stock-based payments. The Company uses the Black-Scholes formula to estimate the value of stock-based compensation for options granted to employees and directors and expects to continue to use this acceptable option valuation model in the future.

RSUs represent the right to receive shares of common stock upon the satisfaction of vesting requirements, performance criteria and other terms and conditions. Compensation cost for RSUs is measured as an amount equal to the fair value of the RSUs on the date of grant and is expensed over the vesting period if achievement of the performance criteria is deemed probable, with the amount of the expense recognized based on the best estimate of the ultimate achievement level.

***Contingencies:***

Provisions for legal settlements are accrued when payment is considered probable and the amount of loss is reasonably estimable in accordance with the authoritative guidance on ASC 450 *Contingencies*. If the best estimate of cost can only be identified within a range and no specific amount within that range can be determined more likely than any other amount within the range, and the loss is considered probable, the minimum of the range is accrued. Legal and related professional services costs to defend litigation are expensed as incurred.

Evaluating contingencies related to litigation is a process involving judgment on the potential outcome of future events, and the ultimate resolution of litigated claims may differ from our current analysis. Accordingly, we review the adequacy of accruals and disclosures pertaining to litigated matters each quarter in consultation with legal counsel and we assess the probability and range of possible losses associated with contingencies for potential accrual in the Consolidated Financial Statements.

We are engaged in various legal proceedings and have certain unresolved claims pending. Liabilities have been established based on our best estimates of our potential liability in certain of these matters. Based upon consultation with legal counsel, management is of the opinion that there are no matters pending or threatened which are expected to have a material adverse effect, individually or in the aggregate, on the consolidated financial condition or results of operations.

***Use of Management Estimates:***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company’s management to make estimates and assumptions that affect its reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent liabilities. The Company bases its estimates on historical experience and other various assumptions that it believes are reasonable under the circumstances. Estimates and assumptions are reviewed periodically. Actual results could differ materially from estimates.

***Fiscal Year:***

The Company's fiscal year ends on the last Sunday in June. The fiscal year ended June 28, 2026 contained 52 weeks, the fiscal year ended June 29, 2025 contained 52 weeks, and the fiscal year ended June 30, 2024 contained 53 weeks.

***Recently Adopted Accounting Guidance:***

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU" or "standard") 2023-07, Segment Reporting: Improvements to Reportable Segment Disclosures (Topic 280). The new guidance is effective for the Company's fiscal year beginning after December 15, 2023 and for interim periods beginning after December 15, 2024. The Company adopted this standard on July 1, 2024, which required companies to enhance disclosure of significant reportable segment expenses.

In December 2023, the FASB issued ASU 2023-09, Income Taxes: Improvements to Income Tax Disclosures (Topic 740), which requires companies to provide a more granular breakdown of the components that make up their effective tax rate and additional disclosures about the nature and effect of significant reconciling items. The new guidance is effective for the Company's fiscal year beginning after December 15, 2024. The Company adopted this standard prospectively on June 30, 2025. The adoption of ASU 2023-09 did not impact the Company's results of operations, cash flows, or financial condition. See Note D - Income Taxes for the related disclosures.

***Recently Issued Accounting Standards:***

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires, for each relevant expense caption on the income statement, detailed disclosure amounts for purchases of inventory, employee compensation, depreciation, and intangible asset amortization. In addition, this ASU requires companies to include amounts already required by GAAP in the same disclosure, provide a qualitative description of remaining amounts not separately disaggregated, and disclose the amount of total selling expenses along with the companies' definition of selling expenses. The amendment is effective for fiscal years beginning after December 15, 2026, which would require us to adopt the provisions in our fiscal 2028 Form 10-K. Early adoption is permitted. The amendments should be applied prospectively; however, retrospective application is permitted. Management is currently evaluating this ASU to determine its impact on our disclosures.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow- Scope Improvements, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-11.

In December 2025, the FASB issued its final ASU which makes improvements to the Accounting Standards Codification ("ASC") in response to feedback from stakeholders. This standard, issued as ASU 2025-12, specifically updates the Codification for a broad range of Topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. This update is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. The Company is currently evaluating the impact of adopting ASU 2025-12.

**NOTE B – PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS:**

Property and equipment consist of the following (in thousands):

| | Estimated Useful Lives | June 28, 2026 | June 29, 2025 |
|---|---|---|---|
| Equipment, furniture and fixtures | 3 - 7 years | $ 1,278 | $ 1,228 |
| Leasehold improvements | 10 years or lease term, if shorter | 471 | 472 |
| Property and equipment, gross | | 1,749 | 1,700 |
| Less: accumulated depreciation/amortization | | (1,648) | (1,563) |
| Property and equipment, net | | $ 101 | $ 137 |

Depreciation and amortization expense for property and equipment was approximately $85 thousand, $101 thousand, and $135 thousand for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024, respectively.

