

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 27, 2026

OR

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

For the transition period from _____ to _____

Commission File Number **001-06836**

FLANIGAN'S ENTERPRISES, INC.

(Exact name of registrant as specified in its charter)

<u>Florida</u> (State or other jurisdiction of incorporation or organization)	<u>59-0877638</u> (I.R.S. Employer Identification Number)
<u>5059 N.E. 18th Avenue, Fort Lauderdale, Florida</u> (Address of principal executive offices)	<u>33334</u> (Zip Code)

(954) 377-1961

(Registrant's telephone number, including area code)

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, \$.10 par value	BDL	NYSE AMERICAN

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

As of August 10, 2026 there were 1,858,647 shares of the registrant's Common Stock, \$0.10 par value, outstanding.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES

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As used in this Quarterly Report on Form 10-Q, the terms "we," "us," "our," the "Company" and "Flanigan's" mean Flanigan's Enterprises, Inc. and its subsidiaries (unless the context indicates a different meaning).

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES **UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

(in thousands, except share and per share amounts)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
REVENUES:				
Restaurant food sales	\$ 34,436	\$ 31,933	\$ 99,976	\$ 93,645
Restaurant bar sales	8,242	7,931	24,488	24,087
Package store sales	12,979	11,522	39,219	36,008
Franchise-related revenues	457	442	1,368	1,332
Other revenues	89	66	235	176
	<u>56,203</u>	<u>51,894</u>	<u>165,286</u>	<u>155,248</u>
COSTS AND EXPENSES:				
Cost of merchandise sold:				
Restaurant	13,689	12,963	40,909	39,727
Package goods	9,850	8,779	29,632	26,929
Payroll and related costs	16,798	16,106	49,979	48,036
Operating expenses	7,160	6,972	20,837	20,114
Occupancy costs	2,091	1,981	6,198	5,848
Selling, general and administrative expenses	1,412	1,074	4,306	4,000
Depreciation and amortization	1,203	1,167	3,587	3,474
	<u>52,203</u>	<u>49,042</u>	<u>155,448</u>	<u>148,128</u>
Income from Operations	<u>4,000</u>	<u>2,852</u>	<u>9,838</u>	<u>7,120</u>
OTHER INCOME (EXPENSE):				
Interest expense	(384)	(237)	(878)	(722)
Interest and other income (expense)	71	(6)	265	310
Rental income	296	270	917	810
Rental expense	(144)	(148)	(411)	(463)
Loss on extinguishment of debt	(40)	—	(40)	—
Gain on sale of property and equipment	—	—	19	—
	<u>(201)</u>	<u>(121)</u>	<u>(128)</u>	<u>(65)</u>
Income before provision for income taxes	3,799	2,731	9,710	7,055
Provision for income taxes	<u>(339)</u>	<u>(242)</u>	<u>(913)</u>	<u>(588)</u>
Net Income	<u>3,460</u>	<u>2,489</u>	<u>8,797</u>	<u>6,467</u>
Less: Net Income attributable to noncontrolling interests	<u>(1,399)</u>	<u>(1,097)</u>	<u>(3,056)</u>	<u>(2,330)</u>
Net Income attributable to Flanigan's Enterprises Inc. Stockholders	<u>\$ 2,061</u>	<u>\$ 1,392</u>	<u>\$ 5,741</u>	<u>\$ 4,137</u>
Net Income per common share:				
Basic and Diluted	<u>\$ 1.11</u>	<u>\$ 0.75</u>	<u>\$ 3.09</u>	<u>\$ 2.23</u>
Weighted Average Shares and Equivalent Shares Outstanding				
Basic and Diluted	<u>1,858,647</u>	<u>1,858,647</u>	<u>1,858,647</u>	<u>1,858,647</u>

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	June 27,	June 28,	June 27,	June 28,
	2026	2025	2026	2025
Net Income:	\$ 3,460	\$ 2,489	\$ 8,797	\$ 6,467
Other comprehensive income (loss):				
Change in fair value of interest rate swap, net of tax	—	—	—	331
Reclassification of gains from interest rate swap to interest and other income, net of tax	—	—	—	(331)
Total Comprehensive Income	<u>\$ 3,460</u>	<u>\$ 2,489</u>	<u>\$ 8,797</u>	<u>\$ 6,467</u>

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
JUNE 27, 2026 (UNAUDITED) AND SEPTEMBER 27, 2025
(in thousands, except share amounts)

ASSETS	June 27, 2026	September 27, 2025
Current Assets:		
Cash and cash equivalents	\$ 28,843	\$ 20,094
Prepaid income taxes	—	172
Other receivables	964	892
Inventories	7,201	6,920
Prepaid expenses	2,495	1,810
Other current assets	715	705
	<u>40,218</u>	<u>30,593</u>
Property and equipment, net	89,479	82,689
Construction in progress	428	3
	<u>89,907</u>	<u>82,692</u>
Right-of-use assets, operating leases	24,613	24,817
Investment in limited partnerships	381	322
Other Assets:		
Liquor licenses	1,268	1,268
Leasehold interests, net	23	41
Deposits on property and equipment	615	455
Other	508	435
	<u>2,414</u>	<u>2,199</u>
Total assets	<u>\$ 157,533</u>	<u>\$ 140,623</u>

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
JUNE 27, 2026 (UNAUDITED) AND SEPTEMBER 27, 2025
(in thousands, except share amounts)

(Continued)

	<u>June 27, 2026</u>	<u>September 27, 2025</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 6,115	\$ 5,889
Accrued compensation	2,862	2,113
Income taxes payable	66	—
Due to franchisees	3,415	3,192
Current portion of long-term debt	2,001	1,484
Operating lease liabilities, current	2,615	2,704
Other current liabilities	25	157
Deferred revenue	2,610	2,579
Total current liabilities	<u>19,709</u>	<u>18,118</u>
Long-term debt, net of current portion	29,433	19,134
Operating lease liabilities, non-current	23,679	23,793
Deferred tax liabilities	481	481
Total liabilities	<u>73,302</u>	<u>61,526</u>
Commitments and Contingencies Note 9		
Stockholders' Equity:		
Flanigan's Enterprises, Inc. Stockholders' Equity		
Common stock, \$.10 par value, 5,000,000 shares authorized; 4,197,642 shares issued; 1,858,647 shares outstanding	420	420
Capital in excess of par value	6,105	6,128
Retained earnings	69,311	64,685
Treasury stock, at cost, 2,338,995 shares	(6,077)	(6,077)
Total Flanigan's Enterprises, Inc. Stockholders' Equity	<u>69,759</u>	<u>65,156</u>
Noncontrolling interests	14,472	13,941
Total stockholders' equity	<u>84,231</u>	<u>79,097</u>
Total liabilities and stockholders' equity	<u>\$ 157,533</u>	<u>\$ 140,623</u>

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS
OF STOCKHOLDERS' EQUITY
FOR THE THIRTEEN AND THIRTY-NINE WEEKS ENDED JUNE 27, 2026
(in thousands, except share amounts)

	Common Stock		Capital in		Retained	Treasury Stock		Noncontrolling	
	Shares	Amount	Excess of Par Value	AOCI	Earnings	Shares	Amount	Interests	Total
Balance, September 27, 2025	4,197,642	\$ 420	\$ 6,128	\$ —	\$ 64,685	2,338,995	\$ (6,077)	\$ 13,941	\$ 79,097
Net income	—	—	—	—	805	—	—	694	1,499
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(818)	(818)
Balance, December 27, 2025	4,197,642	\$ 420	\$ 6,128	\$ —	\$ 65,490	2,338,995	\$ (6,077)	\$ 13,817	\$ 79,778
Net income	—	—	—	—	2,875	—	—	963	3,838
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(812)	(812)
Purchase of noncontrolling interests	—	—	(23)	—	—	—	—	(83)	(106)
Balance, March 28, 2026	4,197,642	\$ 420	\$ 6,105	\$ —	\$ 68,365	2,338,995	\$ (6,077)	\$ 13,885	\$ 82,698
Net income	—	—	—	—	2,061	—	—	1,399	3,460
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(812)	(812)
Dividends paid	—	—	—	—	(1,115)	—	—	—	(1,115)
Balance, June 27, 2026	4,197,642	\$ 420	\$ 6,105	\$ —	\$ 69,311	2,338,995	\$ (6,077)	\$ 14,472	\$ 84,231

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS
OF STOCKHOLDERS' EQUITY
FOR THE THIRTEEN AND THIRTY-NINE WEEKS ENDED JUNE 28, 2025
(in thousands, except share amounts)

	Common Stock		Capital in		Retained	Treasury Stock		Noncontrolling	
	Shares	Amount	Excess of Par Value	AOCI	Earnings	Shares	Amount	Interests	Total
Balance, September 28, 2024	4,197,642	\$ 420	\$ 6,240	\$ (41)	\$ 60,674	2,338,995	\$ (6,077)	\$ 14,194	\$ 75,410
Net income	—	—	—	—	55	—	—	577	632
Other comprehensive income	—	—	—	331	—	—	—	—	331
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(740)	(740)
Purchase of noncontrolling interest	—	—	—	—	—	—	—	(4)	(4)
Balance, December 28, 2024	4,197,642	\$ 420	\$ 6,240	\$ 290	\$ 60,729	2,338,995	\$ (6,077)	\$ 14,027	\$ 75,629
Net income	—	—	—	—	2,690	—	—	656	3,346
Reclassification of realized gain on interest rate swap to interest and other income, net of tax	—	—	—	(290)	—	—	—	—	(290)
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(788)	(788)
Balance, March 29, 2025	4,197,642	\$ 420	\$ 6,240	\$ —	\$ 63,419	2,338,995	\$ (6,077)	\$ 13,895	\$ 77,897
Net Income	—	—	—	—	1,392	—	—	1,097	2,489
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(721)	(721)
Purchase of noncontrolling interests	—	—	(112)	—	—	—	—	(265)	(377)
Dividends Paid	—	—	—	—	(1,022)	—	—	—	(1,022)
Balance, June 28, 2025	4,197,642	\$ 420	\$ 6,128	\$ —	\$ 63,789	2,338,995	\$ (6,077)	\$ 14,006	\$ 78,266

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRTY-NINE WEEKS ENDED JUNE 27, 2026 AND JUNE 28, 2025
(in thousands)

	June 27, 2026	June 28, 2025
Cash Flows from Operating Activities:		
Net income	\$ 8,797	\$ 6,467
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	3,587	3,474
Amortization of leasehold interests	18	20
Amortization of operating lease right-of-use assets	2,030	1,970
Gain on interest rate swap	(96)	(63)
Gain on sale of property and equipment	(19)	—
Loss on abandonment of property and equipment	132	111
Loss on extinguishment of debt	40	—
Amortization of deferred loan costs	27	27
Income from unconsolidated limited partnership	(71)	(53)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Other receivables	(72)	20
Prepaid income taxes	172	168
Inventories	(281)	(110)
Prepaid expenses	(685)	(620)
Other current assets	(10)	(705)
Other assets	23	62
Increase (decrease) in:		
Accounts payable and accrued expenses	975	(630)
Other current liabilities	(132)	277
Operating lease liabilities	(1,930)	(1,811)
Income taxes payable	66	—
Due to franchisees	223	(1,422)
Deferred revenue	31	(32)
Net cash and cash equivalents provided by operating activities	12,825	7,150
Cash Flows from Investing Activities:		
Purchase of property and equipment	(10,632)	(4,899)
Purchase of construction in progress	(425)	—
Deposits on property and equipment	(208)	(133)
Proceeds from sale of property and equipment	91	45
Proceeds from insurance recovery	—	30
Distributions from unconsolidated limited partnership	12	12
Purchase of short-term investments	—	(732)
Net cash and cash equivalents used in investing activities	(11,162)	(5,677)

