Black Rock Coffee Bar, Inc. Reports Third Quarter 2026 Results

November 10, 2026

Total Revenue Growth of 29.7% Year Over Year in the Third Quarter

Same Store Sales Growth of 5.8% *Year Over Year in the Third Quarter*

Opened 11 New Stores in the Third Quarter

SCOTTSDALE, Ariz., Nov. 10, 2026 (GLOBE NEWSWIRE) -- Black Rock Coffee Bar, Inc. (Nasdaq: BRCB) (“Black Rock Coffee Bar” or the “Company”) today announced financial results for the third quarter ended September 30, 2026.

Third Quarter 2026 Highlights

- Opened 11 new stores during the period
- Total revenue of $66.8 million, up 29.7% compared to the prior year period
- Same Store Sales Growth[(1)] of 5.8% compared to the prior year period
- Income from operations of $2.8 million compared to a loss from operations of $6.4 million in the prior year period. In the third quarter of 2026, income (loss) from operations margin was 4.2%
- Store-Level Profit[(2)] of $19.3 million as compared to $15.2 million in the prior year period. In the third quarter of 2026, Store-Level Profit Margin was 28.9%
- Selling, general, and administrative (“SG&A”) expenses of $10.3 million, or 15.5% of total revenue, compared to $17.2 million, or 33.3% of total revenue, in the prior year period
- Adjusted SG&A Expenses[(2)] of $8.9 million, or 13.4% of total revenue, compared to $6.9 million, or 13.3% of total revenue, in the prior year period
- Net income grew 116.4% to $2.7 million, as compared to a net loss of $16.2 million in the prior year period
- Adjusted EBITDA[(2)] grew 22.1% to $8.5 million, as compared to $6.9 million in the prior year period
- Total store operating weeks[(1)] of 2,687, as compared to 2,108 in the prior year period

"We delivered another exceptional quarter, with revenue increasing 30% and adjusted EBITDA growing 22% year-over-year, reflecting the continued strength of our brand, customer engagement strategy and operating model. Same-store sales accelerated to 5.8%, or 16.6% on a two-year basis, marking our 15th consecutive quarter of positive same-store sales growth, while positive transaction growth reinforced our confidence in the resilience of consumer demand and the momentum we are building across the business. During the quarter, we opened 11 new stores and are now ahead of our development plan, increasing our full-year target to 40 new store openings. Further, we are reaffirming our full year revenue and adjusted EBITDA guidance based on our confidence in our plan for the remainder of the year. We are encouraged by the early success of initiatives including our menu innovation, expanded operating hours, and enhanced loyalty capabilities. We believe that these initiatives keep our menu fresh and exciting, give customers more reasons to visit throughout the day, and help deepen customer relationships and drive engagement over time. Combined with our strong development pipeline, growing leadership bench, and significant whitespace opportunity, we believe Black Rock remains well positioned to deliver sustainable long-term growth," said Mark Davis, Chief Executive Officer.

Balance Sheet & Liquidity

As of September 30, 2026, Cash and cash equivalents totaled $13.6 million and total debt was $38.1 million, consisting of $22.5 million of borrowings under our credit facility, net of unamortized debt issuance costs, and $15.5 million of financing obligations related to certain reverse build-to-suit lease arrangements.

As of September 30, 2026, outstanding principal under the Company's term loan facility was $19.5 million. The Company had $4.0 million outstanding under its $25 million revolving credit facility, leaving $21.0 million of remaining borrowing capacity as of September 30, 2026.