Intangible assets consist of the following (in thousands):

| | | June 28, 2026 | | | June 29, 2025 | | |
|---|---|---|---|---|---|---|---|
| | Estimated Useful Lives | Acquisition Cost | Accumulated Amortization | Net Value | Acquisition Cost | Accumulated Amortization | Net Value |
| Trademarks and tradenames | 10 years | $ 278 | $ (271) | $ 7 | $ 278 | $ (265) | $ 13 |
| Name change | 15 years | 70 | (53) | 17 | 70 | (49) | 21 |
| Prototypes | 5 years | 359 | (283) | 76 | 359 | (211) | 148 |
| Total intangible assets | | $ 707 | $ (607) | $ 100 | $ 707 | $ (525) | $ 182 |

Amortization expense for intangible assets was approximately $82 thousand, $81 thousand, and $84 thousand for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024, respectively.

## NOTE C - ACCRUED EXPENSES:

Accrued expenses consist of the following (in thousands):

| | June 28, 2026 | June 29, 2025 |
|---|---|---|
| Compensation | $ 799 | $ 694 |
| Professional fees | 70 | 110 |
| Other | 64 | 51 |
| Total accrued expenses | $ 933 | $ 855 |

## NOTE D - INCOME TAXES:

Income before taxes consists of the following (in thousands):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| Domestic | $ 3,884 | $ 3,620 | $ 3,092 |
| Foreign | - | - | - |
| Income before taxes | $ 3,884 | $ 3,620 | $ 3,092 |

Provision for income taxes from continuing operations consists of the following (in thousands):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| Current - Federal | $ - | $ - | $ - |
| Current - State | 114 | 156 | 33 |
| Deferred - Federal | 880 | 793 | 530 |
| Deferred - State | 12 | (31) | 56 |
| Provision for income taxes | $ 1,006 | $ 918 | $ 619 |

The effective income tax rate varied from the statutory rate for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024 as reflected below (in thousands):

| | Fiscal Year Ended | |
|---|---|---|
| | June 28, 2026 | |
| US federal statutory rate | $ 816 | 21.0% |
| State income taxes (net of federal benefit) | 102 | 2.6 |
| Expiration of foreign tax credits | 24 | 0.6 |
| Nontaxable or nondeductible items | | |
| Executive compensation | 61 | 1.6 |
| Other | 3 | 0.1 |
| Provision for income taxes | $ 1,006 | 25.9% |

| | Fiscal Year Ended | |
|---|---|---|
| | June 29, 2025 | June 30, 2024 |
| Federal income based on statutory rate of 21% | $ 760 | $ 649 |
| State income taxes (net of federal benefit) | 99 | 82 |
| Permanent Adjustments | (31) | (128) |
| Return to Provision | - | 16 |
| Other | 90 | - |
| Provision for income taxes | $ 918 | $ 619 |

There was no jurisdiction, other than Federal, to which taxes were paid that exceeded 5% of the Company's total tax expense.

The tax effects of temporary differences that give rise to the net deferred tax assets consisted of the following (in thousands):

| | June 28, 2026 | June 29, 2025 |
|---|---|---|
| Allowance for credit losses | $ 7 | $ 7 |
| Deferred fees | 68 | 55 |
| Other reserves and accruals | 445 | 420 |
| Operating lease liabilities | 48 | 135 |
| Credit carryforwards | 32 | 56 |
| Net operating loss carryforwards | 2,643 | 3,503 |
| Total deferred tax assets | $ 3,243 | $ 4,176 |
| Right-of-use assets | (41) | (115) |
| Other deferred tax liabilities | (99) | (66) |
| Total deferred tax liabilities | $ (140) | $ (181) |
| Net deferred tax asset | $ 3,103 | $ 3,995 |

The Company utilized net operating losses to offset federal taxes. At the end of tax year June 28, 2026, the Company had federal net operating loss carryforwards totaling $12 million that are available to reduce future taxable income and will begin to expire in 2035. Under the Tax Cuts and Jobs Act, approximately $1.3 million of the loss carryforwards are limited to 80% and do not expire. Tax years that remain subject to examination by the IRS are the years ended June 25, 2023 through June 29, 2025. Tax years that remain subject to examination by state authorities are the years ended June 26, 2022 through June 29, 2025.

The Company continually reviews the realizability of its deferred tax assets, including an analysis of factors such as future taxable income, reversal of existing taxable temporary differences, and tax planning strategies. In assessing the need for a valuation allowance, the Company considers both positive and negative evidence related to the likelihood of realization of deferred tax assets. Future sources of taxable income are also considered in determining the amount of any required valuation allowance. As of June 28, 2026 and June 29, 2025, the Company determined that no valuation allowance was necessary.

There are no material uncertain tax positions. Management's position is that all relevant requirements are met and necessary returns have been filed, and therefore the tax positions taken on the tax returns would be sustained upon examination.