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRTY-NINE WEEKS ENDED JUNE 27, 2026 AND JUNE 28, 2025
(in thousands)

(Continued)

	June 27, 2026	June 28, 2025
Cash Flows from Financing Activities:		
Payments on long-term debt	(1,062)	(1,013)
Proceeds from new Calusa loan	5,495	—
Proceeds from long-term debt	6,525	—
Payments of debt issuance costs	(209)	—
Dividends Paid	(1,115)	(1,022)
Purchase of noncontrolling limited partnership interest	(106)	(381)
Distributions to limited partnerships' noncontrolling interests	(2,442)	(2,249)
Net cash and cash equivalents provided by (used in) financing activities	7,086	(4,665)
Net Increase (Decrease) in Cash and Cash Equivalents	8,749	(3,192)
Cash and Cash Equivalents - Beginning of Period	20,094	21,402
Cash and Cash Equivalents - End of Period	<u>\$ 28,843</u>	<u>\$ 18,210</u>
Supplemental Disclosure for Cash Flow Information:		
Cash paid during the year for:		
Interest	<u>\$ 753</u>	<u>\$ 678</u>
Income taxes	<u>\$ 675</u>	<u>\$ 321</u>
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Increase in fair value of interest rate swap	<u>\$ —</u>	<u>\$ 443</u>
Purchase deposits capitalized to property and equipment	<u>\$ 48</u>	<u>\$ 57</u>
Remeasurement of operating lease liabilities and related right-of-use assets	<u>\$ 2,544</u>	<u>\$ 248</u>
Derecognition of right-of-use asset	<u>\$ 718</u>	<u>\$ —</u>
Derecognition of lease liability	<u>\$ 817</u>	<u>\$ —</u>
Extinguishment of old Calusa loan	<u>\$ 5,605</u>	<u>\$ —</u>

See accompanying notes to unaudited condensed consolidated financial statements.

FLANIGAN'S ENTERPRISES, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
THIRTY-NINE WEEKS ENDED JUNE 27, 2026 AND JUNE 28, 2025

(1) BASIS OF PRESENTATION:

The accompanying condensed consolidated financial information for the thirty-nine weeks ended June 27, 2026 and June 28, 2025 is unaudited. Financial information as of September 27, 2025 has been derived from the audited financial statements of Flanigan's Enterprises, Inc., a Florida corporation, together with its subsidiaries, (the "Company", "we", "our", "ours" and "us" as the context requires), but does not include all disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial information for the periods indicated have been included. For further information regarding the Company's accounting policies, refer to the Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K for the year ended September 27, 2025. Operating results for interim periods are not necessarily indicative of results to be expected for a full year.

The condensed consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries and the accounts of the ten limited partnerships in which we act as general partner and have controlling interests. All intercompany balances and transactions have been eliminated. Noncontrolling interest represents the limited partners' proportionate share of the net assets and results of operations of the ten limited partnerships.

The consolidated financial statements and related disclosures for condensed interim reporting are prepared in conformity with accounting principles generally accepted in the United States. We are required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements. These estimates include assessing the estimated useful lives of tangible assets, the recognition of deferred tax assets and liabilities, estimates relating to the calculation of incremental borrowing rates and length of leases associated with right-of-use assets and corresponding liabilities, and estimates relating to loyalty reward programs and gift cards. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in our condensed consolidated financial statements in the period they are determined to be necessary. Although these estimates are based on our knowledge of current events and actions we may undertake in the future, they may ultimately differ from actual results.

We adjusted our condensed consolidated Statements of Income to correct rental income from Revenues to Other Income and rental expense from Operating, Occupancy and Selling, General and Administrative expenses to Other Expense. We believe this presentation more accurately reflects revenue generated from ancillary activity rather than revenue generated from core operations. Prior period amounts have been adjusted. This correction had no impact on reported results of operations.

We adjusted our condensed consolidated Statements of Income to reclassify expenses associated with the redemption of promotional gift cards from Operating Expenses to Cost of Merchandise Sold. We believe this presentation more accurately reflects the nature of the costs attributable to sales recognized under contracts with customers in accordance with ASC 606, *Revenue from Contracts with Customers*. Prior period amounts have been adjusted. This correction had no impact on reported results of operations.

(2) EARNINGS PER SHARE:

We follow Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 260 - "*Earnings per Share*". This section provides for the calculation of basic and diluted earnings per share. The data on Page 1 shows the amounts used in computing earnings per share. As of June 27, 2026 and June 28, 2025, no stock options or other potentially dilutive securities were outstanding and accordingly, there is no difference in basic and diluted per share amounts.

(3) RECENTLY ADOPTED AND RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS:

Recently Adopted

During the thirty-nine weeks ended June 27, 2026, the Company did not adopt any new accounting pronouncements that had a material impact on our financial statements.

Recently Issued

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires enhanced income tax disclosures, primarily related to standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. Early adoption is permitted. We will adopt this ASU as required at the end of our fiscal year 2026 and apply the guidance retrospectively.

In November 2024, the FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures” which requires disclosure of disaggregated information about certain income statement expense line items in the notes to the financial statements on an interim and annual basis. In January 2025, the FASB issued ASU 2025-01 clarifying the effective date of ASU 2024-03, which will be effective for the Company for our fiscal year 2028 annual reporting period, including interim periods within that fiscal year, with guidance applied either prospectively or retrospectively. Early adoption is permitted. We are currently evaluating the impact that the adoption of this ASU will have on our interim and consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, “Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40)” which eliminates all references to project stages and requires capitalization of software costs when: (i) management authorizes and commits to funding the software project, and (ii) it is probable the software project will be completed and used as intended, known as the “probable-to-completion recognition threshold.” Entities must consider whether there is significant uncertainty associated with the development activities of the software in determining if the threshold is met. In addition, the amendments in the update specify that property, plant and equipment disclosure requirements are required for capitalized internal-use software costs, regardless of financial statement presentation and also incorporate the recognition requirements for website-specific development costs. This ASU will be effective for the Company for our fiscal year 2029 annual reporting period, including interim periods within that fiscal year, with the guidance applied either prospectively, retrospectively, or via a modified prospective transition method. Early adoption is permitted. We are currently evaluating the impact that the adoption of this ASU will have on our interim and consolidated financial statements.

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. This ASU will be effective for the Company for our fiscal year 2029 annual reporting period, including interim periods within that fiscal year, with the guidance applied either prospectively or retrospectively. Early adoption permitted. We are currently evaluating the impact that the adoption of this ASU will have on our interim and consolidated financial statements.

There are no other recently issued accounting pronouncements that we have not yet adopted that we believe will have a material effect on our financial statements.

(4) PURCHASE OF REAL PROPERTY:

During the third quarter of our fiscal year 2026, we purchased the real property and improvements located at 950 S. Federal Highway, Stuart, Florida, where our Company-owned Flanigan’s Seafood Bar and Grill restaurant (Store #75) operates and our seller, an unrelated third party, operated a franchised hotel, (the “Stuart Property”) for a purchase price of \$8,450,000. We paid all cash at closing. The hotel franchise agreement was terminated by our seller as a part of our purchase of the Stuart Property and we plan to demolish the two vacant hotel buildings located thereon. We will continue to operate our Flanigan’s Seafood Bar and Grill restaurant as a free-standing building, with outdoor seating and additional parking. Our lease for the premises terminated with the closing of our purchase of the Stuart Property.

During the third quarter of our fiscal year 2025, we purchased the vacant real property located at 20971 Old Cutler Road, Cutler Bay, Florida 33189 (the “Cutler Bay Property”) for a purchase price of \$2,200,000. We paid all cash at closing. We plan to construct a 6,400 square foot building on the Cutler Bay Property to lease to a limited partnership of which we will be the sole general partner pursuant to our limited partnership financial arrangement to develop and operate a “Flanigan’s” restaurant.

(5) INCOME TAXES:

We account for our income taxes using FASB ASC Topic 740, “Income Taxes”, which requires among other things, recognition of future tax benefits measured at enacted rates attributable to deductible temporary differences between financial statement and income tax basis of assets and liabilities and to tax net operating loss carryforwards and tax credits to the extent that realization of said tax benefits is more likely than not. The Company’s income tax expense computed at the statutory federal rate of 21% differs from its effective tax rate primarily due to state income taxes, noncontrolling interests, and income tax credits.

On July 4, 2025, the One Big Beautiful Bill Act (Public Law No. 119-21) was signed into law. Among other provisions, the legislation includes certain tax incentives and regulatory changes applicable to businesses in the food service and hospitality industries. The Company elected to apply the full expense provisions under the Act, allowing for 100% bonus depreciation on eligible capital expenditures placed in service after January 19, 2025. The legislation has multiple effective dates with certain provisions to be implemented through 2027. We continue to evaluate the remaining regulatory changes and phased effective dates of the Act through 2027 to determine any material impacts on our consolidated financial statements.

(6) DEFERRED REVENUE:

Changes in deferred revenue on the unaudited condensed consolidated balance sheets were as follows:

	Loyalty Program					Total
	Gift Cards	Holiday Promo	Lunch Club	Big Daddy's Good Customer	Other	
September 27, 2025	\$ 1,552	\$ —	\$ 35	\$ 990	\$ 2	\$ 2,579
Revenue deferred	4,867	931	—	554	—	6,352
Revenue recognized	(3,464)	—	(8)	(686)	(2)	(4,160)
December 27, 2025	\$ 2,955	\$ 931	\$ 27	\$ 858	\$ —	\$ 4,771
Revenue deferred	116	—	67	382	—	565
Revenue recognized	(929)	(885)	(70)	(485)	—	(2,369)
March 28, 2026	\$ 2,142	\$ 46	\$ 24	\$ 755	\$ —	\$ 2,967
Revenue deferred	126	—	64	382	—	572
Revenue recognized	(434)	(46)	(67)	(382)	—	(929)
June 27, 2026	\$ 1,834	\$ —	\$ 21	\$ 755	\$ —	\$ 2,610

	Big Daddy's					Total
	Gift Cards	Holiday Promo	Lunch Club	Good Customer	Other	
September 28, 2024	\$ 1,388	\$ —	\$ 102	\$ 1,405	\$ 2	\$ 2,897
Revenue deferred	3,292	1,513	7	441	—	5,253
Revenue recognized	(1,911)	(434)	—	(325)	(2)	(2,672)
December 28, 2024	\$ 2,769	\$ 1,079	\$ 109	\$ 1,521	\$ —	\$ 5,478
Revenue deferred	107	298	9	172	7	593
Revenue recognized	(889)	(1,318)	—	(698)	—	(2,905)
March 29, 2025	\$ 1,987	\$ 59	\$ 118	\$ 995	\$ 7	\$ 3,166
Revenue deferred	114	—	2	467	—	583
Revenue Recognized	(410)	(59)	(47)	(365)	(3)	(884)
June 28, 2025	\$ 1,691	\$ —	\$ 73	\$ 1,097	\$ 4	\$ 2,865

The Holiday Promo revenue recognized in Q1 2025 pertains to the breakage upon issuance of the promotional cards.

The Holiday Promo revenue recognized in Q1 2026 pertains to the variable transaction price adjusted for the probability of redemption.

