

**BAGGER DAVE'S BURGER TAVERN, INC.**

**A Nevada Corporation**

**10501 Wayzata Blvd. S**

**Suite 102**

**Minnetonka, MN 55305**

**FOR 52 WEEKS ENDING December 28, 2025**

**612-229-8811**

**www.baggerdaves.com**

**kbrimmer@itsburgertime.com**

## **Annual Report**

**For the 52 and 13-week periods ending December 28, 2025 (the "Reporting Periods")**

**Outstanding Shares CUSIP No: US0566462018**

**The number of shares outstanding of our Common Stock was:**

27,246,629 as of December 28, 2025, net of 663,206 Treasury Shares

27,246,629 as of December 29, 2024, net of 663,206 Treasury Shares

### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:  No:

### **Change in Control**

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred during this reporting period:

Yes:  No:

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

**1) Name and address(es) of the issuer and its predecessors (if any)**

The Company was incorporated in Nevada on May 27, 2016, and is currently in active status with the State.

The Company was spun off from Diversified Restaurant Holdings, Inc. on December 25, 2016, via a one-for-one distribution of Bagger Dave's Burger Tavern, Inc. ("The Company") common shares to DRH shareholders of record on December 19, 2016.

Since its inception, the SEC has not issued any trading suspension orders regarding the Issuer or its predecessors.

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceedings in the past five years?

Yes:  No:

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

**None.**

Address of the Issuer's principal executive office:

10501 Wayzata Blvd South, Suite 102,  
Minnetonka, Minnesota 55305

The address(es) of the Issuers' place of business:

The Company owns six restaurants, of which five are in operation as of December 28, 2025; one location (Chesterfield, Michigan) was closed in February 2025 and was sold on January 1, 2026.

2972 Coolidge Highway, Berkley, Michigan 48072  
8827 Main Street, Birch Run, Michigan 48415  
2817 Kraft Avenue SE, Cascade Twp., Michigan 49512  
5299 Cornerstone North Blvd., Centerville, Ohio 45458  
50570 Gratiot Avenue, Chesterfield Twp., Michigan 48051 (Sold January 2026)  
2886 E. Dupont Road, Fort Wayne, Indiana 46825

Address of the issuer's principal place of business:

*Check if the principal executive office and principal place of business are at the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

**No:**  **Yes:**  If Yes, provide additional details below:

## 2) Security Information

### Transfer Agent

#### **Pacific Stock Transfer Co.**

PHONE: (702) 361-3033

Email: Joslyn Claiborne - [Joslyn@pacificstocktransfer.com](mailto:Joslyn@pacificstocktransfer.com)

6725 Via Austi Pkwy, Suite 300

Las Vegas, NV 89119

Is the Transfer Agent registered under the Exchange Act: Yes:  No:

### Publicly Quoted or Traded Securities:

*The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.*

Trading Symbol: BDVB

Exact title and class of securities outstanding: Common Stock

CUSIP: US0566462018

Par or stated value: \$.0001

Total Shares authorized: Common stock 100,000,000.

Total shares outstanding: Common Stock: 27,246,629 as of December 28, 2025

Total Number of Shareholders of record as of December 28, 2025: 235

All additional classes of publicly traded securities (if any):

Preferred Stock Class A: 0 shares outstanding as of December 28, 2025, and December 29, 2024

### Other classes of authorized or outstanding equity securities that do not have a trading symbol:

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

Exact title and class of the security: Preferred

Par or stated value: .0001

Total shares authorized: 10,000,000 as of date: December 28, 2025

Total shares outstanding: 0 as of date: December 28, 2025

Total number of shareholders of record: 0 as of date: December 28, 2025

*Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.*

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

1. **For common equity, describe any dividend, voting and preemption rights. None.**
2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions. 10,000,000 PREFERRED SHARES ARE AUTHORIZED-NONE ISSUED – PREFERENTIAL VOTING FOR PREFERRED SHARES PROVIDED UNDER THE COMPANY CHARTER EQUALS 10 VOTES PER SHARE AND PREFERENCE ON LIQUIDATION, NO ADDITIONAL PREFERENCE.**
3. **Describe any other material rights of common or preferred stockholders. None.**
4. **Describe any material modifications to the rights of the holders of the company's securities that have occurred over the reporting period covered by this report. None.**

**3) Issuance History**

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

**A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.**

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years.

No:  Yes:  (If yes, you must complete the table below.)