**NOTE E - LEASES:**

The Company leases its 19,576 square foot corporate office facility with average annual lease payments of approximately $18.00 per square foot. This lease began on January 2, 2017 and has a ten-year term. The Company amended its lease agreement in June 2020 and has elected to defer one-half of the monthly base rent for the period from June 2020 through May 2021. As of June 28, 2026 and June 29, 2025, the unpaid balance of deferred base rent was approximately zero and $24 thousand, respectively which is included in accounts payable on the accompanying Consolidated Balance Sheets.

The components of total lease expense for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024, where operating lease cost is included in general and administrative expense and sublease income is included in revenues in the accompanying Consolidated Statements of Income, are as follows (in thousands):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | **June 28, 2026** | **June 29, 2025** | **June 30, 2024** |
| Operating lease cost | $ 324 | $ 377 | $ 447 |
| Sublease income | - | (53) | (131) |
| Total lease expense, net of sublease income | $ 324 | $ 324 | $ 316 |

Supplemental cash flow information related to operating leases is included in the table below (in thousands):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | **June 28, 2026** | **June 29, 2025** | **June 30, 2024** |
| Cash paid for amounts included in the measurement of lease liabilities | $ 382 | $ 429 | $ 511 |

Weighted average remaining lease term and weighted average discount rate for operating leases are as follows:

| | Fiscal Year Ended | |
|---|---|---|
| | **June 28, 2026** | **June 29, 2025** |
| Weighted average remaining lease term | 0.8 Years | 1.6 Years |
| Weighted average discount rate | 4.4% | 4.2% |

Remaining operating lease liabilities with enforceable contract terms that are greater than one year mature as follows (in thousands):

| | **Operating Leases** |
|---|---|
| Fiscal Year 2027 | $ 197 |
| Fiscal Year 2028 | 6 |
| Fiscal Year 2029 | 6 |
| Fiscal Year 2030 | 1 |
| Total operating lease payments | $ 210 |
| Less: imputed interest | (5) |
| Total operating lease liability | $ 205 |

**NOTE F - EMPLOYEE BENEFITS:**

The Company has a tax advantaged savings plan that is designed to meet the requirements of Section 401(k) of the Internal Revenue Code (the "Code"). Employees who have completed three months of service and are at least 21 years of age are eligible to participate in the plan. The plan provides that participating employees may elect to have between 1% and 100% of their compensation deferred and contributed to the plan subject to certain IRS limitations. The Company has a discretionary matching contribution. Separate accounts are maintained with respect to contributions made on behalf of each participating employee. Employer matching contributions and earnings thereon are invested in the same investments as each participant's employee deferral. The plan is subject to the provisions of the Employee Retirement Income Security Act, as amended, and is a profit-sharing plan as defined in Section 401(k) of the Code.

For the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024, total matching contributions to the tax advantaged savings plan by the Company on behalf of participating employees were approximately $32 thousand, $27 thousand, and $21 thousand, respectively.

**NOTE G - STOCK-BASED COMPENSATION PLANS:**

The 2025 Long Term Incentive Plan (the "2025 LTIP") was approved by the Company's shareholders on December 9, 2025 and became effective December 10, 2025. Officers, employees and non-employee directors of the Company are eligible to receive awards under the 2025 LTIP. A total of 1,500,000 shares of common stock are authorized for issuance under the 2025 LTIP. Awards authorized under the 2025 LTIP include incentive stock options, non-qualified stock options, restricted shares, restricted stock units and rights (either with or without accompanying options). The 2025 LTIP provides for options to be granted at market value of the stock on the date of grant and have exercise periods determined by the Compensation Committee of the board of directors. The Compensation Committee may also determine the vesting periods, performance criteria and other terms and conditions of all awards under the 2025 LTIP. The Compensation Committee has adopted resolutions under the 2025 LTIP automatically granting to each non-employee director on the first day of each fiscal year options to purchase twice the number of shares of common stock acquired during the previous fiscal year, up to a maximum of 40,000 shares. Such options are exercisable at the market value of the stock on the first day of the fiscal year, vest six months from the date of grant and expire 10 years from the date of grant. The 2015 LTIP expired by its terms on June 1, 2025.

Stock-based compensation expense is included in general and administrative expense in the accompanying Consolidated Statements of Income.

***Stock Options:***

A summary of stock option transactions under all of the Company's stock option plans and information about fixed-price stock options is as follows:

| | Fiscal Year Ended | | | Fiscal Year Ended | | |
|---|---|---|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| | Shares | Shares | Shares | Weighted-Average Exercise Price | Weighted-Average Exercise Price | Weighted-Average Exercise Price |
| Outstanding at beginning of year | 114,286 | 114,286 | 151,750 | $ 4.89 | $ 4.89 | $ 5.19 |
| Granted | - | - | - | - | - | - |
| Exercised | - | - | - | - | - | - |
| Forfeited/Canceled/Expired | (74,286) | - | (37,464) | (6.94) | - | (6.12) |
| Outstanding at end of period | 40,000 | 114,286 | 114,286 | $ 1.06 | $ 4.89 | $ 4.89 |
| Exercisable at end of period | 40,000 | 114,286 | 114,286 | $ 1.06 | $ 4.89 | $ 4.89 |

The intrinsic value of options outstanding at June 28, 2026 was $94 thousand.