Full Year 2026 Outlook

The Company is updating its full year 2026 guidance to:

- 40 new store openings
- Total Revenue in the range of $255 to $257 million
- Same Store Sales Growth in the mid-single digits
- Adjusted EBITDA in the range of $34 to $35 million[(3)]
- Capital Expenditures in the range of $47 to $48 million which include anticipated tenant improvement allowances

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(1) Same Store Sales Growth and total store operating weeks are defined in the section "Key Performance Measures".
(2) See “Non-GAAP Financial Measures” for a discussion of Store-Level Profit, Store-Level Profit Margin, Adjusted Selling, General, and Administrative Expenses, and Adjusted EBITDA and a reconciliation of each measure to its most directly comparable GAAP measure.
(3) A reconciliation of adjusted EBITDA outlook to GAAP net income is not available without unreasonable efforts due to the inherent difficulty in forecasting and quantifying with reasonable accuracy significant items required for the reconciliation, including equity-based compensation.

Conference Call and Webcast Information

Black Rock Coffee Bar will host a conference call on November 10, 2026, at 5:00 p.m. Eastern Time to discuss third quarter ended September 30, 2026 results. The conference call can be accessed live over the phone by dialing 1-877-704-4453 or for international callers, 1-201-389-0920. A replay will be available two hours after the call and can be accessed by dialing 1-844-512-2921, or for international callers, 1-412-317-6671. The passcode for the live call and the replay is 13762671. The replay will be available until Tuesday, November 24, 2026. A live webcast of the conference call and related presentation materials will also be available in the investor relations section of Black Rock Coffee Bar’s website, ir.br.coffee.

About Black Rock Coffee Bar

Black Rock Coffee Bar is a high-growth operator of guest-centric, drive-thru coffee bars offering premium caffeinated beverages and an elevated in-store experience crafted by our engaging baristas. Black Rock Coffee Bar was founded in 2008 in Beaverton, Oregon. What started as a single 160 square foot coffee bar in 2008 is now one of the fastest growing beverage companies in the United States by revenue and the largest fully company-owned coffee retailer in the country, with more than 210 locations spanning seven states from the Pacific Northwest to Texas.

Forward-Looking Statements

This release contains a number of “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, Black Rock Coffee Bar’s strategy, future financial condition, sustainable long-term growth, future operations, projected costs, prospects, plans, objectives of management, the expected benefits of our strategic initiatives, our development pipeline, expected whitespace opportunity, and full year 2026 outlook, including new store openings, total revenue, same store sales growth, adjusted EBITDA, and capital expenditures. These statements are based on Black Rock Coffee Bar’s current expectations and beliefs, as well as a number of assumptions concerning future events. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “objective,” “seeks,” or “continue,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Such forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Black Rock Coffee Bar’s control that could cause actual results to differ materially from the results discussed in the forward-looking statements, including our inability to successfully identify and secure appropriate sites and timely develop and expand our operations; our inability to protect our brand and reputation; our inability to secure, protect, and enforce our intellectual property rights; our dependence on a small number of suppliers and two roasting facilities; our dependence on third-party information technology systems and services; our and our vendors’ vulnerability to security breaches, including breaches that may impact confidential customer information; our expectations regarding our future operating and financial performance; the size of our addressable markets, market share, and market trends; our ability to compete in our industry; changes in consumer tastes and nutritional and dietary trends; our ability to effectively manage the continued growth of our workforce and operations; our inability to open profitable stores; our failure to generate projected same store sales growth; the sufficiency of our cash, cash equivalents, and investments to meet our liquidity needs; our dependence on long-term non-cancelable leases; our relationship with our employees and the status of our workers; the effects of seasonal trends on our results of operations; our vulnerability to global financial market conditions, including inflation and other macroeconomic factors, including, without limitation, due to the ongoing conflict in the Middle East; our ability to attract, retain, and motivate skilled personnel, including key members of our senior management; our vulnerability to adverse weather conditions in local or regional areas where our stores are located; our realization of any benefit from the Tax Receivable Agreements and our organizational structure; the increased expenses associated with being a public company; and those other risks described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and

Exchange Commission ("SEC") on March 4, 2026, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 filed with the SEC on August 12, 2026, as will be updated by our Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, once filed, and in our future reports to be filed with the SEC. Forward-looking statements contained in this release are made as of this date, and Black Rock Coffee Bar undertakes no duty to update such information except as required under applicable law.