(7) INSURANCE PREMIUMS:

During the first quarter of our fiscal year 2026, for the policy year commencing December 30, 2025, we obtained coverage on the following general liability, auto, property, excess liability, terrorism and cyber security policies with premiums totaling approximately \$3,855,000, of which general liability, property, excess liability, terrorism and cyber security insurance includes coverage for our franchises (of approximately \$848,000), which are not included in our condensed consolidated financial statements:

(i) For the policy year beginning December 30, 2025, our general liability insurance, excluding limited partnerships, is a one-year policy with our insurance carriers. For the policy commencing December 30, 2025, the self-insured retention per occurrence is \$50,000. The one-year general liability insurance premium is in the amount of \$548,000;

(ii) For the policy year beginning December 30, 2025, the general liability insurance for our limited partnerships, including franchisees and the managed restaurant is a one-year policy with our insurance carriers. For the policy commencing December 30, 2025, the self-insured retention per occurrence is \$10,000. The one-year general liability insurance premium is in the amount of \$1,052,000;

(iii) For the policy year beginning December 30, 2025, our automobile insurance is a one-year policy. The one-year automobile insurance premium is in the amount of \$223,000;

(iv) For the policy year beginning December 30, 2025, our property insurance is a one-year policy. The one-year property insurance premium is in the amount of \$1,079,000;

(v) For the policy year beginning December 30, 2025, our excess liability insurance is a one-year policy. The one-year excess liability insurance premium is in the amount of \$903,000;

(vi) For the policy year beginning December 30, 2025, our terrorism insurance is a one-year policy. The one-year terrorism insurance premium is in the amount of \$19,000; and

(vii) For the policy year beginning December 30, 2025, our cyber security insurance is a one-year policy. The one-year cyber security insurance premium is in the amount of \$31,000.

We paid the \$3,855,000 annual premium amounts on January 15, 2026, which includes coverage for our franchises which are not included in our condensed consolidated financial statements.

(8) DEBT:

During the first quarter of our fiscal year 2026, we refinanced with our institutional lender, our mortgage loan encumbering the real property and improvements located at Flanigan's Calusa Center 12750 – 12790 S.W. 88th Street, Miami, Florida without increasing the principal amount borrowed at that time (\$5,676,856). Flanigan's Calusa Center includes our limited partnership owned Flanigan's Seafood Bar and Grill restaurant (Store #70) and our corporate-owned Big Daddy's Wine & Liquors (Store #45). The refinanced mortgage loan accrued interest at a fluctuating rate per year equal to the sum of (i) the greater of the Term SOFR Daily Floating Rate or the Index Floor (which was 0.00%) and (ii) 2.25%, with the first payment of principal and interest due January 31, 2026 and monthly thereafter on the last day of each month until November 30, 2030 when the entire principal payment and all accrued interest was to be due in full. We received no excess funds from the refinancing of this mortgage loan.

During the third quarter of our fiscal year 2026, we again refinanced with our institutional lender, our mortgage loan encumbering the real property and improvements located at 12750 – 12790 S.W. 88th Street, Miami, Florida increasing the principal amount borrowed to \$11,100,000 to withdraw equity of approximately \$5,495,000 which we used towards our purchase of the Stuart Property. The refinanced mortgage loan accrues interest at 5.995% annually, with the first payment of principal and interest in the amount of \$94,835.36 due April 30, 2026 and monthly thereafter on the last day of each month until February 28, 2041, when the entire principal payment and all accrued interest is due in full.

During the third quarter of our fiscal year 2026, we financed with our institutional lender, our real property and improvements located at 2505 N. University Drive, Buildings A & B, Hollywood, Florida where we operate our Flanigan's Seafood Bar and Grill restaurant (Store #19, Building B) and our Big Daddy's Wine & Liquors (Store #19, Building A). The principal amount borrowed was \$3,375,000, which we used towards our purchase of the Stuart Property. The mortgage loan accrues interest at 5.995% annually, with the first payment of principal and interest in the amount of \$28,835.08 due April 30, 2026 and monthly thereafter on the last day of each month until February 28, 2041, when the entire principal payment and all accrued interest is due in full.

During the third quarter of our fiscal year 2026, we financed with our institutional lender, our real property and improvements located at 950 S Federal Highway, Stuart, Florida where we operate our Flanigan's Seafood Bar and Grill restaurant (Store #75). The principal amount borrowed was \$3,150,000, which we will use as working capital. The mortgage loan accrues interest at 5.975% annually, with the first payment of principal and interest in the amount of \$26,759.18 due June 30, 2026 and monthly thereafter on the last day of each month until May 31, 2033, when the entire principal payment and all accrued interest is due in full.

(9) COMMITMENTS AND CONTINGENCIES:

Master Service Agreement

During the first quarter of our fiscal year 2025, we entered into a Master Services Agreement with our current major vendor for a period of one year effective January 1, 2025, with Company options for four one-year renewal options to extend the term of the same. In this Master Service Agreement, as in our prior Master Service Agreements, we commit to purchase specific products through our current major vendor but are free to purchase other products through other vendors, provided no less than 80% of our overall product needs are purchased through our current major vendor. During the fourth quarter of our fiscal year 2025, we exercised the first one-year renewal option and extended the term of the Master Services Agreement for a period of one year effective January 1, 2026. Subsequent to the end of the third quarter of our fiscal year 2026, we exercised the second one-year renewal option and extended the term of the Master Services Agreement for a period of one year effective January 1, 2027.

Leases

To conduct certain of our operations, we lease restaurant and package liquor store space in South Florida from unrelated third parties. Our leases have remaining lease terms of up to 46 years, some of which include options to renew and extend the lease terms for up to an additional 24 years. We presently intend to renew some of the extension options available to us and for purposes of computing the right-of-use assets and lease liabilities required by ASC 842, we have incorporated into all lease terms which may be extended, an additional term of the lesser of (i) the amount of years the lease may be extended; or (ii) 15 years.

During the second quarter of our fiscal year 2026, we amended the lease for our limited partnership-owned restaurant in Surfside, Florida (Store #60). Effective January 1, 2026, we extended the term of our lease to ten years through December 31, 2035, which would otherwise have expired on December 31, 2026, with no renewal options. The amended lease is at a fixed base rent with annual increases based upon the consumer price increase, with both a minimum and maximum cap. The increase to our lease liability and right-of-use asset is approximately \$2.05 million.

During the third quarter of our fiscal year 2026, we amended the lease for our limited partnership-owned restaurant located at 17185 Pines Boulevard, Pembroke Pines, Florida (Store #50) to add two five-year renewal options to the term of our lease which would otherwise have expired on October 31, 2031, upon the same terms and conditions. The increase to our lease liability and right-of-use asset is approximately \$490,000.

Common area maintenance and property taxes are not considered to be lease components. Variable lease costs include amounts based on a percentage of gross sales in excess of specified levels. They are recognized when probable and are not included in determining the present value of our operating lease liability.

The components of lease expense are as follows:

	(in thousands)	
	13 Weeks Ended June 27, 2026	13 Weeks Ended June 28, 2025
Operating Lease Expense, which is included in occupancy costs	\$ 996	\$ 994
Variable Lease Expense, which is included in occupancy costs	\$ 258	\$ 227

	(in thousands)	
	39 Weeks Ended June 27, 2026	39 Weeks Ended June 28, 2025
Operating Lease Expense, which is included in occupancy costs	\$ 3,033	\$ 2,975
Variable Lease Expense, which is included in occupancy costs	\$ 733	\$ 692

	(in thousands)	
Classification on the Condensed Consolidated Balance Sheets	June 27, 2026	September 27, 2025
Assets		
Operating lease assets	\$ 24,613	\$ 24,817
Liabilities		
Operating lease current liabilities	\$ 2,615	\$ 2,704
Operating lease non-current liabilities	\$ 23,679	\$ 23,793
Weighted Average Remaining Lease Term:		
Operating leases	9.68 Years	9.53 Years
Weighted Average Discount:		
Operating leases	5.21%	5.13%

The following table outlines the minimum future lease payments for the next five years and thereafter:

	(in thousands)
For fiscal year	Operating
2026 (14 weeks remaining)	\$ 958
2027	3,886
2028	3,922
2029	3,942
2030	3,580
Thereafter	20,099
Total lease payments (undiscounted cash flows)	36,387
Less imputed interest	(10,093)
Total operating lease liabilities	\$ 26,294

Litigation

On March 31, 2025, a lawsuit was filed against the Company, one of its five franchisees and three of its controlled limited partnerships alleging violations of the Fair Labor Standards Act ("FLSA"), including failure to pay overtime and improper use of the tip credit. During the second quarter of fiscal year 2026, the Court conditionally certified a FLSA collective action. The opt-in period expired on July 23, 2026, with approximately fifty current and former non-exempt servers and bartenders comprising the collective. There is no insurance coverage for this action. The Company, the franchisee and limited partnerships vigorously deny the allegations. Following discovery, a full evidentiary hearing will be held for the Court to determine whether the lawsuit will continue as a collective action; that hearing has not yet occurred.

Our sale of alcoholic beverages subjects us to "dram shop" statutes, which allow an injured person to recover damages from an establishment that served alcoholic beverages to an intoxicated person. If we receive a judgment substantially in excess of our insurance coverage or if we fail to maintain our insurance coverage, our business, financial condition, operating results or cash flows could be materially and adversely affected. We currently have no "dram shop" claims.

From time to time, we are a party to various other claims, legal actions and complaints arising in the ordinary course of our business, including claims resulting from "slip and fall" accidents, claims under federal and state laws governing access to public accommodations, employment-related claims and claims from guests alleging illness, injury or other food quality, health or operational concerns. It is our opinion, after consulting with legal counsel, that all such matters are without merit or involve such amounts that an unfavorable disposition, some of which is covered by insurance, would not have a material adverse effect on our financial position or results of operations.

(10) BUSINESS SEGMENTS:

We operate in two reportable segments – package stores and restaurants. The operation of package stores consists of retail liquor sales and related items. The operation of restaurants consists of restaurant food and bar sales. Operating income is total revenue less cost of merchandise sold and operating expenses relative to each segment. In order to evaluate each of these two operating segments we also break out our Corporate entity which functions as a cost center accumulating expenses that do not directly relate to the reportable segments operations. As such, our Chief Operating Decision Maker (CODM) (our Chief Financial Officer) ensures that these expenses are separated in order to properly evaluate the two main reportable segments as presented below. We have disclosed for each reportable segment the significant expense categories that are reviewed by CODM in the tables below and there are no additional significant expenses within the expense categories presented. The key areas of focus by CODM for allocation of resources are revenues from each reportable segment, as well as their cost of merchandise sold, payroll related costs, and operating expenses (these figures are presented both pre-elimination and post-elimination with a line clearly distinguishing the elimination amounts). While CODM analyzes these categories, the area of focus is period over period fluxes to determine that the right allocation of resources is attributed to each segment in order to ensure profitability is maximized. Gross profit is not shown on the Unaudited Condensed Consolidated Statements of Income but is a metric that CODM uses to assess segment performance and as such is included in the tables below. In computing operating income, none of the following items have been included: interest expense, other non-operating income and expenses and income taxes. Identifiable assets by segment are those assets that are used in our operations in each segment. Corporate assets are principally cash and real property, improvements, furniture, equipment and vehicles used at our corporate headquarters. We do not have any operations outside of the United States and transactions between restaurants and package liquor stores are not material. The accounting policies of the segments are the same as those described in the summary of significant accounting policies. CODM analyzes each segment's income from operations for making decisions regarding resource allocation. Information concerning the revenues and operating income for the quarters ended June 27, 2026, and June 28, 2025, and identifiable assets for the two reportable segments in which we operate, are shown in the following tables.