The following table provides information on options outstanding and options exercisable as of June 28, 2026:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Range of Exercise Prices | Options Outstanding at June 28, 2026 | Weighted-Average Remaining Contractual Life (Years) | Weighted-Average Exercise Price | Shares Exercisable at June 28, 2026 | Weighted-Average Exercise Price |
| $1.00 - 1.90 | 40,000 | 6.00 | $ 1.06 | 40,000 | $ 1.06 |
| | 40,000 | 6.00 | $ 1.06 | 40,000 | $ 1.06 |

The following table provides information on options outstanding and options exercisable as of June 29, 2025:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Exercise Prices | Options Outstanding at June 29, 2025 | Weighted-Average Remaining Contractual Life (Years) | Weighted-Average Exercise Price | Shares Exercisable at June 29, 2025 | Weighted-Average Exercise Price |
| $1.00 - 1.90 | 40,000 | 6.99 | $ 1.06 | 40,000 | $ 1.06 |
| $3.31 - 3.95 | 50,000 | 0.99 | 3.95 | 50,000 | 3.95 |
| $6.26 - 13.11 | 24,286 | 0.01 | 13.11 | 24,286 | 13.11 |
| | 114,286 | 2.88 | $ 4.89 | 114,286 | $ 4.89 |

The following table provides information on options outstanding and options exercisable as of June 30, 2024:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Range of Exercise Prices | Options Outstanding at June 30, 2024 | Weighted-Average Remaining Contractual Life (Years) | Weighted-Average Exercise Price | Shares Exercisable at June 30, 2024 | Weighted-Average Exercise Price |
| $1.00 - 1.90 | 40,000 | 7.99 | $ 1.06 | 40,000 | $ 1.06 |
| $3.31 - 3.95 | 50,000 | 1.99 | 3.95 | 50,000 | 3.95 |
| $6.26 - 13.11 | 24,286 | 1.01 | 13.11 | 24,286 | 13.11 |
| | 114,286 | 3.88 | $ 4.89 | 114,286 | $ 4.89 |

Stock options issued during the years ended June 28, 2026, June 29, 2025, and June 30, 2024 were zero, zero, and zero, respectively.

We determine fair value following the authoritative guidance as follows:

Valuation and Amortization Method. We estimate the fair value of share-based awards granted using the Black-Scholes option valuation model. We amortize the fair value of all awards on a straight-line basis over the requisite service periods, which are generally the vesting periods.

Expected Life. The expected life of awards granted represents the period of time that they are expected to be outstanding. Unless a life is specifically stated, we determine the expected life using the "simplified method" in accordance with Staff Accounting Bulletin No. 110 since we do not have sufficient historical share option exercise experience.

Expected Volatility. Using the Black-Scholes option valuation model, we estimate the volatility of our common stock at the date of grant based on the historical volatility of our common stock.

Risk-Free Interest Rate. We base the risk-free interest rate used in the Black-Scholes option valuation model on the implied yield currently available on U.S. Treasury zero-coupon issues with an equivalent remaining term equal to the expected life of the award.

Expected Dividend Yield. We have not historically paid any cash dividends on our common stock and we currently do not anticipate paying any cash dividends in the foreseeable future. Consequently, we use an expected dividend yield of zero in the Black-Scholes option valuation model.

Expected Forfeitures. We use historical data to estimate pre-vesting option forfeitures. We record stock-based compensation only for those awards that are expected to vest.

Stock compensation expense related to stock options recognized in either fiscal 2026, 2025, or 2024 was zero, zero, and zero, respectively. There were no stock options that were unvested at June 28, 2026 or June 29, 2025. There was zero unamortized stock compensation expense at June 28, 2026.

***Restricted Stock Units:***

Restricted stock units awarded under the 2015 LTIP and 2025 LTIP represent the right to receive shares of common stock upon the satisfaction of vesting requirements, performance criteria and other terms and conditions. During fiscal 2026 and 2025, 135,072 and 142,328 performance-based RSUs, respectively, were granted to certain employees. For the years ended June 28, 2026, June 29, 2025, and June 30, 2024, the Company had stock compensation expense of $298 thousand, $136 thousand, and $149 thousand, respectively, related to RSUs. As of June 28, 2026, there was $260 thousand, $161 thousand and $38 thousand unamortized stock compensation expense related to RSUs, which should be recognized during fiscal years 2027, 2028 and 2029, respectively.

The restricted stock units granted to each recipient are allocated among performance criteria pertaining to various aspects of the Company's business, as well as its overall operations, measured based on the second fiscal year following the date of grant. Achievement of the various performance criteria entitles the recipient to receive shares of common stock in amounts ranging from 50% to 150% of the number of restricted stock units granted. Grantees of restricted stock units do not have any rights of a stockholder, and do not participate in any distributions on our common stock, until the award fully vests upon satisfaction of the vesting schedule, performance criteria and other conditions set forth in their award agreement. Contingent unvested restricted stock units are considered participating securities under ASC 260, "*Earnings Per Share*," and are included in the calculation of diluted earnings per share at the beginning of the most recent quarterly period when the performance targets and vesting are probable to be met.