Non-GAAP Financial Measures

This press release contains “non-GAAP financial measures” that are financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with accounting principles generally accepted in the United States (“GAAP”). Specifically, we make use of the non-GAAP financial measures “Adjusted EBITDA”, "Adjusted EBITDA Margin", “Store-Level Profit”, “Store-Level Profit Margin”, “Adjusted Selling, General, and Administrative Expenses”, and "Adjusted Selling, General, and Administrative Expenses Margin". We believe these non-GAAP financial measures assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our operating performance. Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone provide. Please refer to the tables in this press release for a reconciliation of non-GAAP measures to the most directly comparable financial measure prepared in accordance with GAAP. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to the financial information prepared and presented in accordance with GAAP.

Store-Level Profit and Store-Level Profit Margin

Store-Level Profit represents store revenue in the specific period less beverage, food and packaging, labor and related expenses, occupancy and related expenses, and other store operating expenses, excluding depreciation and amortization and pre-opening costs in the period.

Store-Level Profit Margin represents Store-Level Profit as a percentage of store revenue. We use Store-Level Profit and Store-Level Profit Margin in our evaluation of the performance and profitability of each store.

We use Store-Level Profit and Store-Level Profit Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA is net income (loss) adjusted to exclude interest expense, net, income tax expense (benefit), and depreciation and amortization, further adjusted to exclude certain items that we do not consider indicative of our ongoing operating performance, including transaction costs associated with our initial public offering ("IPO"), capital restructuring costs, equity-based compensation, gain (loss) on the remeasurement of the liability related to the TRA, certain litigation defense costs, net and other non-core costs. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of Total revenue.

We use Adjusted EBITDA and Adjusted EBITDA Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures.

Adjusted Selling, General, and Administrative Expenses and Adjusted Selling, General, and Administrative Expenses Margin

Adjusted Selling, General, and Administrative Expenses is selling, general, and administrative expenses adjusted to exclude transaction costs, equity-based compensation, certain litigation defense costs, net and other costs. Adjusted Selling, General, and Administrative Expenses Margin represents Adjusted Selling, General, and Administrative Expenses as a percentage of Total revenue.

We use Adjusted Selling, General, and Administrative Expenses and Adjusted Selling, General, and Administrative Expenses Margin because it may provide a more meaningful comparison to prior periods and may be indicative of the level of such expenses to be incurred in future periods.

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended September 30,	Nine Months Ended September 30,

	2026	2025	2026	2025
Store revenue	$ 66,684	$ 51,410	$ 185,001	$ 146,520
Other	71	58	207	162
Total revenue	66,755	51,468	185,208	146,682
Store operating costs and expenses (exclusive of depreciation and amortization presented separately below):				
Beverage, food and packaging costs	17,873	14,286	49,854	41,641
Labor and related expenses	14,732	10,785	39,442	30,588
Occupancy and related expenses	5,544	4,034	15,338	11,641
Other store operating expenses	9,279	7,079	25,697	19,883
Total store operating costs and expenses	47,428	36,184	130,331	103,753
Selling, general and administrative expenses	10,340	17,158	29,387	31,898
Depreciation and amortization	4,259	3,030	11,644	8,856
Pre-opening costs	1,929	1,503	4,269	3,064
Total operating expenses	63,956	57,875	175,631	147,571
Income (loss) from operations	2,799	(6,407)	9,577	(889)
Interest expense, net	(685)	(2,871)	(1,632)	(9,028)
Other income (expense), net	(131)	(6,866)	(741)	(7,950)
Income (loss) before income taxes	1,983	(16,144)	7,204	(17,867)
Income tax expense (benefit)	(670)	31	(466)	253
Net income (loss)	2,653	(16,175)	7,670	(18,120)
Less: Net loss attributable to Black Rock OpCo prior to the Transactions	—	(14,432)	—	(16,377)
Less: Net income (loss) attributable to noncontrolling interest	1,118	(1,031)	4,539	(1,031)
Net income (loss) attributable to Black Rock Coffee Bar, Inc.	$ 1,535	$ (712)	$ 3,131	$ (712)
Net income (loss) per share of Class A common stock: [1]				
Basic	$ 0.07	$ (0.05)	$ 0.15	$ (0.05)
Diluted	$ 0.05	$ (0.05)	$ 0.15	$ (0.05)
Weighted-average shares of Class A common stock outstanding				
Basic	22,506,549	14,808,173	20,446,604	14,808,173
Diluted	50,108,015	14,808,173	20,454,941	14,808,173