Shares Outstanding <u>Opening Balance:</u> Date <u>12/30/2021</u> Common: <u>26,909,635</u> Preferred: <u>0</u>									
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or canceled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to ***. You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g., for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
2/29/2024	TREASURY STOCK PURCHASE	663,206	COMMON	\$.05	NO				
10/1/2023	ISSUANCE	1,000,000	COMMON	\$.09	NO	MICHAEL SOLOMON	CONSULTANT	RESTRICTED D EXEMPT I	
6/2/2022	PFD SHARES CANCELED	4,882,304	PREFERRED	---	---	---	---	---	
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date <u>12/28/2025</u> Common: 27,246,629 Held as Treasury shares: 663,206 Preferred: <u>0</u>									

\*\*\*Control persons for any entities in the table above must be disclosed in the table or in a footnote here.

Use the space below to provide any additional details, including footnotes to the table above:

**B. Promissory and Convertible Notes**

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities: **None.**

No:  Yes:  (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
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\*\*\*Control persons for any entities in the table above must be disclosed in the table or in a footnote here.

Use the space below to provide any additional details, including footnotes to the table above:

#### 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on [www.OTCMarkets.com](http://www.OTCMarkets.com).

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Bagger Dave's Burger Tavern, Inc. ("the Company") operates a casual dining restaurant concept focused on high-quality, locally sourced food and a welcoming guest experience.

As of December 28, 2025, the Company operates five restaurants located in Michigan (3), Indiana (1), and Ohio (1). One additional location in Chesterfield, Michigan, closed in February 2025. The Chesterfield location was subsequently sold in January 2026.

The Company owns all intellectual property and rights associated with the Bagger Dave's concept.

Bagger Dave's is approximately 40.72% owned by BT Brands, Inc. (Nasdaq: BTND). The Company has no subsidiaries.

List any subsidiaries, parent company, or affiliated companies.

Bagger Dave's is 40.72% owned by BT Brands, Inc. (Nasdaq: BTND). There are no additional subsidiaries, parents, or affiliated companies.

- B. Describe the issuers' principal products or services.

The Company offers a full-service casual dining experience featuring burgers, all-natural turkey burgers, hand-cut fries, locally crafted draft beers, milkshakes, salads, chili, and pizza.

The concept emphasizes fresh ingredients, local sourcing, and a differentiated in-restaurant experience.

## 5) Issuer's Facilities

*The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent to which the facilities are utilized.*

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

As of December 28, 2025, the Company operates five restaurant locations and maintains one closed location. Restaurant sizes range from approximately 4,000 to 5,000 square feet and include seating capacity of approximately 175 guests and full-service bars with liquor licenses.

The Company continues to evaluate strategic alternatives for closed or underperforming locations.

2972 Coolidge Highway, Berkley, Michigan 48072  
 8827 Main Street, Birch Run, Michigan 48415  
 2817 Kraft Avenue SE, Cascade Twp., Michigan 49512  
 5299 Cornerstone North Blvd., Centerville, Ohio 45458  
 50570 Gratiot Avenue, Chesterfield Twp., Michigan 48051  
 (closed February 2025; sold January 2026)  
 2886 E. Dupont Road, Fort Wayne, Indiana 46825

## 6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

*The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.*

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
BT BRANDS, INC.	Shareholder exceeds 5%	Minnetonka, MN	11,095,085	Common	40.72%	Controlling Shareholder
Gary Copperud	Officer/Director	Minnetonka, MN	0			Officer of BT Brands, Inc
Kenneth Brimmer	Officer/Director	Minnetonka, MN	0			Officer of BT Brands, Inc.
Jeff Zinnacker	Director	Minnetonka, MN	0			Director

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, log in to [www.OTCIQ.com](http://www.OTCIQ.com) to update your company profile.

**7) Legal/Disciplinary History**

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

**No – None.**

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

**None.**

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

**None.**

4. Named as a defendant or respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

**None.**

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

**None.**

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

**None.**

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding, and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

**None.**

## 8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on [www.OTCMarkets.com](http://www.OTCMarkets.com). If any updates are needed to your public company profile, update your company profile.