Compensation cost is measured as an amount equal to the fair value of the restricted stock units on the date of grant and is expensed over the vesting period if achievement of the performance criteria is deemed probable, with the amount of the expense recognized based on the best estimate of the ultimate achievement level.

A summary of the status of restricted stock units as of June 28, 2026, June 29, 2025, and June 30, 2024, and changes during the fiscal years then ended is presented below:

| | Fiscal Year Ended | | | | | |
|---|---|---|---|---|---|---|
| | June 28, 2026 | | June 29, 2025 | | June 30, 2024 | |
| | Shares | Weighted Average Grant Date Fair Value | Shares | Weighted Average Grant Date Fair Value | Shares | Weighted Average Grant Date Fair Value |
| Nonvested shares at beginning of year | 181,703 | $ 2.50 | 269,063 | $ 1.59 | 885,687 | $ 0.93 |
| Performance adjustment | 26,250 | 2.55 | (31,274) | 2.01 | (58,035) | 0.95 |
| Granted | 135,072 | 2.79 | 142,328 | 2.49 | 131,460 | 2.55 |
| Vested | - | - | (198,414) | 0.98 | (588,589) | 0.90 |
| Forfeited | - | - | - | - | (101,460) | 1.39 |
| Nonvested shares at end of year | 343,025 | $ 2.62 | 181,703 | $ 2.50 | 269,063 | $ 1.59 |

**NOTE H - COMMITMENTS AND CONTINGENCIES:**

The Company is subject to various claims and contingencies related to employment agreements, franchise disputes, lawsuits, taxes, food product purchase contracts and other matters arising out of the normal course of business. Management believes that any such claims and actions currently pending are either covered by insurance or would not have a material adverse effect on the Company's annual results of operations or financial condition if decided in a manner that is unfavorable to the Company.

**NOTE I - EARNINGS PER SHARE:**

The Company computes and presents earnings per share ("EPS") in accordance with ASC 260 *Earnings Per Share*. Basic EPS excludes the effect of potentially dilutive securities while diluted EPS reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised, converted or resulted in the issuance of common stock that then shared in the earnings of the Company.

The following table shows the reconciliation of the numerator and denominator of the basic EPS calculation to the numerator and denominator of the diluted EPS calculation (in thousands, except per share amounts):

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2025 | June 29, 2025 | June 30, 2024 |
| Net income available to common shareholders | $ 2,878 | $ 2,702 | $ 2,473 |
| **BASIC:** | | | |
| Weighted average common shares | 14,212 | 14,499 | 14,446 |
| Net income per common share | $ 0.20 | $ 0.19 | $ 0.17 |
| **DILUTED:** | | | |
| Weighted average common shares | 14,212 | 14,499 | 14,446 |
| Dilutive stock options and restricted stock units | 92 | 62 | 184 |
| Weighted average common shares outstanding | 14,304 | 14,561 | 14,630 |
| Net income per common share | $ 0.20 | $ 0.19 | $ 0.17 |

We had zero, 91,592, and 94,769 shares of common stock potentially issuable upon exercise of employee stock options for years ended June 28, 2026, June 29, 2025, and June 30, 2024, respectively, which were excluded from the weighted average number of shares outstanding on a diluted basis because they had an intrinsic value of zero. These options expire in fiscal 2032. We had 277,400, 142,328, and 105,000 restricted stock units for years ended June 28, 2026, June 29, 2025, and June 30, 2024, respectively, which were excluded from the weighted average number of shares outstanding on a diluted basis because the performance criteria had not been met and vesting was not probable.

**NOTE J - SEGMENT REPORTING:**

The Company has three reportable operating segments as determined by management using the "management approach" as defined by ASC 280 *Segment Reporting*: (1) Pizza Inn Franchising, (2) Pie Five Franchising and (3) Corporate administration and other. These segments are a result of differences in the nature of the products and services sold. Administrative costs, which include, but are not limited to, general accounting, human resources, legal and credit and collections, and franchise expenses are partially allocated to the three operating segments. The Company's chief operating decision maker ("CODM") is the chief executive officer, who assesses segment performance primarily based on operating revenues and income before taxes to inform decisions regarding resource allocation. In addition, the CODM uses segment income to evaluate investment opportunities and strategic priorities across the Company's brands.

The Pizza Inn and Pie Five Franchising segments establish franchisees, licensees and territorial rights. Revenue for these segments is derived from franchise royalties, franchise fees, sale of area development and foreign master license rights and incentive payments from third-party suppliers and distributors. Assets for these segments include equipment, furniture and fixtures.

Corporate administration and other assets primarily include cash and short-term investments, as well as furniture and fixtures located at the corporate office and trademarks and other intangible assets. All assets are located within the United States.