(1) Basic and diluted net loss per share of Class A common stock is applicable only for the period subsequent to September 12, 2025, which is the period effective with and following the IPO and transactions related thereto.

BLACK ROCK COFFEE BAR, INC.

Condensed Consolidated Balance Sheets (Unaudited)
(in thousands, except share data)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 13,618	$ 28,406
Receivables, net	5,708	3,450
Inventories	3,618	2,898
Prepaid expenses and deposits	4,671	5,363
Total current assets	27,615	40,117

Property and equipment, net	142,389	101,207
Operating lease right-of-use assets, net	162,398	126,903
Other assets	447	277
Goodwill	9,360	9,360
Deferred income tax asset	83,667	52,764
Intangible assets, net	4,450	5,808
Total assets	$ 430,326	$ 336,436
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	11,165	12,126
Accrued expenses	10,315	7,986
Accrued payroll and benefits	7,291	6,549
Gift card and loyalty program liability	2,050	2,126
Current portion of long-term debt	1,396	835
Current portion of operating lease liabilities	10,919	8,960
Total current liabilities	43,136	38,582
Tax receivable agreement liability	64,577	38,893
Long-term debt, net of current portion	36,694	25,917
Operating lease liabilities, net of current portion	164,723	128,338
Total liabilities	309,130	231,730
Commitments and Contingencies		
Preferred stock, par value $0.00001 per share; 20,000,000 shares authorized, no shares issued or outstanding as of September 30, 2026 or December 31, 2025, respectively	—	—
Class A common stock, par value $0.00001 per share; 500,000,000 shares authorized, 22,994,301 and 17,478,452 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Class B common stock, par value $0.00001 per share, 200,000,000 shares authorized, 22,269,956 and 10,916,155 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Class C common stock, par value $0.00001 per share, 50,000,000 shares authorized, 4,884,984 and 21,661,200 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	62,898	45,735
Retained earnings (Accumulated deficit)	3,071	(60)
Total shareholders' equity attributable to Black Rock Coffee Bar, Inc.	65,969	45,675
Noncontrolling interest	55,227	59,031
Total shareholders' equity	121,196	104,706
Total liabilities and shareholders' equity	$ 430,326	$ 336,436

BLACK ROCK COFFEE BAR, INC.

Summary Cash Flow Data
(in thousands; unaudited)

	Nine Months Ended September 30,		Change	
Summary of Cash Flows	**2026**	**2025**	**$**	**%**
Net cash provided by (used in) operating activities	$ 29,119	$ (2,914)	$ 32,033	1,099.3%
Net cash used in investing activities	(52,968)	(23,184)	(29,784)	128.5%
Net cash provided by financing activities	9,061	48,517	(39,456)	(81.3)%
Net increase (decrease) in cash and cash equivalents	$ (14,788)	$ 22,419	$ (37,207)	(166.0)%