### **Securities Counsel (must include Counsel preparing Attorney Letters).**

Name: **Richard W. Jones**  
Address 1: Jones & Haley, P.C  
Address 2: 750 Hammond Drive  
Atlanta, Georgia 30328-6723  
  
Phone: 770-804-0500  
  
Email: [jones@corplaw.net](mailto:jones@corplaw.net)

### **Accountant or Auditor**

The financial statements for this reporting period were prepared by:

Name: **DAVID LIGOTTI, ACCOUNTANT**  
Firm: OAKWOOD BUSINESS SERVICES, LLC  
Address 1: 9864 E. Grand River Ave STE 110-196  
Brighton, MI 48116  
  
Phone: [734-327-0300](tel:734-327-0300)  
  
Email: [josh@oakwoodsolutions.com](mailto:josh@oakwoodsolutions.com)

*All other means of Investor Communication:* **None.**

### **Other Service Providers**

Provide the name of any other service provider(s) that **assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

**None.**

## 9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **KENNETH BRIMMER**  
Title: **CFO**  
Relationship to Issuer: **CHIEF ACCOUNTING OFFICER, CFO**

B. The following financial statements were prepared in accordance with:

- IFRS  
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **JOSHUA PALMER**  
Title: **ACCOUNTANT, OAKWOOD BUSINESS SERVICES**  
Relationship to Issuer: **OUTSIDE ACCOUNTING SERVICES**

Describe the qualifications of the person or persons who prepared the financial statements:<sup>5</sup>

Mr. Palmer is an experienced accountant employed by Oakwood Business Services, LLC, a firm specializing in accounting services for restaurant operators.

The Company believes Mr. Palmer possesses sufficient knowledge and experience to prepare financial statements in accordance with U.S. GAAP.

The financial statements were reviewed and approved by Kenneth W. Brimmer, Chief Financial Officer.

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<sup>5</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

**BAGGER DAVE'S BURGER TAVERN, INC.**  
**CONSOLIDATED CONDENSED BALANCE SHEETS (UNAUDITED)**

ASSETS	DECEMBER 28, 2025	DECEMBER 29, 2024
<b>Current Assets</b>		
Cash and cash equivalents	\$ 173,665	\$ 868,165
Accounts receivable	5,803	16,142
Inventory	110,892	119,412
Prepaid assets	5,229	8,810
<b>Total current assets</b>	<b>295,589</b>	<b>1,012,529</b>
Property and equipment, Net	71,883	386,310
Operating leases right-of-use assets	1,231,280	1,541,993
Intangible assets, net	147,789	152,383
Other long-term assets	414	414
Deferred tax asset	399,247	307,919
<b>Total assets</b>	<b>\$ 2,146,202</b>	<b>\$ 3,401,548</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 232,711	\$ 105,052
Accrued compensation	90,611	145,000
Other accrued liabilities	106,707	119,162
Current operating lease liabilities	185,790	336,953
Current portion of deferred rents	0	4,847
<b>Total current liabilities</b>	<b>615,819</b>	<b>711,014</b>
Deferred rent, less current portion	34,612	34,612
Noncurrent operating lease obligations	1,294,071	1,507,638
Long-term debt	130,165	133,978
<b>Total liabilities</b>	<b>2,074,667</b>	<b>2,387,242</b>
Commitments and contingencies		
Stockholders' equity		
Common stock \$.0001 par value, 100,000,000 shares authorized, 27,246,629 shares outstanding as of December 28, 2025, and December 29, 2024	2,725	2,725
Additional paid-in capital	376,507	376,507
Retained earnings (deficit)	(342,521)	600,250
Treasury stock, 663,206 common shares, cost \$33,160	34,824	34,824
<b>Total stockholders' equity</b>	<b>71,535</b>	<b>1,014,306</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 2,146,202</b>	<b>\$ 3,401,548</b>

SEE NOTES TO INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**BAGGER DAVE'S BURGER TAVERN, INC**  
**CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

	13 Weeks ended,		52 Weeks ended,	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Revenue	\$ <u>1,462,778</u>	\$ <u>1,733,787</u>	\$ <u>6,082,503</u>	\$ <u>7,176,536</u>
Costs and expenses				
Restaurant operating expenses				
<b>Food, beverage and paper</b>	436,728	512,294	1,802,434	2,075,322
<b>Compensation</b>	586,996	756,349	2,609,685	3,089,286
<b>Occupancy</b>	195,492	193,656	756,989	705,025
<b>Other</b>	354,913	445,140	1,550,195	1,789,401
<b>General and administrative</b>	9,439	41,805	95,007	167,431
<b>Depreciation and amortization</b>	83,871	132,092	323,269	527,274
Total	<u>1,667,409</u>	<u>2,081,336</u>	<u>7,137,579</u>	<u>8,353,739</u>
Operating loss	<u>(204,631)</u>	<u>(347,549)</u>	<u>(1,055,076)</u>	<u>(1,177,203)</u>
Interest and other income, net	<u>1,502</u>	<u>7,726</u>	<u>22,419</u>	<u>40,991</u>
Loss before income taxes	(203,129)	(339,823)	(1,032,657)	(1,136,212)
Income tax benefit	<u>22,003</u>	<u>22,003</u>	<u>89,886</u>	<u>88,562</u>
Net loss	\$ <u>(181,126)</u>	\$ <u>(317,820)</u>	\$ <u>(942,771)</u>	\$ <u>(1,047,650)</u>
Basic loss per share	\$ ( .01)	\$ ( .01)	\$ ( .03)	\$ ( .04)
Weighted average number of common shares outstanding	27,246,629	27,246,629	27,246,629	27,688,766