Summarized in the following tables are revenues, expenses, operating income, and income before taxes for the Company's reportable segments for the fiscal years ended June 28, 2026, June 29, 2025, and June 30, 2024 (in thousands):

| | Pizza Inn Franchising | | | Pie Five Franchising | | | Corporate | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal Year Ended | | | Fiscal Year Ended | | | Fiscal Year Ended | | | Fiscal Year Ended | | |
| | June 28, 2026 | June 29, 2025 | June 30, 2024 | June 28, 2026 | June 29, 2025 | June 30, 2024 | June 28, 2026 | June 29, 2025 | June 30, 2024 | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| **REVENUES:** | | | | | | | | | | | | |
| Franchise royalties | $ 4,182 | $ 3,988 | $ 3,913 | $ 497 | $ 632 | $ 931 | $ - | $ - | $ - | $ 4,679 | $ 4,620 | $ 4,844 |
| Supplier and distributor incentive revenues | 5,501 | 4,660 | 4,454 | 227 | 280 | 379 | - | - | - | 5,728 | 4,940 | 4,833 |
| Franchise license fees | 90 | 89 | 174 | 16 | 64 | 107 | - | - | - | 106 | 153 | 281 |
| Area development exclusivity fees and foreign master license fees | 10 | 9 | 10 | 2 | 4 | 5 | - | - | - | 12 | 13 | 15 |
| Advertising fund contributions | 2,003 | 1,827 | 1,527 | 158 | 204 | 287 | - | - | - | 2,161 | 2,031 | 1,814 |
| Supplier convention funds | 209 | 217 | 217 | - | - | - | - | - | - | 209 | 217 | 217 |
| Rental income | - | - | - | - | - | - | - | 53 | 131 | - | 53 | 131 |
| Other franchise revenue | - | - | - | 15 | 12 | 15 | - | - | - | 15 | 12 | 15 |
| Total revenues | 11,995 | 10,790 | 10,295 | 915 | 1,196 | 1,724 | - | 53 | 131 | 12,910 | 12,039 | 12,150 |
| **COSTS AND EXPENSES:** | | | | | | | | | | | | |
| General and administrative expenses | - | - | - | - | - | - | 5,898 | 5,234 | 5,277 | 5,898 | 5,234 | 5,277 |
| Franchise expenses | 3,091 | 2,997 | 2,985 | 273 | 400 | 671 | - | - | - | 3,364 | 3,397 | 3,656 |
| Provision (recovery) for credit losses | - | - | - | - | - | - | 7 | (21) | 69 | 7 | (21) | 69 |
| Depreciation and amortization expense | - | - | - | - | - | - | 167 | 182 | 219 | 167 | 182 | 219 |
| Total costs and expenses | 3,091 | 2,997 | 2,985 | 273 | 400 | 671 | 6,072 | 5,395 | 5,565 | 9,436 | 8,792 | 9,221 |
| **OPERATING INCOME** | 8,904 | 7,793 | 7,310 | 642 | 796 | 1,053 | (6,072) | (5,342) | (5,434) | 3,474 | 3,247 | 2,929 |
| Interest income | - | - | - | - | - | - | 391 | 354 | 153 | 391 | 354 | 153 |
| Other Income | - | - | - | - | - | - | 19 | 19 | 10 | 19 | 19 | 10 |
| Total other income | - | - | - | - | - | - | 410 | 373 | 163 | 410 | 373 | 163 |
| **INCOME/(LOSS) BEFORE TAXES** | 8,904 | 7,793 | 7,310 | 642 | 796 | 1,053 | (5,662) | (4,969) | (5,271) | 3,884 | 3,620 | 3,092 |
| Income tax expense | - | - | - | - | - | - | 1,006 | 918 | 619 | 1,006 | 918 | 619 |
| **NET INCOME/(LOSS)** | $ 8,904 | $ 7,793 | $ 7,310 | $ 642 | $ 796 | $ 1,053 | $ (6,668) | $ (5,887) | $ (5,890) | $ 2,878 | $ 2,702 | $ 2,473 |

The following table provides information on our foreign and domestic revenues:

| | Fiscal Year Ended | | |
|---|---|---|---|
| | June 28, 2026 | June 29, 2025 | June 30, 2024 |
| **Geographic information (revenues):** | | | |
| United States | $ 12,741 | $ 11,791 | $ 11,940 |
| Foreign countries | 169 | 248 | 210 |
| Consolidated revenues | $ 12,910 | $ 12,039 | $ 12,150 |

**NOTE K - SUBSEQUENT EVENTS:**

On August 31, 2026, the Company's Chief Executive Officer, Mr. Brandon Solano, delivered email correspondence (the "***Solano Correspondence***") to the Chairman of the Company's Audit Committee, Mr. William C. Hammett, Jr. to "formally complain about workplace harassment and discrimination by RAVE Restaurant Group's Board of Directors, the Compensation Committee members, and Chairman Mark Schwarz." The Solano Correspondence claimed harassment, intimidation, and threats, resulting in the Company's failure to increase Mr. Solano's annual base salary.