Key Performance Measures
($ in thousands; unaudited)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Total Stores (End of Period)	211	169	42	211	169	42
Net New Store Openings	11	11	0	30	20	10
Same Store Sales Growth[(1)]	5.8%	10.8%	(5.0)%	5.1%	10.3%	(5.2)%
Average Unit Volume	$ 1,296	$ 1,260	$ 36	$ 1,296	$ 1,260	$ 36
Store revenue	$ 66,684	$ 51,410	$ 15,274	$ 185,001	$ 146,520	$ 38,481
Income (loss) from operations[(2)]	$ 2,799	$ (6,407)	$ 9,206	$ 9,577	$ (889)	$ 10,466
Income (loss) from operations margin[(2)]	4.2%	(12.4)%	16.6%	5.2%	(0.6)%	5.8%
Store-Level Profit[(3)]	$ 19,256	$ 15,226	$ 4,030	$ 54,670	$ 42,767	$ 11,903
Store-Level Profit Margin[(3)]	28.9%	29.6%	(0.7) %	29.6%	29.2%	0.4%
Net income (loss)[(2)]	$ 2,653	$ (16,175)	$ 18,828	$ 7,670	$ (18,120)	$ 25,790
Net income (loss) margin[(2)]	4.0%	(31.4)%	35.4%	4.1%	(12.4)%	16.5%
Adjusted EBITDA[(3)]	$ 8,451	$ 6,922	$ 1,529	$ 25,307	$ 20,985	$ 4,322
Adjusted EBITDA Margin[(3)]	12.7%	13.4%	(0.7)%	13.7%	14.3%	(0.6)%
Total store operating weeks[(4)]	2,687	2,108	579	7,554	6,067	1,487

(1) Same Store Sales Growth reflects the change in year-over-year sales for the comparable store base, which we define as stores open for 18 months or longer.

(2) The Company does not consider income (loss) from operations, income (loss) from operations margin, net income (loss) or net income (loss) margin to be key performance measures but has included such metrics in this table to provide the most directly comparable GAAP metric to Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin.

(3) See “Non-GAAP Financial Measures” for a discussion of Store-Level Profit, Store-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA margin and a reconciliation of each measure to its most directly comparable GAAP measure.

(4) Total store operating weeks are calculated based on the number of operating days for the store base and dividing by 7. Our store base is defined as stores open as of the period end date. Management uses this metric as an indicator of our overall financial health, growth and future expansion prospects.

Supplemental Reconciliation of U.S. GAAP Actuals to Non-GAAP Actuals

Following are the reconciliations of the most comparable GAAP financial measures to non-GAAP financial measures. These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with U.S. GAAP, and reconciliations from U.S. GAAP to Non-GAAP measures should be carefully evaluated. Please refer to "Non-GAAP Financial Measures" in this press release for a detailed explanation of the adjustments made to the comparable U.S. GAAP measures, the ways management uses the non-GAAP measures, and the reasons why management believes the non-GAAP measures provide useful information for investors.

	Three Months Ended September 30,	
($ in thousands; unaudited)	2026	2025
Net income (loss)	$ 2,653	$ (16,175)
Non-GAAP Adjustments:		
Interest expense, net	685	2,871
Income tax expense (benefit)	(670)	31
Depreciation and amortization	4,259	3,030
Transaction costs[(1)]	—	9,056
Capital restructuring costs[(2)]	—	6,866
Equity-based compensation	1,254	868

TRA remeasurements	131	—
Certain litigation defense costs, net[3]	139	273
Other costs[4]	—	102
Adjusted EBITDA	$ 8,451	$ 6,922
Net income (loss) margin	4.0%	(31.4)%
Adjusted EBITDA Margin	12.7%	13.4%

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.
(2) For the three months ended September 30, 2025, includes the forgiveness of our related party note receivable (refer to Note 12 in the unaudited condensed consolidated financial statements included in the Form 10-Q for the quarterly period ended September 30, 2026) along with a debt extinguishment charge related to the payoff of our Prior Credit Facility.
(3) For the three months ended September 30, 2026, includes litigation expense relating to the defense of our securities class action lawsuit and other legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance. For the three months ended September 30, 2025, includes legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance.
(4) Non-recurring professional service costs.