Thirteen Weeks Ended June 27, 2026

(in thousands)

	<i>Restaurant</i>	<i>Package</i>	<i>Corporate</i>	<i>Eliminations</i>	Total
REVENUES:					
Restaurant food sales	\$ 34,436	\$ —	\$ —	\$ —	\$ 34,436
Intersegment revenues	1,358	—	—	(1,358)	—
Restaurant bar sales	8,242	—	—	—	8,242
Package store sales	—	12,979	—	—	12,979
TOTAL REVENUE:	44,036	12,979	—	(1,358)	55,657
COST OF MERCHANDISE SOLD:					
Cost of merchandise sold:	13,689	9,850	—	—	23,539
Intersegment cost of merchandise sold	1,358	—	—	(1,358)	—
TOTAL COST OF MERCHANDISE SOLD:	15,047	9,850	—	(1,358)	23,539
GROSS PROFIT:	28,989	3,129	—	—	32,118
ADDITIONAL REVENUES:					
Franchise-related revenues	—	—	457	—	457
Intersegment franchise-related revenues	—	—	1,529	(1,529)	—
Intersegment partnership income	—	—	628	(628)	—
Other revenues	56	—	33	—	89
TOTAL ADDITIONAL REVENUES:	56	—	2,647	(2,157)	546
ADDITIONAL EXPENSES:					
Payroll and related costs	13,765	909	2,124	—	16,798
Operating expenses	5,872	888	400	—	7,160
Intersegment operating expenses	681	—	777	(1,458)	—
Occupancy costs	1,755	212	124	—	2,091
Intersegment occupancy costs	168	51	—	(219)	—
Selling, general and administrative expenses	325	38	1,049	—	1,412
Intersegment selling, general and administrative expenses	—	—	72	(72)	—
Depreciation and amortization	964	131	108	—	1,203
TOTAL ADDITIONAL EXPENSES:	23,530	2,229	4,654	(1,749)	28,664
Income (Loss) from Operations	5,515	900	(2,007)	(408)	4,000
OTHER INCOME (EXPENSE):					
Interest expense	—	—	(384)	—	(384)
Intersegment interest expense	—	—	(2)	2	—
Interest and other income	—	37	34	—	71
Intersegment interest and other income	—	—	2	(2)	—
Rental income	—	—	296	—	296
Intersegment rental income	—	—	219	(219)	—
Rental expense	—	—	(144)	—	(144)
Loss on extinguishment of debt	—	—	(40)	—	(40)
	—	37	(19)	(219)	(201)
Income (loss) before provision for income taxes:	5,515	937	(2,026)	(627)	3,799
Provision for income taxes	—	—	(339)	—	(339)
Net Income (Loss)	5,515	937	(2,365)	(627)	3,460
Less: Net Income attributable to noncontrolling interests	(1,399)	—	—	—	(1,399)
Net Income (Loss) attributable to Flanigan's Enterprises, Inc.	\$ 4,116	\$ 937	\$ (2,365)	\$ (627)	\$ 2,061

Thirteen Weeks Ended June 28, 2025

(in thousands)

	<i>Restaurant</i>	<i>Package</i>	<i>Corporate</i>	<i>Eliminations</i>	Total
REVENUES:					
Restaurant food sales	\$ 31,933	\$ —	\$ —	\$ —	\$ 31,933
Intersegment revenues	1,189	—	—	(1,189)	—
Restaurant bar sales	7,931	—	—	—	7,931
Package store sales	—	11,522	—	—	11,522
TOTAL REVENUE:	41,053	11,522	—	(1,189)	51,386
COST OF MERCHANDISE SOLD:					
Cost of merchandise sold:	12,963	8,779	—	—	21,742
Intersegment cost of merchandise sold	1,189	—	—	(1,189)	—
TOTAL COST OF MERCHANDISE SOLD:	14,152	8,779	—	(1,189)	21,742
GROSS PROFIT:	26,901	2,743	—	—	29,644
ADDITIONAL REVENUES:					
Franchise-related revenues	—	—	442	—	442
Intersegment franchise-related revenues	—	—	1,386	(1,386)	—
Intersegment partnership income	—	—	580	(580)	—
Other revenues	39	—	27	—	66
TOTAL ADDITIONAL REVENUES:	39	—	2,435	(1,966)	508
ADDITIONAL EXPENSES:					
Payroll and related costs	13,104	928	2,074	—	16,106
Operating expenses	5,795	796	381	—	6,972
Intersegment operating expenses	636	—	680	(1,316)	—
Occupancy costs	1,704	179	98	—	1,981
Intersegment occupancy costs	166	49	—	(215)	—
Selling, general and administrative expenses	381	42	651	—	1,074
Intersegment selling, general and administrative expenses	—	—	72	(72)	—
Depreciation and amortization	880	127	160	—	1,167
TOTAL ADDITIONAL EXPENSES:	22,666	2,121	4,116	(1,603)	27,300
Income (Loss) from Operations	4,274	622	(1,681)	(363)	2,852
OTHER INCOME (EXPENSE):					
Interest expense	—	—	(237)	—	(237)
Intersegment interest expense	—	—	(2)	2	—
Interest and other income (expense)	2	24	(32)	—	(6)
Intersegment interest and other income	—	—	2	(2)	—
Rental income	—	—	270	—	270
Intersegment rental income	—	—	216	(216)	—
Rental expense	—	—	(148)	—	(148)
	2	24	69	(216)	(121)
Income (loss) before provision for income taxes:	4,276	646	(1,612)	(579)	2,731
Provision for income taxes	—	—	(242)	—	(242)
Net Income (Loss)	4,276	646	(1,854)	(579)	2,489
Less: Net Income attributable to noncontrolling interests	(1,097)	—	—	—	(1,097)
Net Income (Loss) attributable to Flanigan's Enterprises, Inc.	\$ 3,179	\$ 646	\$ (1,854)	\$ (579)	\$ 1,392

Thirty-Nine Weeks Ended June 27, 2026

(in thousands)

	<i>Restaurant</i>	<i>Package</i>	<i>Corporate</i>	<i>Eliminations</i>	Total
REVENUES:					
Restaurant food sales	\$ 99,976	\$ —	\$ —	\$ —	\$ 99,976
Intersegment revenues	3,844	—	—	(3,844)	—
Restaurant bar sales	24,488	—	—	—	24,488
Package store sales	—	39,219	—	—	39,219
TOTAL REVENUE:	128,308	39,219	—	(3,844)	163,683
COST OF MERCHANDISE SOLD:					
Cost of merchandise sold:	40,909	29,632	—	—	70,541
Intersegment cost of merchandise sold	3,844	—	—	(3,844)	—
TOTAL COST OF MERCHANDISE SOLD:	44,753	29,632	—	(3,844)	70,541
GROSS PROFIT:	83,555	9,587	—	—	93,142
ADDITIONAL REVENUES:					
Franchise-related revenues	—	—	1,368	—	1,368
Intersegment franchise-related revenues	—	—	4,500	(4,500)	—
Intersegment partnership income	—	—	1,550	(1,550)	—
Other revenues	153	—	82	—	235
TOTAL ADDITIONAL REVENUES:	153	—	7,500	(6,050)	1,603
ADDITIONAL EXPENSES:					
Payroll and related costs	41,046	2,790	6,143	—	49,979
Operating expenses	17,079	2,599	1,159	—	20,837
Intersegment operating expenses	1,994	—	2,292	(4,286)	—
Occupancy costs	5,218	637	343	—	6,198
Intersegment occupancy costs	503	151	—	(654)	—
Selling, general and administrative expenses	1,201	132	2,973	—	4,306
Intersegment selling, general and administrative expenses	—	—	215	(215)	—
Depreciation and amortization	2,723	390	474	—	3,587
TOTAL ADDITIONAL EXPENSES:	69,764	6,699	13,599	(5,155)	84,907
Income (Loss) from Operations	13,944	2,888	(6,099)	(895)	9,838
OTHER INCOME (EXPENSE):					
Interest expense	—	—	(878)	—	(878)
Intersegment interest expense	—	—	(6)	6	—
Interest and other income	—	91	174	—	265
Intersegment interest and other income	—	—	6	(6)	—
Rental income	—	—	917	—	917
Intersegment rental income	—	—	654	(654)	—
Rental expense	—	—	(411)	—	(411)
Loss on extinguishment of debt	—	—	(40)	—	(40)
Gain on sale of property and equipment	—	—	19	—	19
	—	91	435	(654)	(128)
Income (loss) before provision for income taxes:	13,944	2,979	(5,664)	(1,549)	9,710
Provision for income taxes	—	—	(913)	—	(913)
Net Income (Loss)	13,944	2,979	(6,577)	(1,549)	8,797
Less: Net Income attributable to noncontrolling interests	(3,056)	—	—	—	(3,056)
Net Income (Loss) attributable to Flanigan's Enterprises, Inc.	\$ 10,888	\$ 2,979	\$ (6,577)	\$ (1,549)	\$ 5,741

Thirty-Nine Weeks Ended June 28, 2025

(in thousands)

	<i>Restaurant</i>	<i>Package</i>	<i>Corporate</i>	<i>Eliminations</i>	Total
REVENUES:					
Restaurant food sales	\$ 93,645	\$ —	\$ —	\$ —	\$ 93,645
Intersegment revenues	3,293	—	—	(3,293)	—
Restaurant bar sales	24,087	—	—	—	24,087
Package store sales	—	36,008	—	—	36,008
TOTAL REVENUE:	121,025	36,008	—	(3,293)	153,740
COST OF MERCHANDISE SOLD:					
Cost of merchandise sold:	39,727	26,929	—	—	66,656
Intersegment cost of merchandise sold	3,293	—	—	(3,293)	—
TOTAL COST OF MERCHANDISE SOLD:	43,020	26,929	—	(3,293)	66,656
GROSS PROFIT:	78,005	9,079	—	—	87,084
ADDITIONAL REVENUES:					
Franchise-related revenues	—	—	1,332	—	1,332
Intersegment franchise-related revenues	—	—	4,216	(4,216)	—
Intersegment partnership income	—	—	1,213	(1,213)	—
Other revenues	112	—	64	—	176
TOTAL ADDITIONAL REVENUES:	112	—	6,825	(5,429)	1,508
ADDITIONAL EXPENSES:					
Payroll and related costs	39,351	2,673	6,012	—	48,036
Operating expenses	16,622	2,283	1,209	—	20,114
Intersegment operating expenses	1,888	—	2,114	(4,002)	—
Occupancy costs	5,004	570	274	—	5,848
Intersegment occupancy costs	499	145	—	(644)	—
Selling, general and administrative expenses	1,241	128	2,631	—	4,000
Intersegment selling, general and administrative expenses	—	—	215	(215)	—
Depreciation and amortization	2,647	378	449	—	3,474
TOTAL ADDITIONAL EXPENSES:	67,252	6,177	12,904	(4,861)	81,472
Income (Loss) from Operations	10,865	2,902	(6,079)	(568)	7,120
OTHER INCOME (EXPENSE):					
Interest expense	—	—	(722)	—	(722)
Intersegment interest expense	—	—	(6)	6	—
Interest and other income	10	64	236	—	310
Intersegment interest and other income	—	—	6	(6)	—
Rental Income	—	—	810	—	810
Intersegment rental income	—	—	645	(645)	—
Rental expense	—	—	(463)	—	(463)
	10	64	506	(645)	(65)
Income (loss) before provision for income taxes:	10,875	2,966	(5,573)	(1,213)	7,055
Provision for income taxes	—	—	(588)	—	(588)
Net Income (Loss)	10,875	2,966	(6,161)	(1,213)	6,467
Less: Net Income attributable to noncontrolling interests	(2,330)	—	—	—	(2,330)
Net Income (Loss) attributable to Flanigan's Enterprises, Inc.	\$ 8,545	\$ 2,966	\$ (6,161)	\$ (1,213)	\$ 4,137

	(in thousands)			
	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Capital Expenditures:				
Restaurants	\$ 9,275	\$ 2,983	\$ 10,467	\$ 4,100
Package stores	85	24	229	201
Corporate	92	218	409	655
Consolidated Totals	<u>\$ 9,452</u>	<u>\$ 3,225</u>	<u>\$ 11,105</u>	<u>\$ 4,956</u>

	(in thousands)	
	June 27, 2026	September 27 2025
Identifiable Assets:		
Restaurants	\$ 85,074	\$ 76,500
Package stores	24,002	24,053
Corporate	48,457	40,070
Consolidated Totals	<u>\$ 157,533</u>	<u>\$ 140,623</u>

(11) SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the date the unaudited condensed financial statements were issued and no events required adjustments or disclosure.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Reported financial results may not be indicative of the financial results of future periods. All non-historical information contained in the following discussion constitutes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Words such as “anticipates, appears, expects, trends, intends, hopes, plans, believes, seeks, estimates, may, will,” and variations of these words or similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve a number of risks and uncertainties, including but not limited to customer demand and competitive conditions. Factors that could cause actual results to differ materially are included in, but not limited to, those identified in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in our periodic reports, including our Annual Report on Form 10-K for the fiscal year ended September 27, 2025. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may reflect events or circumstances after the date of this report.

