



Potbelly Announces 40-Shop Agreement with Royal Restaurant Group

October 30, 2023

Multi-unit franchise group deal includes development of 36 new shop locations in Ohio and Florida and the acquisition of four units in Ohio

CHICAGO, Oct. 30, 2023 (GLOBE NEWSWIRE) -- Potbelly Corporation (NASDAQ: PBPB), the iconic neighborhood sandwich shop, today announced the completion of a 40-unit agreement with Royal Restaurant Group, a national franchise group that successfully operates restaurant locations for global brands.

The agreement will involve the future development of 36 Potbelly shops in markets across both Ohio and Florida. As part of the deal, Potbelly will also refranchise four locations in the greater Columbus, Ohio region.

"We're delighted to have Royal Restaurant Group join the Potbelly system and further our growth in several key areas of the U.S.," said Bob Wright, President and CEO of Potbelly. "The Royal Restaurant Group team knows what it takes to successfully develop and operate franchise locations for large-scale restaurant brands, and they share our values of leading with respect and integrity while prioritizing high-quality and great customer service. I have no doubt their expertise will benefit our company and help support our long-term goals."

The co-founders of Royal Restaurant Group collectively have over 60 years of combined experience in the restaurant, hospitality and multi-unit franchise industries, and they previously served as the CEO and Chief Operating Officer of Wendy's largest franchisees with over 230 units throughout the United States. Their stated mission – to be a compelling place to work and dine by consistently serving customers with high quality, great tasting and affordable food in clean, family-friendly restaurants – resonates with the Potbelly executive team. Founded in early 2023, the group currently operates 24 Burger King restaurants in the greater Jacksonville, Florida metropolitan area and has dramatically improved their units' sales and operating performance since acquiring the restaurants earlier this year.

"We've always been fans of Potbelly, and we're thrilled to be formally working together with the team as we bring the brand to new areas of the country," said Randy Pianin, Co-founder and CEO of Royal Restaurant Group. "Our first priority at any of our restaurants is to establish a strong foundation centered around quality, taste and value. We look forward to serving up Potbelly's iconic toasted sandwiches, soups and cookies to more diners and continuing the brand's tradition of providing excellent service and atmosphere in the years ahead."

As part of Potbelly's ongoing Franchise Growth Acceleration Initiative, the company has a long-term goal of reaching 2,000 shops, with at least 85% of those locations being franchised.

You can learn more about franchise opportunities with Potbelly at <https://www.potbelly.com/franchising-why-potbelly>.

About Potbelly

Potbelly Corporation is a neighborhood sandwich concept that has been feeding customers' smiles with warm, toasty sandwiches, signature salads, hand-dipped shakes and other fresh menu items, customized just the way customers want them, for more than 40 years. Potbelly promises Fresh, Fast & Friendly service in an environment that reflects the local neighborhood. Since opening its first shop in Chicago in 1977, Potbelly has expanded to neighborhoods across the country - with more than 430 shops in the United States including approximately 69 franchised shops in the United States. For more information, please visit our website at www.potbelly.com.

Forward Looking Statements

This press release may contain statements that might be considered forward-looking statements or predictions of future operations including with respect to the shop development agreement with Royal Restaurant Group, Royal Restaurant Group's ability to benefit Potbelly and Potbelly's ability to successfully execute on its Franchise Growth Acceleration Initiative. Such statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on management's belief or interpretation of information currently available. These statements and assumptions involve certain risks and uncertainties. Actual events may also differ from these expectations as a result of the risks identified from time to time in our filings with the Securities and Exchange Commission. We assume no duty to update these statements as of any future date.

Contact:

Investor Relations

Jeff Priester

ICR

332-242-4370

investor@potbelly.com