The Solano Correspondence included a request for the Company to conduct "an investigation by an outside investigator to address these concerns" (an "***Independent Investigation***"). Solano also claimed that he had "filed a complaint with the Civil Rights Division of the Texas Workforce Commission due to the discrimination I have endured from RAVE's board" (the "***Texas Workforce Claim***"). The Company engaged the Hagan Law Group on September 1, 2026, to conduct the Investigation. As of the date of this report, we have not received any notification, written or otherwise, from the Texas Workforce Commission regarding the Texas Workforce Claim, so we are unable to assess Mr. Solano's claims at this time on anything other than the Solano Correspondence and the advice we have received from the Hagan Law Group.

Many of the claims set forth in the Solano Correspondence relate to Mr. Solano's assertion the Company has denied him salary increases enjoyed by other RAVE employees and Executive Team members based on his race and national origin (the "***Discriminatory Compensation Claims***"). In the context of the Discriminatory Compensation Claims asserted by Mr. Solano, we believe it material to provide the following facts regarding Mr. Solano's compensation history.

***Fiscal Year 2026.*** On October 20, 2025, the Rave Restaurant Group Compensation Committee passed a resolution to increase Mr. Solano's salary to $370,000 per annum, with a proportional increase in his associated target bonus opportunity and restricted stock unit grants. The increased salary, bonus potential, and restricted stock grants were effective as of the first regular pay date after October 21, 2025 (the "***Fiscal 2026 Compensation Increase").*** Mr. Solano emailed our Chairman on August 26, 2026, with a request for a significant increase in his combined salary, bonus, and equity compensation as well as to be appointed as a member of the Company's Board of Directors (the "***Requested Compensation Increase***"). Mr. Schwarz initiated a phone conversation with Mr. Solano the next day, August 27, 2026 where Mr. Schwarz indicated to Solano that his Requested Compensation Increase beginning Fiscal Year 2027 and increasing 2.5 times to $2.3 million annually for Fiscal Year 2029 could be discussed at the Board's upcoming meeting, but that for Mr. Schwarz such a request was a "non-starter". Four days later, the Solano Correspondence was delivered to the Company.

***Fiscal Years 2020-2025.*** For additional context, we have provided historic compensation information regarding Mr. Solano's summary compensation prior to the Fiscal Year 2026 Compensation Increase for the Company's fiscal years 2020-2025, as reported in the Company's publicly filed proxy statements on Schedule 14A:

| Fiscal Year | Salary | Bonus | Stock Awards | All Other Compensation | Total Compensation |
|---|---|---|---|---|---|
| 2025 | $ 350,000 | $ 244,195 | $ 179,157 | $ 6,900 | $ 780,252 |
| 2024 | 350,000 | 317,667 | 175,391 | - | 843,058 |
| 2023 | 350,000 | 276,900 | 259,473 | 327 | 886,700 |
| 2022 | 350,000 | 329,163 | 143,750 | 7,000 | 829,913 |
| 2021 | 350,000 | 262,500 | 67,531 | 2,400 | 682,431 |

| | | | | | |
|---|---|---|---|---|---|
| 2020 | 230,252 | 90,257 | - | - | 320,509 |

Total compensation in the amount of $4.3 million beginning with the partial year worked in Fiscal Year 2020, which does not include additional compensation received during the Fiscal Year 2026 and Fiscal Year 2027 to date.

***Employment Agreement***. Mr. Solano has an employment letter with the Company (the "***Solano Agreement***") confirming his employment as Chief Executive Officer of the Company. The Solano Agreement provides for at-will employment at an annual base salary, subject to adjustment over time, which is currently $370,000. The Solano Agreement also provides for incentive compensation of up to $555,000 or 150% of base annual salary split equally between annual cash bonus and restricted stock units granted under the Company's 2015 Long Term Incentive Plan, which continued under the 2025 LTIP Plan. Restricted stock units represent the right to receive shares of common stock upon satisfaction of vesting requirements and performance conditions over a period of three fiscal years. Mr. Solano is also entitled to other typical benefits generally available to senior executives of the Company. The Solano Agreement also contains a covenant not to compete which precludes Mr. Solano from engaging in any pizza restaurant business for a period of 12 months after the termination of his employment, as well as non-disclosure, non-solicitation, and other common employment covenants.

The Board takes any claim of harassment or discrimination very seriously and is reviewing the available information and will determine what actions, if any, are warranted after the Independent Investigation is completed and we have had the opportunity to review and respond to the Texas Workforce Claim.

Management believes that any such claims and actions currently pending are either covered by insurance or would not have a material adverse effect on the Company's annual results of operations or financial condition if decided in a manner that is unfavorable to the Company.