SEE NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**BAGGER DAVE'S BURGER TAVERN, INC.**  
**CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(UNAUDITED)**

	Number of Shares of Common Stock	Common Stock	Additional Paid in Capital	Treasury Stock	Retained Earnings (Deficit)	Total Stockholders' Equity
<b>Balance - December 29, 2024</b>	<b>27,246,629</b>	\$2,725	\$ 376,507	\$ 34,824	\$600,250	\$ 1,014,306
<b>Additional Paid in Capital</b>	0	0	0	0	0	0
<b>Net loss</b>	0	0	0	0	(942,771)	(942,771)
<b>Balance – December 28, 2025</b>	<b>27,246,629</b>	<b>\$ 2,725</b>	<b>\$ 376,507</b>	<b>\$ 34,824</b>	<b>\$ (342,521)</b>	<b>\$ 71,535</b>

SEE NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**BAGGER DAVE'S BURGER TAVERN, INC.**  
**CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOW**

(UNAUDITED)

	52 Weeks ending,	
	December 28, 2025	December 29, 2024
<b>Cash flows used in operating activities-</b>		
<b>Net loss</b>	\$ (942,771)	(1,047,650)
<b>Adjustments to reconcile net loss to net cash provided by (used in) operating activities:</b>		
<b>Depreciation and amortization</b>	323,269	527,274
<b>Realized gain on sale-leaseback</b>	(29,372)	(29,372)
<b>Deferred income taxes</b>	(91,328)	(43,238)
<b>Changes in operating assets and liabilities that provided (used) cash-</b>		
<b>Accounts receivable</b>	10,339	16,542
<b>Inventory</b>	8,520	4,872
<b>Prepaid expenses</b>	3,581	42,447
<b>Amortization of right-to-use assets</b>	310,712	306,442
<b>Accounts payable</b>	127,659	73,469
<b>Accrued liabilities</b>	(218,007)	(2,288)
<b>Other long-term liabilities</b>	(184,195)	(346,964)
<b>Deferred rent</b>	(4,847)	(5,106)
<b>Net cash used in operating activities</b>	<b>(686,440)</b>	<b>(503,572)</b>
<b>Cash flows from investing activities</b>		
<b>Purchases of property and equipment</b>	(4,247)	(14,196)
<b>Net cash used in investing activities</b>	<b>(4,247)</b>	<b>(14,196)</b>
<b>Cash flows from financing activities</b>		
<b>Repayment of note payable</b>	(3,813)	(6,042)
<b>Net cash provided by financing activities</b>	<b>(3,813)</b>	<b>(6,042)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(694,500)</b>	<b>(530,451)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>868,165</b>	<b>1,398,616</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 173,665</b>	<b>\$ 868,165</b>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid for interest	\$ 5,119	\$ 5,267

SEE NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## **NOTE 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### ***Nature of Business***

Bagger Dave's Tavern is a casual restaurant-and-bar concept. Its first restaurant opened in January 2008 in Berkley, Michigan. As of December 28, 2025, there were five Bagger Dave's restaurants in operation: three in Michigan, one in Indiana and one in Ohio. We also own a location in Michigan (Chesterfield), which was closed in February 2025. The company is currently evaluating alternatives for this location. We offer a concept providing a warm, inviting, and entertaining atmosphere through a friendly and memorable guest experience.

Bagger Dave's specializes in locally sourced, burgers, all-natural lean turkey burgers, hand-cut fries, locally crafted beers on draft, milkshakes, salads, black bean turkey chili, and pizza, delivered in a warm, hip atmosphere with friendly service. The concept focuses on local flair by showcasing urban art from the area.

The Company headquarters are located in the offices of BT Brands, Inc. at 10501 Wayzata Blvd South, Suite 102, Minnetonka, Minnesota 55305. We can also be found on the Internet at [www.baggerdaves.com](http://www.baggerdaves.com).