OVERVIEW

As of June 27, 2026, Flanigan’s Enterprises, Inc., a Florida corporation, together with its subsidiaries (“we”, “our”, “ours” and “us” as the context requires), (i) operates thirty-two units, consisting of restaurants, package liquor stores, combination restaurant/package liquor stores and a sports bar that we either own or have operational control over and partial ownership in; and (ii) franchises an additional five units, consisting of two restaurants (one of which we operate) and three combination restaurant/package liquor stores. The table below provides information concerning the type (i.e. restaurant, sports bar, package liquor store or combination restaurant/package liquor store) and ownership of the units (i.e. whether (i) we own 100% of the unit; (ii) the unit is owned by a limited partnership of which we are the sole general partner and/or have invested in; or (iii) the unit is franchised by us), as of June 27, 2026 and as compared to September 27, 2025. With the exception of “The Whale’s Rib,” a restaurant we operate but do not own, and “Brendan’s Sports Pub” a restaurant/bar we own, all of the restaurants operate under our service marks “Flanigan’s Seafood Bar and Grill” or “Flanigan’s” and all of the package liquor stores operate under our service marks “Big Daddy’s Liquors” or “Big Daddy’s Wine & Liquors”.

	June 27, 2026	September 27, 2025
TYPES OF UNITS		
<u>Company Owned:</u>		
Combination package liquor store and restaurant	2	2
Restaurant only, including sports bar	9	9
Package liquor store only	9	9
<u>Company Managed Restaurants Only:</u>		
Limited partnerships	10	10
Franchise	1	1
Unrelated Third Party	1	1
Total Company Owned/Operated Units	32	32
Franchised Units	5	5 (1)

Notes:

(1) We operate a restaurant for one (1) franchisee. This unit is included in the table both as a franchised restaurant, as well as a restaurant operated by us.

Franchise Financial Arrangement: In exchange for providing management and related services to our franchisees and granting them the right to use our service marks “Flanigan’s Seafood Bar and Grill” and “Big Daddy’s Liquors”, our franchisees (four of which are franchised to members of the family of our Chairman of the Board, officers and/or directors), are required to (i) pay to us a royalty equal to 1% of gross package store sales and 3% of gross restaurant sales; and (ii) make advertising expenditures equal to between 1.5% to 3% of all gross sales based upon our actual advertising costs allocated between stores, pro-rata, based upon gross sales.

Limited Partnership Financial Arrangement: We manage and control the operations of all restaurants owned by limited partnerships, except the Fort Lauderdale, Florida restaurant which is owned by a related franchisee. Accordingly, the results of operations of all limited partnership owned restaurants, except the Fort Lauderdale, Florida restaurant are consolidated into our operations for accounting purposes. The results of operations of the Fort Lauderdale, Florida restaurant are accounted for by us utilizing the equity method of accounting. In general, until the investors’ cash investment in a limited partnership (including any cash invested by us and our affiliates) is returned in full, the limited partnership distributes to the investors annually out of available cash from the operation of the restaurant up to 25% of the cash invested in the limited partnership, with no management fee paid to us. Any available cash in excess of the 25% of the cash invested in the limited partnership distributed to the investors annually, is paid one-half (½) to us as a management fee, with the balance distributed to the investors as a return of capital. Once the investors in the limited partnership have received, in full, amounts equal to their cash invested, an annual management fee is payable to us equal to one-half (½) of cash available to the limited partnership, with the other one half (½) of available cash distributed to the investors (including us and our affiliates), as a profit distribution. As of June 27, 2026, all limited partnerships, with the exception of the limited partnership which owns the restaurant in Sunrise, Florida (Store #85), which opened for business in March 2022 and the limited partnership which owns the restaurant in Miramar, Florida (Store #25), which opened for business in April 2023, have returned all cash invested and we receive an annual management fee equal to one-half (½) of the cash available for distribution by the limited partnership. In addition to receipt of distributable amounts from the limited partnerships, we receive a fee equal to 3% of gross sales for use of the service mark “Flanigan’s Seafood Bar and Grill” or “Flanigan’s”.

RESULTS OF OPERATIONS

	Thirteen Weeks Ended			
	June 27, 2026		June 28, 2025	
	Amount	Percent	Amount	Percent
	(in thousands)		(in thousands)	
Restaurant food sales	\$ 34,436	61.87	\$ 31,933	62.15
Restaurant bar sales	8,242	14.81	7,931	15.43
Package store sales	12,979	23.32	11,522	22.42
Total Sales	\$ 55,657	100.00	\$ 51,386	100.00
Franchise-related revenues	457		442	
Other revenues	89		66	
Total Revenue	\$ 56,203		\$ 51,894	

	Thirty-Nine Weeks Ended			
	June 27, 2026		June 28, 2025	
	Amount	Percent	Amount	Percent
	(in thousands)		(in thousands)	
Restaurant food sales	\$ 99,976	61.08	\$ 93,645	60.91
Restaurant bar sales	24,488	14.96	24,087	15.67
Package store sales	39,219	23.96	36,008	23.42
Total Sales	\$ 163,683	100.00	\$ 153,740	100.00
Franchise-related revenues	1,368		1,332	
Other revenues	235		176	
Total Revenue	\$ 165,286		\$ 155,248	

Comparison of Thirteen Weeks Ended June 27, 2026 and June 28, 2025.

Revenues. Total revenue for the thirteen weeks ended June 27, 2026 increased \$4,309,000 or 8.30% to \$56,203,000 from \$51,894,000 for the thirteen weeks ended June 28, 2025 due primarily to increased menu prices and higher restaurant and package liquor store traffic. Effective March 1, 2026, we increased our menu prices for our bar offerings to target an increase to our bar revenues of approximately 3.68% annually and we increased our menu prices for our food offerings to target an increase to our food revenues of approximately 3.25% annually. Effective February 23, 2025, we increased our menu prices for our bar offerings to target an increase to our bar revenues of approximately 0.84% annually. Effective December 4, 2024, we increased our menu prices for our bar offerings to target an increase to our bar revenues of approximately 4.90% annually and effective November 17, 2024 we increased our menu prices for our food offerings to target an increase to our food revenues of approximately 4.14% annually (collectively the “Recent Price Increases”).

Restaurant Food Sales. Restaurant revenue generated from the sale of food, including non-alcoholic beverages, at restaurants totaled \$34,436,000 for the thirteen weeks ended June 27, 2026 as compared to \$31,933,000 for the thirteen weeks ended June 28, 2025. This increase in restaurant food sales is attributable to the Recent Price Increases and increased restaurant traffic. Comparable weekly restaurant food sales for restaurants open for all of the thirteen weeks ended June 27, 2026 and June 28, 2025 respectively, which consists of eleven restaurants owned by us and ten restaurants owned by affiliated limited partnerships was \$2,623,000 and \$2,431,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 7.90%. Comparable weekly restaurant food sales for Company-owned restaurants was \$1,243,000 and \$1,153,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 7.81%. Comparable weekly restaurant food sales for affiliated limited partnership owned restaurants only was \$1,380,000 and \$1,278,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 7.98%. We expect that restaurant food sales, including non-alcoholic beverages, for the balance of our fiscal year 2026 will increase due to the Recent Price Increases.

Restaurant Bar Sales. Restaurant revenue generated from the sale of alcoholic beverages at restaurants totaled \$8,242,000 for the thirteen weeks ended June 27, 2026 as compared to \$7,931,000 for the thirteen weeks ended June 28, 2025. The increase in restaurant bar sales during the thirteen weeks ended June 27, 2026 is primarily due to the Recent Price Increases, partially offset by the softening of alcohol consumption at our restaurants. Comparable weekly restaurant bar sales for restaurants open for all of the thirteen weeks ended June 27, 2026 and June 28, 2025, which consists of eleven restaurants owned by us and ten restaurants owned by affiliated limited partnerships was \$634,000 and \$610,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 3.93%. Comparable weekly restaurant bar sales for Company-owned restaurants only was \$277,000 and \$268,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 3.36%. Comparable weekly restaurant bar sales for affiliated limited partnership owned restaurants only was \$357,000 and \$342,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, an increase of 4.39%. We expect that restaurant bar sales for the balance of our fiscal year 2026 will increase due to the Recent Price Increases, partially offset by the softening of alcohol consumption at our restaurants.

Package Store Sales. Revenue generated from sales of liquor and related items at package liquor stores totaled \$12,979,000 for the thirteen weeks ended June 27, 2026 as compared to \$11,522,000 for the thirteen weeks ended June 28, 2025, an increase of \$1,457,000. This increase was primarily due to increased package liquor store traffic, including e-commerce sales. The weekly average of same store package liquor store sales, which includes eleven Company-owned package liquor stores was \$998,000 and \$886,000 for the thirteen weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 12.64%. We expect that package liquor store sales for the balance of our fiscal year 2026 will increase due to increased package liquor store traffic, including from e-commerce.

Costs and Expenses. Costs and expenses (consisting of cost of merchandise sold, payroll and related costs, operating expenses, occupancy costs, selling, general and administrative expenses and depreciation and amortization), for the thirteen weeks ended June 27, 2026 increased \$3,161,000 or 6.45% to \$52,203,000 from \$49,042,000 for the thirteen weeks ended June 28, 2025. The increase was primarily due to increased cost of merchandise sold, payroll costs, operating expenses and selling, general and administrative expenses, partially offset by actions taken by management to reduce and/or control costs. We anticipate that our costs and expenses will continue to increase through the balance of our fiscal year 2026. Costs and expenses decreased as a percentage of total revenue to approximately 92.88% for the thirteen weeks ended June 27, 2026 from 94.50% for the thirteen weeks ended June 28, 2025.

Gross Profit. Gross profit is calculated by subtracting the cost of merchandise sold from sales.

Restaurant Food Sales and Bar Sales. Gross profit for food and bar sales for the thirteen weeks ended June 27, 2026 increased to \$28,989,000 from \$26,901,000 for the thirteen weeks ended June 28, 2025. Our gross profit margin for restaurant food and bar sales (calculated as gross profit reflected as a percentage of restaurant food and bar sales), increased to 67.92% for the thirteen weeks ended June 27, 2026 as compared to 67.48% for the thirteen weeks ended June 28, 2025 due primarily to the Recent Price Increases.