**Exhibit 14.1**

**CODE OF ETHICAL CONDUCT**
**FOR FINANCIAL MANAGERS**
**FOR**
**PIZZA INN HOLDINGS, INC.**

I am a financial manager for Pizza Inn Holdings, Inc. ("Company"), and in that capacity when discharging my responsibilities, I understand and agree as follows:

I recognize that the Company's financial managers play an integral role in the operation and conduct of the Company's affairs. I am uniquely capable and empowered to ensure that shareholders' interests are appropriately balanced, protected, and preserved. Accordingly, this Code of Ethical Conduct provides principles that will govern my professional and ethical conduct, and I agree to adhere to them and to advocate them. This Code of Ethical Conduct and the Company's Code of Business Conduct together embody rules regarding my individual responsibilities, my responsibilities to peers, as well as my responsibilities to the Company, the public, and the Company's shareholders.

I certify that I am compliant with the following principles and responsibilities:

1. I will act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.

2. I will provide the Company, its officers, directors, and shareholders with information that is accurate, complete, objective, relevant, timely, and clear.

3. I will comply with rules and regulations of federal, state, and local governments and other regulatory authorities.

4. I will act in good faith, responsibly, with due care, competence, and diligence, without misrepresenting material facts or allowing my professional and ethical judgment to be subordinated or influenced.

5. I will respect the confidentiality of information acquired in the course of my work for the Company, regardless of source, and I will not use any such information for personal advantage or for the advantage of others.

6. I will maintain professional competency necessary for the efficient discharge of my responsibilities.

7. I will proactively promote professional and ethical behavior as a responsible member of my profession, employee of the Company, and member of the community.

8. I will not attempt, either directly or indirectly through others, to fraudulently influence, coerce, manipulate, or mislead any independent accountant or certified accountant engaged in the performance of an audit of the financial statements of the Company for the purpose of rendering the financial statements materially misleading.

9. I will retain and safeguard, in compliance with the requirements of applicable laws, workpapers, memoranda, correspondence, communications in whatever form or media, and any other documents or materials that contain conclusions, opinions, analyses, or financial data or review of the Company made, generated, or received in connection with an audit or review of the Company.

10. I will responsibly use and control all assets, information, and resources entrusted to me in my professional capacity.

11. I will maintain familiarity with the Company's Code of Business Judgment. I understand its requirements and will abide by them as they may apply to me as a financial manager and as an employee of the Company.

Name and Date

Title

**Exhibit 23.1**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in the Registration Statement on Form S-8 (File Nos. 333-207428) of our report dated September 24, 2026, relating to the consolidated financial statements of Rave Restaurant Group, Inc. and Subsidiaries appearing in this Annual Report on Form 10-K as of June 28, 2026 and for the year ended June 28, 2026.

/s/ Bodwell Vasek Wells DeSimone LLP

Dallas, Texas
September 24, 2026

**Exhibit 23.2**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in the Registration Statements on Form S-8 (File Nos. 333-76296 and 333-207428) and Form S-3 (File Nos. 333-219483 and 333-221169) of our report dated September 25, 2025, relating to the consolidated financial statements of Rave Restaurant Group, Inc. and Subsidiaries as of June 29, 2025 and for years ended June 29, 2025 and June 30, 2024, appearing in this Annual Report on Form 10-K of Rave Restaurant Group, Inc. and Subsidiaries.

/s/ Whitley Penn LLP

Plano, Texas
September 24, 2026

**Exhibit 31.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**
**Pursuant to section 3.02 of the Sarbanes-Oxley Act of 2002**

I, Brandon L. Solano, certify that:

1. I have reviewed this Annual Report on Form 10-K of Rave Restaurant Group, Inc. ("the Registrant");

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; and

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: September 24, 2026 | By: /s/ Brandon L. Solano<br>Brandon L. Solano<br>Chief Executive Officer<br>(principal executive officer) |

**Exhibit 31.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**
**Pursuant to section 3.02 of the Sarbanes-Oxley Act of 2002**

I, Jay D. Rooney, certify that:

1. I have reviewed this Annual Report on Form 10-K of Rave Restaurant Group, Inc. ("the Registrant");

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; and

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: September 24, 2026 | By: /s/ Jay D. Rooney<br>Jay D. Rooney<br>Chief Financial Officer<br>(principal financial officer) |

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED**
**Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

The undersigned officer of Rave Restaurant Group, Inc. (the "Company"), does hereby certify, to such officer's knowledge, that the accompanying Annual Report on Form 10-K for the fiscal year ended June 28, 2026, and filed with the Securities and Exchange Commission on the date hereof (the "Form 10-K") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 24, 2026

By: /s/ Brandon L. Solano
Brandon L. Solano
Chief Executive Officer
(principal executive officer)

**Exhibit 32.2**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED**
**Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

The undersigned officer of Rave Restaurant Group, Inc. (the “Company”), does hereby certify, to such officer’s knowledge, that the accompanying Annual Report on Form 10-K for the fiscal year ended June 28, 2026, and filed with the Securities and Exchange Commission on the date hereof (the “Form 10-K”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 24, 2026

By: /s/ Jay D. Rooney
Jay D. Rooney
Chief Financial Officer
(principal financial officer)