We follow generally accepted accounting principles in the United States of America ("GAAP") that we follow to ensure we consistently report our financial condition, results of operations, and cash flows. References to GAAP issued by the Financial Accounting Standards Board ("FASB") in these financial statements are to the FASB Accounting Standards Codification ("ASC").

The accompanying unaudited Condensed financial statements as of December 28, 2025, do not include all of the disclosures required by GAAP. The interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 29, 2024.

### ***Basis of Presentation***

These consolidated financial statements include the accounts of Bagger Dave's Burger Tavern, Inc., and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated.

### ***Fiscal Year***

The Company uses a 52- or 53-week accounting period ending on the last Sunday in December. Fiscal year 2024 was comprised of 52 weeks. Fiscal year 2025 comprises 52 weeks. The fourth quarter of 2025 ended on December 28, 2025, and comprised 13 weeks, and the fourth quarter of 2024 ended on December 29, 2024, and comprised 13 weeks.

### ***Cash and Cash Equivalents***

Cash and cash equivalents consist of cash on hand and demand bank deposits. The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash and cash equivalents. At times throughout the year, the company may maintain cash balances in excess of federally insured limits in the ordinary course of business. Management does not believe the Company is exposed to unusual risks on such deposits.

### ***Accounts Receivable***

Accounts receivable consists primarily of amounts due from third-party delivery services of \$5,803 and \$16,412 in the quarters ended December 28, 2025, and December 29, 2024, respectively. No allowance for doubtful accounts was necessary at either date.

**Gift Cards**

The Company records Bagger Dave's gift card sales as a gift card liability when sold. The gift card liability account is offset when the gift card is redeemed by recording the transaction as revenue. Michigan law states that gift cards cannot expire, and any post-sale fees cannot be assessed until 5 years after the consumer's purchase date. The Company believes its historical breakage percentage is approximately 15 percent. Furthermore, based on historical redemption patterns, the Company believes that redemptions of gift cards from closed locations are immaterial. Therefore, gift card liability is adjusted for breakage based on redemptions of gift cards at continuing operations and unredeemed gift cards from closed locations. Breakage income is recognized as a result of this adjustment.

The Company's gift card liability was \$45,898 as of December 28, 2025, and \$48,019 as of December 29, 2024, respectively, and is included in other accrued liabilities on the Consolidated Balance Sheets.

**Inventory**

The inventory primarily consists of food and beverage products and is accounted for at the lower of cost or market, using the first-in, first-out (FIFO) method. Cash flows related to inventory sales are classified in net cash used by operating activities in the Consolidated Statements of Cash Flows.

**Prepaid Assets and Other Long-Term Assets**

Prepaid assets consist principally of prepaid rent, bonuses, insurance, and contracts and are recognized ratably as operating expenses over the period of future benefit. Other long-term assets consist primarily of security deposits for operating leases and utilities.

**Property and Equipment**

Property and equipment are recorded at cost. Buildings, including those on leased land, are depreciated using the straight-line method over the shorter of the lease term or their estimated useful life, which ranges from 10 to 39 years. Equipment, furniture and fixtures are depreciated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Leasehold improvements, which include the cost of improvements funded by landlord incentives or allowances, are amortized using the straight-line method over the lesser of the term of the lease, with consideration of renewal options if renewals are reasonably assured because failure to renew would result in an economic penalty, or the estimated useful lives of the assets, which is typically five – 15 years. Maintenance and repairs are expensed as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts and the related gains or losses are credited or charged to earnings.

The Company capitalizes items associated with construction but not yet placed into service, known as construction in progress ("CIP"). Items capitalized include fees associated with the design, build-out, furnishing of the restaurants, leasehold improvements, construction period interest (when applicable), equipment, and furniture and fixtures. Restaurant CIP is not amortized or depreciated until the related assets are placed into service. Items are placed into service by asset category when the restaurant is open.

**Intangible Assets**

Amortizable intangible assets, including trademarks, are stated at cost less accumulated amortization. The trademarks are amortized on a straight-line basis over the estimated useful life of 15 years.

Liquor licenses, also classified as intangible assets, are deemed to have an indefinite life and are not amortized. Management reviews liquor license assets annually (at year-end) to determine whether their carrying values are impaired. We identify potential impairments for liquor licenses by comparing the fair value with the carrying amount. If the fair value exceeds the carrying amount, the liquor licenses are not impaired. If the carrying amount exceeds the fair value, an impairment loss is recorded for the difference. No impairments were recognized in the fiscal quarters of December 28, 2025, or December 29, 2024.