Package Store Sales. Gross profit for package store sales for the thirteen weeks ended June 27, 2026 increased \$386,000 to \$3,129,000 from \$2,743,000 for the thirteen weeks ended June 28, 2025. Our gross profit margin (calculated as gross profit reflected as a percentage of package liquor store sales), for package store sales increased to 24.11% for the thirteen weeks ended June 27, 2026, as compared to 23.81% for the thirteen weeks ended June 28, 2025, primarily due to lower costs for select product offerings and effective promotional activity, partially offset by competitive pricing strategies. We anticipate that the gross profit margin for package liquor store merchandise will decrease for the balance of our fiscal 2026 due to higher overall costs and a reduction in pricing of certain package store merchandise to remain competitive.

Payroll and Related Costs. Payroll and related costs for the thirteen weeks ended June 27, 2026 increased \$692,000 or 4.30% to \$16,798,000 from \$16,106,000 for the thirteen weeks ended June 28, 2025. Payroll and related costs for the thirteen weeks ended June 27, 2026 were higher due primarily to the Florida minimum wage increase. Payroll and related costs as a percentage of total revenue was 29.89% for the thirteen weeks ended June 27, 2026 and 31.04% of total revenue for the thirteen weeks ended June 28, 2025.

Operating Expenses. Operating expenses (including but not limited to utilities, insurance, cleaning, credit card fees, supplies, security, and other costs closely related to operating restaurant and package stores) for the thirteen weeks ended June 27, 2026 increased \$188,000 or 2.70% to \$7,160,000 from \$6,972,000 for the thirteen weeks ended June 28, 2025 due primarily to inflation and increases in expenses across all categories.

Occupancy Costs. Occupancy costs (consisting of percentage rent, common area maintenance, repairs, real property taxes, amortization of leasehold interests and rent expense associated with operating lease liabilities under ASC 842) for the thirteen weeks ended June 27, 2026 increased \$110,000 or 5.55% to \$2,091,000 from \$1,981,000 for the thirteen weeks ended June 28, 2025.

Selling, General and Administrative Expenses. Selling, general and administrative expenses (consisting of general corporate expenses, including but not limited to advertising, professional costs, clerical and administrative overhead) for the thirteen weeks ended June 27, 2026 increased \$338,000 or 31.47% to \$1,412,000 from \$1,074,000 for the thirteen weeks ended June 28, 2025 due primarily to increased legal costs. Selling, general and administrative expenses increased as a percentage of total revenue for the thirteen weeks ended June 27, 2026 to 2.51% as compared to 2.07% for the thirteen weeks ended June 28, 2025.

Depreciation and Amortization. Depreciation and amortization expense for the thirteen weeks ended June 27, 2026 increased \$36,000 or 3.08% to \$1,203,000 from \$1,167,000 for the thirteen weeks ended June 28, 2025. Depreciation and amortization decreased as a percentage of total revenue for the thirteen weeks ended June 27, 2026 to 2.14% as compared to 2.25% for the thirteen weeks ended June 28, 2025.

Interest Expense, Net. Interest expense, net, for the thirteen weeks ended June 27, 2026 increased \$147,000 to \$384,000 from \$237,000 for the thirteen weeks ended June 28, 2025 due to the two new mortgages on store #19 and store #75 and the Calusa refinancing.

Rental Income / Rental Expense. Rental income was \$296,000 and rental expense was \$144,000 for the thirteen weeks ended June 27, 2026, while rental income was \$270,000 and rental expense was \$148,000 for the thirteen weeks ended June 28, 2025. Previously, rental income was presented in Revenues and rental expense was presented in Occupancy costs, Operating expenses and Selling, general and administrative expenses, however, both rental income and rental expense are now presented in Other Income.

Income Taxes. Income tax expense for the thirteen weeks ended June 27, 2026 was \$339,000 compared to \$242,000 for the thirteen weeks ended June 28, 2025. This is primarily due to the tax expense that is anticipated based on the projected pre-tax income and permanent differences.

Net Income. Net income for the thirteen weeks ended June 27, 2026 increased \$971,000 or 39.01% to \$3,460,000 from \$2,489,000 for the thirteen weeks ended June 28, 2025 due primarily to the Recent Price Increases, partially offset by overall increased expenses. As a percentage of total revenue, net income for the thirteen weeks ended June 27, 2026 is 6.16% as compared to 4.80% for the thirteen weeks ended June 28, 2025.

Net Income attributable to Flanigan's Enterprises, Inc. Stockholders. Net income attributable to Flanigan's Enterprises, Inc. stockholders for the thirteen weeks ended June 27, 2026 increased \$669,000 or 48.06% to \$2,061,000 from \$1,392,000 for the thirteen weeks ended June 28, 2025 due primarily to the Recent Price Increases, partially offset by overall increased expenses. As a percentage of total revenue, net income attributable to stockholders for the thirteen weeks ended June 27, 2026 is 3.67% as compared to 2.68% for the thirteen weeks ended June 28, 2025.

Comparison of Thirty-Nine Weeks Ended June 27, 2026 and June 28, 2025.

Revenues. Total revenue for the thirty-nine weeks ended June 27, 2026 increased \$10,038,000 or 6.47% to \$165,286,000 from \$155,248,000 for the thirty-nine weeks ended June 28, 2025 due primarily to the Recent Price Increases and higher restaurant and package liquor store traffic.

Restaurant Food Sales. Restaurant revenue generated from the sale of food, including non-alcoholic beverages, at restaurants totaled \$99,976,000 for the thirty-nine weeks ended June 27, 2026 as compared to \$93,645,000 for the thirty-nine weeks ended June 28, 2025. This increase in restaurant food sales is attributable to the Recent Price Increases and increased restaurant traffic. Comparable weekly restaurant food sales for restaurants open for all of the thirty-nine weeks ended June 27, 2026 and June 28, 2025 respectively, which consists of eleven restaurants owned by us and ten restaurants owned by affiliated limited partnerships was \$2,538,000 and \$2,378,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 6.73%. Comparable weekly restaurant food sales for Company-owned restaurants was \$1,205,000 and \$1,128,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 6.83%. Comparable weekly restaurant food sales for affiliated limited partnership owned restaurants only was \$1,333,000 and \$1,250,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 6.64%. We expect that restaurant food sales, including non-alcoholic beverages, for the balance of our fiscal year 2026 will increase due to the Recent Price Increases.

Restaurant Bar Sales. Restaurant revenue generated from the sale of alcoholic beverages at restaurants totaled \$24,488,000 for the thirty-nine weeks ended June 27, 2026 as compared to \$24,087,000 for the thirty-nine weeks ended June 28, 2025. The increase in restaurant bar sales during the thirty-nine weeks ended June 27, 2026 is primarily due to the Recent Price Increases, partially offset by the softening of alcohol consumption at our restaurants. Comparable weekly restaurant bar sales for restaurants open for all of the thirty-nine weeks ended June 27, 2026 and June 28, 2025, which consists of eleven restaurants owned by us and ten restaurants owned by affiliated limited partnerships was \$628,000 and \$618,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 1.62%. Comparable weekly restaurant bar sales for Company-owned restaurants only was \$278,000 and \$276,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 0.72%. Comparable weekly restaurant bar sales for affiliated limited partnership owned restaurants only was \$350,000 and \$342,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, an increase of 2.34%. We expect that restaurant bar sales for the balance of our fiscal year 2026 will increase due to the Recent Price Increases, partially offset by the softening of alcohol consumption at our restaurants.

Package Store Sales. Revenue generated from sales of liquor and related items at package liquor stores totaled \$39,219,000 for the thirty-nine weeks ended June 27, 2026 as compared to \$36,008,000 for the thirty-nine weeks ended June 28, 2025, an increase of \$3,211,000. This increase was primarily due to increased package liquor store traffic, including e-commerce sales. The weekly average of same store package liquor store sales, which includes eleven Company-owned package liquor stores was \$1,006,000 and \$923,000 for the thirty-nine weeks ended June 27, 2026 and June 28, 2025, respectively, an increase of 8.99%. We expect that package liquor store sales for the balance of our fiscal year 2026 will increase due to increased package liquor store traffic, including from e-commerce.

Costs and Expenses. Costs and expenses (consisting of cost of merchandise sold, payroll and related costs, operating expenses, occupancy costs, selling, general and administrative expenses and depreciation and amortization), for the thirty-nine weeks ended June 27, 2026 increased \$7,320,000 or 4.94% to \$155,448,000 from \$148,128,000 for the thirty-nine weeks ended June 28, 2025. The increase was primarily due to increased cost of merchandise sold, payroll and operating expenses partially offset by actions taken by management to reduce and/or control costs. We anticipate that our costs and expenses will continue to increase through the balance of our fiscal year 2026. Costs and expenses decreased as a percentage of total revenue to approximately 94.05% for the thirty-nine weeks ended June 27, 2026 from 95.41% for the thirty-nine weeks ended June 28, 2025.

Gross Profit. Gross profit is calculated by subtracting the cost of merchandise sold from sales.

Restaurant Food Sales and Bar Sales. Gross profit for food and bar sales for the thirty-nine weeks ended June 27, 2026 increased to \$83,555,000 from \$78,005,000 for the thirty-nine weeks ended June 28, 2025. Our gross profit margin for restaurant food and bar sales (calculated as gross profit reflected as a percentage of restaurant food and bar sales), increased to 67.13% for the thirty-nine weeks ended June 27, 2026 as compared to 66.26% for the thirty-nine weeks ended June 28, 2025 due primarily to the Recent Price Increases.

Package Store Sales. Gross profit for package store sales for the thirty-nine weeks ended June 27, 2026 increased to \$9,587,000 from \$9,079,000 for the thirty-nine weeks ended June 28, 2025. Our gross profit margin (calculated as gross profit reflected as a percentage of package liquor store sales), for package store sales decreased to 24.44% for the thirty-nine weeks ended June 27, 2026, as compared to 25.21% for the thirty-nine weeks ended June 28, 2025, due primarily to higher costs and competitive pricing strategies. We anticipate that the gross profit margin for package liquor store merchandise will decrease for the balance of our fiscal 2026 due to higher costs and a reduction in pricing of certain package store merchandise to remain competitive.

Payroll and Related Costs. Payroll and related costs for the thirty-nine weeks ended June 27, 2026 increased \$1,943,000 or 4.04% to \$49,979,000 from \$48,036,000 for the thirty-nine weeks ended June 28, 2025. Payroll and related costs for the thirty-nine weeks ended June 27, 2026 were higher due primarily to the Florida minimum wage increase. Payroll and related costs as a percentage of total revenue was 30.24% for the thirty-nine weeks ended June 27, 2026 and 30.94% of total revenue for the thirty-nine weeks ended June 28, 2025.

Operating Expenses. Operating expenses (including but not limited to utilities, insurance, cleaning, credit card fees, supplies, security, and other costs closely related to operating restaurant and package stores) for the thirty-nine weeks ended June 27, 2026 increased \$723,000 or 3.59% to \$20,837,000 from \$20,114,000 for the thirty-nine weeks ended June 28, 2025 due primarily to inflation and increases in expenses across all categories.

Occupancy Costs. Occupancy costs (consisting of percentage rent, common area maintenance, repairs, real property taxes, amortization of leasehold interests and rent expense associated with operating lease liabilities under ASC 842) for the thirty-nine weeks ended June 27, 2026 increased \$350,000 or 5.98% to \$6,198,000 from \$5,848,000 for the thirty-nine weeks ended June 28, 2025.

Selling, General and Administrative Expenses. Selling, general and administrative expenses (consisting of general corporate expenses, including but not limited to advertising, professional costs, clerical and administrative overhead) for the thirty-nine weeks ended June 27, 2026 increased \$306,000 or 7.65% to \$4,306,000 from \$4,000,000 for the thirty-nine weeks ended June 28, 2025 due primarily to increased legal costs. Selling, general and administrative expenses increased as a percentage of total revenue for the thirty-nine weeks ended June 27, 2026 to 2.61% as compared to 2.58% for the thirty-nine weeks ended June 28, 2025.