	Nine Months Ended September 30,	
($ in thousands; unaudited)	**2026**	**2025**
Net income (loss)	$ 7,670	$ (18,120)
Non-GAAP Adjustments:		
Interest expense, net	1,632	9,028
Income tax expense (benefit)	(466)	253
Depreciation and amortization	11,644	8,856
Transaction costs[1]	—	11,641
Capital restructuring costs[2]	—	7,937
Equity-based compensation	3,581	868
TRA remeasurements	739	—
Certain litigation defense costs, net[3]	371	235
Other costs[4]	136	287
Adjusted EBITDA	$ 25,307	$ 20,985
Net income (loss) margin	4.1%	(12.4)%
Adjusted EBITDA Margin	13.7%	14.3%

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.
(2) For the nine months ended September 30, 2025, includes the forgiveness of our related party note receivable (refer to Note 12 in the unaudited condensed consolidated financial statements included in the Form 10-Q for the quarterly period ended September 30, 2026) along with a debt extinguishment charge related to the payoff of our Prior Credit Facility and fees incurred in connection with the redemption of our Series A.
(3) For the nine months ended September 30, 2026, includes litigation expense relating to the defense of our securities class action lawsuit and other legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance. For the nine months ended September 30, 2025, includes legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance, offset by insurance proceeds.
(4) Non-recurring professional service costs.

	Three Months Ended September 30,	
($ in thousands; unaudited)	**2026**	**2025**

Income (loss) from operations	$ 2,799	$ (6,407)
Other	(71)	(58)
Selling, general and administrative expenses	10,340	17,158
Depreciation and amortization	4,259	3,030
Pre-opening costs	1,929	1,503
Store-Level Profit	$ 19,256	$ 15,226
Income (loss) from operations margin	4.2%	(12.4)%
Store-Level Profit Margin	28.9%	29.6%

	Nine Months Ended September 30,	
($ in thousands; unaudited)	**2026**	**2025**
Income (loss) from operations	$ 9,577	$ (889)
Other	(207)	(162)
Selling, general and administrative expenses	29,387	31,898
Depreciation and amortization	11,644	8,856
Pre-opening costs	4,269	3,064
Store-Level Profit	$ 54,670	$ 42,767
Income (loss) from operations margin	5.2%	(0.6)%
Store-Level Profit Margin	29.6%	29.2%

	Three Months Ended September 30,	
($ in thousands; unaudited)	**2026**	**2025**
Selling, general and administrative expenses	$ 10,340	$ 17,158
Non-GAAP Adjustments:		
Transaction costs[(1)]	—	(9,056)
Equity-based compensation	(1,254)	(868)
Certain litigation defense costs, net[(2)]	(139)	(273)
Other costs[(3)]	—	(102)
Adjusted Selling, General, and Administrative Expenses	$ 8,947	$ 6,859
Selling, general and administrative expenses margin	15.5%	33.3%
Adjusted Selling, General, and Administrative Expenses Margin	13.4%	13.3%

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.

(2) For the three months ended September 30, 2026, includes litigation expense relating to the defense of our securities class action lawsuit and other legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance. For the three months ended September 30, 2025, includes legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance.

(3) Non-recurring professional service costs.

	Nine Months Ended September 30,	
($ in thousands; unaudited)	**2026**	**2025**
Selling, general and administrative expenses	$ 29,387	$ 31,898
Non-GAAP Adjustments:		
Transaction costs[(1)]	—	(11,641)
Equity-based compensation	(3,581)	(868)
Certain litigation defense costs, net[(2)]	(371)	(235)
Other costs[(3)]	(136)	(287)

Adjusted Selling, General, and Administrative Expenses	$ 25,299	$ 18,867
Selling, general and administrative expenses margin	15.9%	21.7%
Adjusted Selling, General, and Administrative Expenses Margin	13.7%	12.9%

(1) Includes non-recurring professional service fees and executive compensation related to our IPO.

(2) For the nine months ended September 30, 2026, includes litigation expense relating to the defense of our securities class action lawsuit and other legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance. For the nine months ended September 30, 2025, includes legal costs associated with certain litigation matters that we do not consider indicative of our ongoing operating performance, offset by insurance proceeds.

(3) Non-recurring professional service costs.

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