**Treasury stock**

Treasury stock purchases are accounted for using the cost method, whereby the entire cost of the acquired stock is recorded as treasury stock. Gains and losses from issuing additional shares are added or deducted from paid-in capital above par value using the average-cost method.

**Impairment or Disposal of Long-Lived Assets**

We review long-lived assets quarterly to determine whether triggering events have occurred, which would require a test to assess whether the carrying amount of these assets may not be recoverable based on estimated future cash flows. Assets are reviewed at the lowest level at which cash flow can be identified: the individual restaurant level. In the absence of extraordinary circumstances, restaurants are included in the impairment analysis after being open for two years. We evaluate the recoverability of a restaurant's long-lived assets, including buildings, intangibles, leasehold improvements, furniture, fixtures, and equipment, over the remaining life of the primary asset in the asset group, after considering the

potential impact of planned operational improvements, marketing programs, and anticipated changes in the trade area. In determining future cash flows, management makes significant estimates concerning future operating results for each.

restaurant over the remaining life of the primary asset in the asset group. If assets are impaired, the impairment charge is measured as the excess of the asset's carrying amount over its fair value, based on our estimate of discounted future cash flows. The determination of the fair value of an asset is also subject to significant judgment. Refer to Note 2 for additional information.

We account for exit or disposal activities, including restaurant closures, in accordance with ASC Topic 420, *Exit or Disposal Cost Obligations*. Such costs include asset disposal costs and other facility-related expenses from previously closed restaurants. These costs are generally expensed as incurred. Additionally, at the date we cease using a property under an operating lease, we record a liability for the net present value of any remaining lease obligations, net of estimated sublease income. Any subsequent adjustments to that liability because of lease termination or changes in estimates of sublease income are recorded in the period incurred. Refer to Note 2 for additional information.

No impairments were recognized in the fiscal quarters ending December 28, 2025, or December 29, 2024.

**Deferred Gains**

Deferred gains on the sale-leaseback transaction described in Note 3 are recognized as a reduction of rent expense over the life of the related operating lease agreements.

**Revenue Recognition**

Revenues from food and beverage sales are recognized and generally collected at the point of sale. All sales taxes are presented on a net basis and are excluded from revenue.

**Advertising**

Advertising expenses of approximately \$14,000 and \$18,000 are included in general and administrative expenses in the Consolidated Statements of Operations for the fiscal quarters ended December 28, 2025, and December 29, 2024, respectively. Advertising expenses of approximately \$62,000 and \$74,000 are included in general and administrative expenses in the Consolidated Statements of Operations for the twelve months ended December 28, 2025, and December 29, 2024, respectively.

**Pre-opening Costs**

Pre-opening costs are those associated with opening new restaurants and vary based on the number of new locations being opened and under construction. The Company also reclassifies labor costs attributable to training that exceed the historical average for the first three months of restaurant operations. These costs are expensed as incurred.

**Income Taxes**

Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense (income) is the tax payable or refundable for the period, plus or minus the change during the period in deferred tax assets and liabilities.

The Company applies the provisions of FASB ASC 740, *Income Taxes* ("ASC 740") regarding the accounting for uncertainty in income taxes. The Company classifies all interest and penalties as income tax expense. As of December 28, 2025, and December 29, 2024, there are no accrued interest amounts or penalties related to uncertain tax positions.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**Recent Accounting Pronouncements**

We have reviewed significant newly issued accounting pronouncements and concluded that they are either not applicable to our operations or that no material effect is expected on our consolidated financial statements upon adoption.

**NOTE 2. IMPAIRMENTS, DISPOSALS AND EXIT COSTS**

Based on impairment indicators as of December 28, 2025, the Company performed an impairment analysis of its long-lived assets subject to amortization. For the twelve months ending December 28, 2025, \$0 of long-lived assets were deemed impaired. Impairment charges are recorded to the extent that the carrying amount of the assets is not considered recoverable based on the estimated future cash flows of the location. The impairment charges are included in impairment and loss on asset disposals on the Consolidated Statements of Operations.

We are currently monitoring the valuation of long-lived assets at several restaurants and have developed plans to improve operating results. As we periodically refine our estimates of future operating results, changes in our estimates and assumptions may cause us to recognize impairment charges that could be material.