Depreciation and Amortization. Depreciation and amortization expense for the thirty-nine weeks ended June 27, 2026 increased \$113,000 or 3.25% to \$3,587,000 from \$3,474,000 for the thirty-nine weeks ended June 28, 2025. Depreciation and amortization decreased as a percentage of total revenue for the thirty-nine weeks ended June 27, 2026 to 2.17% as compared to 2.24% for the thirty-nine weeks ended June 28, 2025.

Interest Expense, Net. Interest expense, net, for the thirty-nine weeks ended June 27, 2026 increased \$156,000 to \$878,000 from \$722,000 for the thirty-nine weeks ended June 28, 2025 due to the two new mortgages on store #19 and store #75 and the Calusa refinancing.

Rental Income / Rental Expense. Rental income was \$917,000 and rental expense was \$411,000 for the thirty-nine weeks ended June 27, 2026, while rental income was \$810,000 and rental expense was \$463,000 for the thirty-nine weeks ended June 28, 2025. Previously, rental income was presented in Revenues and rental expense was presented in Occupancy costs, Operating expenses and Selling, general and administrative expenses, however, both rental income and rental expense are now presented in Other Income.

Income Taxes. Income tax expense for the thirty-nine weeks ended June 27, 2026 was \$913,000 compared to \$588,000 for the thirty-nine weeks ended June 28, 2025. This is primarily due to the tax expense that is anticipated based on the projected pre-tax income and permanent differences.

Net Income. Net income for the thirty-nine weeks ended June 27, 2026 increased \$2,330,000 or 36.03% to \$8,797,000 from \$6,467,000 for the thirty-nine weeks ended June 28, 2025 due primarily to the Recent Price Increases, partially offset by overall increased expenses. As a percentage of total revenue, net income for the thirty-nine weeks ended June 27, 2026 is 5.32% as compared to 4.17% for the thirty-nine weeks ended June 28, 2025.

Net Income attributable to Flanigan's Enterprises, Inc. Stockholders. Net income attributable to Flanigan's Enterprises, Inc. stockholders for the thirty-nine weeks ended June 27, 2026 increased \$1,604,000 or 38.77% to \$5,741,000 from \$4,137,000 for the thirty-nine weeks ended June 28, 2025 due primarily to the Recent Price Increases, partially offset by overall increased expenses. As a percentage of total revenue, net income attributable to stockholders for the thirty-nine weeks ended June 27, 2026 is 3.47% as compared to 2.66% for the thirty-nine weeks ended June 28, 2025.

Menu Price Increases and Trends

During the second quarter of our fiscal year 2026, we increased our menu prices for our bar offerings (effective March 1, 2026) to target an increase to our bar revenues of approximately 3.68% annually and we increased our menu prices for our food offerings (effective March 1, 2026) to target an increase to our food revenues of approximately 3.25% annually to offset higher food and liquor costs and higher overall expenses. During the second quarter of our fiscal year 2025, we increased our menu prices for our bar offerings (effective February 23, 2025) to target an increase to our bar revenues of approximately 0.84% annually to offset higher food and liquor costs and higher overall expenses. During the first quarter of our fiscal year 2025, we increased our menu prices for our bar offerings (effective December 4, 2024) to target an increase to our bar revenues of approximately 4.90% annually and we increased our menu prices for our food offerings (effective November 17, 2024) to target an increase to our food revenues of approximately 4.14% annually to offset higher food and liquor costs and higher overall expenses.

Liquidity and Capital Resources

We fund our operations through cash from operations and borrowings from third parties. As of June 27, 2026, we had cash and cash equivalents of approximately \$28,843,000, an increase of \$8,749,000 from our cash balance of \$20,094,000 as of September 27, 2025. This increase is primarily due to proceeds from borrowings for store #19 and store #75 and the Calusa refinancing as well as higher revenue.

In the third quarter of our fiscal year 2026, we paid \$8.45 million for the purchase of the Stuart Property.

In the third quarter of our fiscal year 2025, we paid \$2.2 million for the purchase of undeveloped land in Cutler Bay, Florida for a future restaurant site. This acquisition reflects our ongoing investment in strategic expansion. While no construction has commenced as of the reporting date, site planning is underway and management anticipates capital expenditures related to site development and build-out in future fiscal quarters.

Inflation is affecting all aspects of our operations, including but not limited to food, beverage, fuel and labor costs. Supply chain issues also contribute to inflation. Inflation is having a material impact on our operating results.

We believe that our current cash availability from our cash on hand, positive cash flow from operations, and proceeds from borrowings will be sufficient to fund our operations and planned capital expenditures for at least the next twelve months.

Cash Flows

The following table is a summary of our cash flows for the thirty-nine weeks ended June 27, 2026 and June 28, 2025.

	Thirty-Nine Weeks Ended	
	June	June
	27, 2026	28, 2025
	(in thousands)	
Net cash provided by operating activities	\$ 12,825	\$ 7,150
Net cash used in investing activities	(11,162)	(5,677)
Net cash provided by (used in) financing activities	7,086	(4,665)
Net Increase (Decrease) in Cash and Cash Equivalents	8,749	(3,192)
Cash and Cash Equivalents, Beginning	20,094	21,402
Cash and Cash Equivalents, Ending	\$ 28,843	\$ 18,210

During the thirty-nine weeks ended June 27, 2026 our Board of Directors declared a cash dividend of \$0.60 per share to shareholders of record on June 10, 2026 and was made payable on June 26, 2026. During the thirty-nine weeks ended June 28, 2025 our Board of Directors declared a cash dividend of \$0.55 per share to shareholders of record on June 12, 2025 and was made payable on June 27, 2025. Any future determination to pay cash dividends will be at our Board's discretion and will depend upon our financial condition, operating results, capital requirements and such other factors as our Board deems relevant.

Capital Expenditures

In addition to using cash for our operating expenses, we use cash generated from operations and borrowings to fund the development and construction of new restaurants and to fund capitalized property improvements for our existing restaurants. During the thirty-nine weeks ended June 27, 2026, we acquired property and equipment of \$11,105,000, (of which \$8.45 million was for the purchase of the Stuart Property and \$48,000 was purchase deposits transferred to property and equipment), including \$488,000 for renovations to seven Company-owned locations and \$251,000 for renovations to three limited partnership owned restaurants. During the thirty-nine weeks ended June 28, 2025, we acquired property and equipment of \$4,956,000, (of which \$2.2 million was for the purchase of the Cutler Bay Property and \$57,000 was purchase deposits transferred to property and equipment), including \$285,000 for renovations to four Company-owned locations and \$43,000 for renovations to one limited partnership owned restaurant.

We anticipate the cost of refurbishment in our fiscal year 2026 will be approximately \$750,000, although capital expenditures for our refurbishing program for fiscal year 2026 may be significantly higher.

Long-Term Debt

As of June 27, 2026, we had long-term debt (including the current portion) of \$31,434,000, as compared to \$20,618,000 as of September 27, 2025.

During the first quarter of our fiscal year 2026, we refinanced with our institutional lender, our mortgage loan encumbering the real property and improvements located at Flanigan's Calusa Center 12750 – 12790 S.W. 88th Street, Miami, Florida without increasing the principal amount borrowed at that time (\$5,676,856). Flanigan's Calusa Center includes our limited partnership owned Flanigan's Seafood Bar and Grill restaurant (Store #70) and our corporate-owned Big Daddy's Wine & Liquors (Store #45). The refinanced mortgage loan accrued interest at a fluctuating rate per year equal to the sum of (i) the greater of the Term SOFR Daily Floating Rate or the Index Floor (which was 0.00%) and (ii) 2.25%, with the first payment of principal and interest due January 31, 2026 and monthly thereafter on the last day of each month until November 30, 2030 when the entire principal payment and all accrued interest was to be due in full. We received no excess funds from the refinancing of this mortgage loan.

During the third quarter of our fiscal year 2026, we again refinanced with our institutional lender, our mortgage loan encumbering the real property and improvements located at 12750 – 12790 S.W. 88th Street, Miami, Florida increasing the principal amount borrowed to \$11,100,000 to withdraw equity of approximately \$5,495,000 which we used towards our purchase of the Stuart Property. The refinanced mortgage loan earns interest at 5.995% annually, with the first payment of principal and interest in the amount of \$94,835.36 due April 30, 2026 and monthly thereafter on the last day of each month until February 28, 2041, when the entire principal payment and all accrued interest is due in full.

During the third quarter of our fiscal year 2026, we financed with our institutional lender, our real property and improvements located at 2505 N. University Drive, Buildings A & B, Hollywood, Florida where we operate our Flanigan’s Seafood Bar and Grill restaurant (Store #19, Building B) and our Big Daddy’s Wine & Liquors (Store #19, Building A). The principal amount borrowed was \$3,375,000, which we used towards our purchase of the Stuart Property. The mortgage loan earns interest at 5.995% annually, with the first payment of principal and interest in the amount of \$28,835.08 due April 30, 2026 and monthly thereafter on the last day of each month until February 28, 2041, when the entire principal payment and all accrued interest is due in full.

During the third quarter of our fiscal year 2026, we financed with our institutional lender, our real property and improvements located at 950 S Federal Highway, Stuart, Florida where we operate our Flanigan’s Seafood Bar and Grill restaurant (Store #75). The principal amount borrowed was \$3,150,000, which we will use as working capital. The mortgage loan earns interest at 5.975% annually, with the first payment of principal and interest in the amount of \$26,759.18 due June 30, 2026 and monthly thereafter on the last day of each month until May 31, 2033, when the entire principal payment and all accrued interest is due in full.

As of June 27, 2026, we are in compliance with all of the covenants contained in our loan agreements.

Purchase Commitments

In order to fix the cost and ensure adequate supply of baby back ribs for our restaurants for calendar year 2026, we entered into a purchase agreement with our existing rib supplier, whereby we agreed to purchase approximately \$9.2 million of “2.5 & Down Baby Back Ribs” (weight range in which baby back ribs are sold) during calendar year 2026, at a prescribed cost, which we believe is competitive. For calendar year 2025, we entered into a purchase agreement with a new rib supplier, whereby we agreed to purchase approximately \$7.8 million of “2.5 & Down Baby Back Ribs” during calendar year 2025, at a prescribed cost, which we believed was competitive. The increase in our cost of baby back ribs for calendar year 2026 compared to calendar year 2025 is due to an increase in market price and quantity ordered.

While we anticipate purchasing all of our rib supply from our current rib vendor, we believe there are several other alternative vendors available, if needed.

Master Service Agreement

During the first quarter of our fiscal year 2025, we entered into a Master Services Agreement with our current major vendor for a period of one year effective January 1, 2025, with Company options for four one-year renewal options to extend the term of the same. In this Master Service Agreement, as in our prior Master Service Agreements, we commit to purchase specific products through our current major vendor but are free to purchase other products through other vendors, provided no less than 80% of our overall product needs are purchased through our current major vendor. During the fourth quarter of our fiscal year 2025, we exercised the first one-year renewal option and extended the term of the Master Services Agreement for a period of one year effective January 1, 2026. Subsequent to the end of the third quarter of our fiscal year 2026, we exercised the second one-year renewal option and extended the term of the Master Services Agreement for a period of one year effective January 1, 2027.

Working Capital

The table below summarizes the current assets, current liabilities, and working capital for our fiscal quarter ended June 27, 2026, and our fiscal year ended September 27, 2025.

Item	June 27, 2026	September 27, 2025
	(in thousands)	
Current Assets	\$ 40,218	\$ 30,593
Current Liabilities	19,709	18,118
Working Capital	<u>\$ 20,509</u>	<u>\$ 12,475</u>

While there can be no assurance due to, among other things, unanticipated expenses or unanticipated decline in revenues, or both, we believe that our cash on hand and positive cash flow from operations and proceeds from borrowings will adequately fund operations, debt reductions and planned capital expenditures throughout our fiscal year 2026.

Off-Balance Sheet Arrangements

The Company does not have off-balance sheet arrangements.

Critical Accounting Policies and Estimates

We describe our significant accounting policies in Note 1. “Summary of Significant Accounting Policies” of our consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data” of our Annual Report on Form 10-K for the fiscal year ended September 27, 2025.

Critical accounting estimates are those that we believe are both significant and require us to make difficult, subjective or complex judgments, often because we need to estimate the effect of inherently uncertain matters. We base our estimates and judgments on historical experiences and other assumptions that we believe are reasonable under the circumstances and we evaluate these estimates on an ongoing basis. Actual results may differ from these estimates and we might obtain different estimates if we use different assumptions or factors.

Leases

We currently lease a portion of our restaurant and package locations under various lease agreements. Determining the probable term for each lease requires judgment by management and can impact the classification and accounting for a lease as financing or operating, as well as the period for straight-lined rent expense and the depreciation period for leasehold improvements. Generally, the lease term is a minimum of the noncancelable period of the lease or the lease term inclusive of reasonably certain renewal periods up to a term of 15 years. If the estimate of our reasonably certain lease term was changed, our depreciation and rent expense could differ materially. To determine the present value of lease payments not yet paid, we estimate incremental borrowing rates (IBR) corresponding to the reasonably certain lease term. The IBR is an estimate based on several factors, including financial market conditions, comparable company and credit analysis as well as management judgment. If the IBR was changed, our operating lease right-of-use assets and lease liabilities could differ materially.

Estimated Useful Lives of Property and Equipment

The estimates of useful lives for property and equipment are significant estimates. Expenditures for the leasehold improvements and equipment when a restaurant is first constructed are material. In addition, periodic refurbishing takes place and those expenditures can be material. We estimate the useful life of those assets by considering, among other things, expected use, life of the lease on the building, and warranty period, if applicable. The assets are then depreciated using a straight-line method over those estimated lives. These estimated lives are reviewed periodically and adjusted if necessary. Any necessary adjustment to depreciation expense is made in the income statement of the period in which the adjustment is determined to be necessary.

Valuation of Long-Lived Assets

We continually evaluate whether events and circumstances have occurred that may warrant revision of the estimated life of our intangible and other long-lived assets and/or whether the remaining balance of our intangible and other long-lived assets should be evaluated for possible impairment. If and when such factors, events or circumstances indicate that intangible and/or other long-lived assets should be evaluated for possible impairment, we will determine the fair value of the asset by making an estimate of expected future cash flows over the remaining lives of the respective assets and compare that fair value with the carrying value of the assets in measuring their recoverability. In determining the expected future cash flows, the assets will be grouped at the lowest level for which there are cash flows, at the individual store level.

Income Taxes

We account for our income taxes using FASB ASC Topic 740, “Income Taxes”, which requires among other things, recognition of future tax benefits measured at enacted rates attributable to deductible temporary differences between financial statement and income tax basis of assets and liabilities and tax credits to the extent that realization of said tax benefits is more likely than not. For discussion regarding our carryforwards refer to Note 10 in the consolidated financial statements for our fiscal year 2025.

Inflation

The primary inflationary factors affecting our operations are food, beverage and labor costs. A large number of restaurant personnel are paid at rates based upon applicable minimum wage and increases in minimum wage directly affect labor costs. Inflation is having a material impact on our operating results, especially rising food, fuel and labor costs. We have endeavored to offset the adverse effects of cost increases by increasing our menu prices.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We do not ordinarily hold market risk sensitive instruments for trading purposes and as of June 27, 2026 held no equity securities.

Economic Risk

The current government administration has imposed changes in trade policy, including an increase in the use of tariffs which has resulted in retaliatory tariffs by other countries, shifts in immigration policies and international relations and changes to the overall regulation and enforcement by government agencies. We cannot predict the timing or impact, if any, of such actions.

Our operations and financial results are adversely affected by increased commodity and energy volatility resulting from the ongoing conflict in the Middle East, specifically involving Iran. The escalation of hostilities has led to significant fluctuations in global oil and natural gas prices. Furthermore, if energy prices remain elevated, we may experience sustained inflationary pressure on key food commodities and packaging materials.

Legislative and Regulatory Risk

On July 4, 2025, the One Big Beautiful Bill Act (Public Law No. 119-21) was signed into law. Among other provisions, the legislation includes certain tax incentives and regulatory changes applicable to businesses in the food service and hospitality industries. The legislation has multiple effective dates with certain provisions to be implemented through 2027. We continue to evaluate the remaining regulatory changes and phased effective dates of the Act through 2027 to determine any material impacts on our consolidated financial statements.

Interest Rate Risk

As part of our ongoing operations, we are exposed to interest rate fluctuations on our borrowings. We use interest rate swap agreements to manage these risks. These instruments are not used for speculative purposes but are used to modify variable rate obligations into fixed rate obligations.

At June 27, 2026, we had one variable rate instrument outstanding that is impacted by changes in interest rates. In September 2022, we refinanced the mortgage loan encumbering the property where our combination package liquor store and restaurant located at 4 N. Federal Highway, Hallandale Beach, Florida, (Store #31) operates, which mortgage loan is held by an unaffiliated third-party lender (the "\$8.90M Loan"). Effective November 15, 2024, the publication of BSBY was terminated and as of such date, the variable rate of interest under our debt instrument is equal to the lender's 1 Month CME Term Secured Overnight Financing Rate ("SOFR"), plus 10 basis points, as an equivalent alternative approved by the lender. As of June 27, 2026 the variable interest rate was 5.22%.

As a means of managing our interest rate risk on this debt instrument, we entered into an interest rate swap agreement with an unrelated third-party lender in September 2022 to convert this variable rate debt obligation to a fixed rate. On November 22, 2024, we terminated the \$8.90M Term Loan Swap entered into in September 2022, and simultaneously entered into a new interest rate swap agreement for \$8,015,601, the balance due on the \$8.90M Loan, which requires us to pay interest for twelve years, ten months, which is the balance of the original fifteen year period at a fixed rate of 4.90% on an initial amortizing notional principal amount of \$8,015,601, while receiving interest for the same period at the lender's 1 Month CME Term Secured Overnight Financing Rate ("SOFR"), plus 10 basis points, at the same amortizing notional principal amount. During the second quarter of our fiscal year 2025, we recognized \$290,000 of non-cash gains, net of tax, related to the above interest rate swap agreement as interest and other income. We determined that the new interest rate swap agreement is an economic hedge and beginning in the second quarter of our fiscal year 2025, we recognize the changes in fair value on our interest rate swap in interest and other income on our condensed consolidated statements of income.

During the thirty-nine weeks ended June 27, 2026, we had an aggregate principal amount of approximately \$865,000 of 90-day government guaranteed certificates of deposit at fixed annual interest rates between 3.75% and 3.9%. Otherwise, at June 27, 2026, our cash resources offset our bank charges and any excess cash resources earn interest at variable rates. Accordingly, our return on these funds may be affected by fluctuations in interest rates.

There is no assurance that interest rates will increase or decrease over our next fiscal year or that an increase in interest rates will not have a material adverse effect on our operations.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed with the U.S. Securities and Exchange Commission (the “SEC”) is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of June 27, 2026, an evaluation was performed under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on that evaluation, management, including our Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of June 27, 2026.

Changes in Internal Control Over Financial Reporting

During the third quarter of our fiscal year 2026, we have not made any changes to our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See “Litigation” in Note 9 of this Report and Item 1 and Item 3 to Part 1 of the Annual Report on Form 10-K for the fiscal year ended September 27, 2025 for a discussion of other legal proceedings resolved in prior years.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchase of Company Common Stock

During the thirty-nine weeks ended June 27, 2026 and June 28, 2025, we did not purchase any shares of our common stock. As of June 27, 2026, we still have authority to purchase 65,414 shares of our common stock under the discretionary plan approved by the Board of Directors at its meeting on May 17, 2007.

ITEM 5. OTHER INFORMATION.

During the thirty-nine weeks ended June 27, 2026, none of the Company’s directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” each as defined in Item 408(a) of Regulation S-K under the Exchange Act. A copy of our insider trading policy and related Rule 10b5-1 trading plan policy was filed as Exhibit 19.1 to our Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

ITEM 6. EXHIBITS

The following exhibits are filed with this Report:

Exhibit	Description
31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.*</u>
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.*</u>
32.1	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**</u>
32.2	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**</u>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

** This certification is deemed not filed for purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933 as amended or the Exchange Act.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 11, 2026

FLANIGAN'S ENTERPRISES, INC.

/s/ James G. Flanigan

JAMES G. FLANIGAN,
Chief Executive Officer

/s/ Allison Govoni

ALLISON GOVONI,
Chief Financial Officer
(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934, AS AMENDED**

I, James G. Flanigan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Flanigan's Enterprises, Inc. for the period ended June 27, 2026;
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 periods covered by this report;
3. Based on my knowledge, the condensed consolidated financial statements, and other financial information included in this quarterly 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 quarterly 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 my 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 quarterly 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 quarterly 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 quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter 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 or registrant's board of directors or persons performing the equivalent function:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026

/s/ James G. Flanigan

Name: James G. Flanigan

Chief Executive Officer

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934, AS AMENDED**

I, Allison Govoni, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Flanigan's Enterprises, Inc. for the period ended June 27, 2026;
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 periods covered by this report;
3. Based on my knowledge, the condensed consolidated financial statements, and other financial information included in this quarterly 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 quarterly 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 my 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 quarterly 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 quarterly 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 quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter 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 or registrant's board of directors or persons performing the equivalent function:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026

/s/ Allison Govoni

Name: Allison Govoni,
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Flanigan's Enterprises, Inc., (the "Company") on Form 10-Q for the period ended June 27, 2026, as filed with the Securities and Exchange Commission of the date hereof (the "Quarterly Report"), I, **James G. Flanigan**, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

- (1) This Quarterly Report on Form 10-Q of the Company, to which this certification is attached as an Exhibit, fully complies with the requirements of Section 13 (a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2026

/s/ James G. Flanigan

James G. Flanigan,
Chief Executive Officer

The foregoing certificate is provided solely for the purpose of complying with Section 906 of the Sarbanes-Oxley Act of 2002 and for no other purpose whatsoever. Notwithstanding anything to the contrary set forth herein or in any of the Company's previous filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that might incorporate the Company's future filings, including this quarterly report on Form 10-Q, in whole or in part, this certificate shall not be incorporated by reference into any such filings. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Flanigan's Enterprises, Inc., (the "Company") on Form 10-Q for the period ended June 27, 2026, as filed with the Securities and Exchange Commission of the date hereof (the "Quarterly Report"), I, **Allison Govoni**, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

- (1) This Quarterly Report on Form 10-Q of the Company, to which this certification is attached as an Exhibit, fully complies with the requirements of Section 13 (a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2026

/s/ Allison Govoni
Allison Govoni
Chief Financial Officer

The foregoing certificate is provided solely for the purpose of complying with Section 906 of the Sarbanes-Oxley Act of 2002 and for no other purpose whatsoever. Notwithstanding anything to the contrary set forth herein or in any of the Company's previous filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that might incorporate the Company's future filings, including this quarterly report on Form 10-Q, in whole or in part, this certificate shall not be incorporated by reference into any such filings. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