On February 16, 2025, the Chesterfield location was closed. Costs associated with this closure were expensed as incurred. During the first fiscal quarter of 2026, BDVB sold its closed leasehold interest in the property for approximately \$400,000 in a combination of notes and cash. BDVB expects to recognize a gain of approximately \$392,000 related to this sale in the first quarter of 2026.

**NOTE 3. PROPERTY AND EQUIPMENT, NET**

Property and equipment are comprised of the following:

	<b>December 28, 2025</b>	<b>December 29, 2024</b>
Equipment	\$ 2,755,707	\$ 2,751,459
Furniture and fixtures	662,907	662,908
Leasehold improvements	5,721,349	5,721,349
Total	9,139,963	9,135,716
Less accumulated depreciation	(9,068,080)	(8,749,406)
<b>Property and equipment, net</b>	<b>\$ 71,883</b>	<b>\$ 386,310</b>

Depreciation expense was \$0.08 million and \$0.13 million during the quarters ended December 28, 2025, and December 29, 2024, respectively. Depreciation expense was \$0.32 million and \$0.52 million for the twelve months ended December 28, 2025, and December 29, 2024, respectively.

#### **Sales-leaseback transactions**

On October 6, 2014, the Company entered into an \$8.9 million sale-leaseback agreement with a third-party Real Estate Investment Trust ("REIT"). The arrangement included the sale of real estate on which twelve of Bagger Dave's locations operated. In the fourth quarter of 2014, we closed the sale of five of the twelve properties, with total proceeds of \$6.9 million. We closed the sale of the remaining property in June 2015 with total proceeds of \$2.0 million. Under the terms of each sale-leaseback transaction, we transferred the title of the real property to the purchaser. We entered into separate leases, with the purchaser having a 15-year basic operating lease term and four 5-year renewal options. Certain of the sale-leaseback arrangements resulted in gains that have been deferred. As of December 28, 2025, approximately \$30,000 of the deferred gain was recorded in Other accrued liabilities and \$91,000 of the deferred gain was recorded in Long-Term liabilities on the Consolidated Balance Sheets. As of December 29, 2024, approximately \$30,000 of the deferred gain was recorded in Other accrued liabilities and \$150,000 of the deferred gain was recorded in Long-Term liabilities on the Consolidated Balance Sheets. The gains will be recognized as an offset to rent expense over the life of the related lease agreements.

#### **NOTE 4. INTANGIBLE ASSETS**

Intangible assets are comprised of the following:

<b>Amortized intangible assets</b>	<b>December 28, 2025</b>	<b>December 29, 2024</b>
Trademarks	\$ 70,576	\$ 70,576
Less accumulated amortization	(61,137)	(56,543)
<b>Amortized intangible assets, net</b>	<b>9,439</b>	<b>14,033</b>
<b>Unamortized intangible assets</b>		
Liquor licenses	138,350	138,350
<b>Total intangible assets, net</b>	<b>\$ 147,789</b>	<b>\$ 152,383</b>

Amortization expenses were \$1,149 and \$1,176, respectively, for the quarters ending December 28, 2025, and December 29, 2024. Amortization expense was \$4,594 and \$4,705 for the twelve months ended December 28, 2025, and December 29, 2024, respectively.

Based on the current intangible assets and their estimated useful lives, future intangible-related expenses for the next five years and thereafter are projected as follows:

<b>Year</b>	<b>Amount</b>
2026	\$ 4,705
2027	4,734
<b>Total</b>	<b>\$ 9,439</b>

The aggregate weighted-average amortization period for intangible assets is 2 years.

#### **NOTE 5. OTHER ACCRUED LIABILITIES**

Other accrued liabilities are as follows:

	<b>December 28, 2025</b>	<b>December 29, 2024</b>
Gift card liability	\$ 45,898	\$ 48,019
Sales tax payable	27,300	32,992
Other	33,508	38,151
<b>Total accrued liabilities</b>	<b>\$ 106,706</b>	<b>\$ 119,162</b>

**NOTE 6. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the years ended December 28, 2025, and December 29, 2024.

**NOTE 7. INCOME TAXES**

The effective income tax rate (benefit) for the quarters ended December 28, 2025 and December 29, 2024 was (9.9)% and (8.4)%, respectively, and, for the twelve months ended December 28, 2025 and December 29, 2024 was (8.8)% and (10.04)%, respectively due to the company recording a total valuation allowance on its deferred tax assets. A valuation allowance has been recorded for the realization of deferred tax benefits due to our history of losses in recent years.

**NOTE 8. OPERATING LEASES**

The Company's lease terms generally include renewal options and frequently require us to pay a proportionate share of real estate taxes, insurance, common area maintenance, and other operating costs. Some restaurant leases provide contingent rental payments based on sales thresholds.

Total rent expenses were approximately \$166,000 and \$160,000 for the fiscal quarters ending December 28, 2025, and December 29, 2024, respectively. Total rent expenses were \$622,000 and \$550,000 for the twelve months ending December 28, 2025, and December 29, 2024, respectively.

Scheduled future minimum lease payments for each of the next five years and thereafter for non-cancelable operating leases for existing restaurants with initial or remaining lease terms of more than one year on December 28, 2025, are summarized as follows:

<u>Year</u>	<u>Amount</u>
2026	\$280,393
2027	280,393
2028	280,393
2029	194,072
Thereafter	0
<b>Total</b>	<b>\$ 1,035,251</b>

On January 1, 2026, the Chesterfield location was sold. The future minimum rents above have been adjusted for the Chesterfield rent. The total adjustment is \$843,906. The Company has no further obligations under the lease.

The Company adopted ASC 842 for lease accounting effective fiscal 2019. The Company elected the transition method permitted by ASU 2018-11 and recorded a cumulative adjustment of \$314,752 to retained earnings as of December 31, 2018

ASC 842 requires the recognition of a Right-of-Use asset and a Lease Liability to reflect the present value of future lease payments. The discount rate of 7 percent was used at the time of the transaction, which approximated the Company's estimated cost of capital, as the lessor's cost of capital was not available. The weighted average discount rate of 7 percent was applied. Both the Right of Use asset and the Lease liability had an original balance of \$7,705,495. Amortization of the Right of Use Asset and the Lease Liability was \$65,667 and \$78,687 for the fiscal quarters ended December 28, 2025, and December 29, 2024, respectively. Amortization of the Right of Use Asset and the Lease Liability was \$310,714 and \$306,442 for the twelve months ended December 28, 2025, and December 29, 2024, respectively. The weighted average remaining lease term is approximately 6.25 years as of December 28, 2025.

**NOTE 9. SUBSEQUENT EVENT**

On January 1, 2026, the fixed assets of the Chesterfield location were sold. The net proceeds of the sale were \$400,000 in notes and cash. The transaction results in a gain of approximately \$392,000 to be recognized in the first quarter of 2026. At the time of the sale, the Company had no liabilities other than intercompany loans.

**NOTE 10. STOCK PURCHASE WARRANTS**

In June 2022, we issued warrants to purchase a total of 450,000 shares of common stock at \$ 0.11 per share to two officers and directors of the Company who were appointed following the acquisition of shares by BT Brands, Inc. The warrants give the holders the right to purchase 250,000 (80% vested) shares to the CEO and 200,000 (80% vested) shares to the CFO. The ten-year warrants vested 20% upon grant and 20% per year for the following four anniversary dates, provided the individuals continue to serve as officers of the Company. The options were determined to have negligible fair value at the date of grant, and no compensation expense was recognized.

**NOTE 11. COMMITMENTS AND CONTINGENCIES**

The Company is subject to ordinary and routine legal proceedings, as well as demands, claims and threatened litigation, which arise in the ordinary course of its business. The ultimate outcome of any litigation is uncertain. We have insured and continue to insure against most of these types of claims. A judgment on any claim not covered by, or more than our insurance coverage, could materially adversely affect our financial condition or results of operations.

**NOTE 12. ECONOMIC INJURY DISASTER LOAN**

In the quarter ended December 26, 2021, the Company secured \$150,000 in financing as an Economic Injury Disaster Loan (EIDL) through the U.S. Small Business Administration (SBA). The terms of the EIDL are 30 years with an interest rate of 3.75%. Loan payments are \$731 per month. The loan balance on December 28, 2025, is \$133,978. Interest paid for the twelve months ending December 28, 2025, is \$5,099.

## 10) Issuer Certification

### ***Principal Executive Officer:***

I, Gary Copperud, certify that:

1. I have reviewed this Disclosure Statement for Bagger Dave's Burger Tavern, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 1, 2026

/s/ Gary Copperud [CEO's Signature]

### ***Principal Financial Officer:***

I, Kenneth W. Brimmer, certify that:

1. I have reviewed this Disclosure Statement for Bagger Dave's Burger Tavern, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements and other financial information included or incorporated by reference in this disclosure statement fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of and for, the periods presented in this disclosure statement.

April 1, 2026

/s/Kenneth W. Brimmer [CFO's Signature]