GEN Restaurant Group Receives Non-Binding Letter of Intent from Nationwide Restaurant Operator for Strategic Sale of U.S. Restaurant Operations

Proposal Encompasses the Company's U.S. Restaurant Operations Only; GEN Would Retain 100% of Its Rapidly Growing CPG Business

Board of Directors to Carefully Review and Evaluate the Non-Binding Proposal

CERRITOS, CA / ACCESS Newswire / August 10, 2026 / GEN Restaurant Group, Inc. ("GEN" or the "Company") (Nasdaq:GENK), a leader in Korean BBQ both in-restaurant and at home, with 54 GEN Korean BBQ locations and a rapidly growing consumer packaged goods business, today announced that it has received a non-binding letter of intent (the "LOI") from a nationwide, multi-concept restaurant operator (the "Operator") to acquire **only** the Company's U.S. restaurant operations, including the assignment of related restaurant leases. The LOI contemplates a potential transaction valued at approximately $100 million for the restaurant operations alone.

Under the terms contemplated by the LOI, GEN would retain 100% of its rapidly growing CPG and retail business. The proposed transaction would mark a strategic shift toward a fully CPG-focused company.

The proposed transaction could create value for shareholders in two distinct ways. First, the sale would monetize GEN's restaurant operations while materially strengthening the Company's balance sheet - eliminating long-term liabilities tied to the restaurant business and providing additional capital. Second, shareholders would retain a second opportunity to create value: full ownership of GEN's rapidly growing CPG business and full participation in its accelerating growth and rising revenue run rate.

Management Commentary

"Receiving this proposal is a testament to the GEN brand and the value we have already built," said David Kim, Chairman and Chief Executive Officer of GEN. "Our Board of Directors, together with our financial and legal advisors, will carefully review and evaluate the proposal to determine the path that is in the best interests of the Company and all its shareholders. We believe a transaction of this nature could make makes strategic sense: focusing GEN entirely on our CPG business, where revenue growth is accelerating rapidly.

CPG growth requires significantly less capital than restaurant expansion, and we believe that positions us well for the future.. The early response from the retail and other grocery customers has been significant, and we believe it gives GEN a compelling position in the category. We are also strengthening the organization around this. A transaction like this could allow us to dedicate our resources fully to *the* CPG business while strengthening our balance sheet through the sale of our restaurants," concluded Kim.

CPG Business - Corporate Update

June was our biggest month with revenues surpassing $2 million and GEN products being placed in nearly 2,000 retail doors nationwide. Exceeding the expectations set on the March 20th press release which stated, "By the end of 2026, GEN is projected to have our CPG products in 1,500 to 2,000 locations across the United States, with a run rate in excess of $20 million in revenue." With all the other stores in the current pipeline we are estimating the 12-month revenue run rate going forward to be $35-$40 million.

The pipeline extends well beyond the doors already secured. Current customers include the likes of and not limited to

Albertsons' banners, Stater Brothers, Smart & Final, Save Mart, BevMo, and multiple Costco regions. More than 1,000 additional doors have been presented to buyers- including the likes of BJ's Wholesale Club, Walmart's, Cruise Lines, and wholesalers like the Sysco's of the world. These are not just names we are mentioning but have had meetings and are in the process of testing our products. Furthermore, more than 8,000 further retail doors are in active outreach with grocery stores and mass retailers.

The existing business also continues to show stable growth in sales velocity; customers are coming back and repurchasing GEN's products, a more critical indicator of demand than one-time sell-in to retailers. That velocity remains healthy across the retailers currently carrying GEN's products. To meet this demand, the Company has also addressed supply chain and manufacturing capacity, securing multiple manufacturing partners across several states and overseas in South Korea.

Any transaction would be subject to due diligence, definitive agreements, Board approval, stockholder approval under Delaware law, and customary closing conditions. In its review, the Board may also consider alternative proposals. The Company does not intend to comment further unless and until further disclosure is appropriate or required.

About GEN Restaurant Group, Inc.

GEN Korean BBQ (Nasdaq:GENK) is a leader in Korean BBQ, with 54 GEN restaurant locations and a rapidly growing consumer packaged goods business. Founded in 2011 by two Korean immigrants in Los Angeles, GEN has grown to 54 company-owned restaurants - among the largest Asian casual dining concepts in the United States - where an interactive "grill at your table" format, extensive menu of traditional Korean-inspired dishes, modern décor and lively atmosphere draw a broad and loyal guest base. As Korean flavors move further into the American mainstream, the Company's rapidly growing consumer packaged goods business is capturing at-home dining occasions, with distribution expanding across grocery and warehouse club retailers nationwide. For more information, please visit GenKoreanBBQ.com.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements may be identified by the use of words such as "believe," "intend," "expect," "will," "may," "could," "potential," and other similar words or expressions that predict or indicate future events. All statements that are not statements of historical fact are forward-looking statements, including any statements regarding the non-binding letter of intent and the proposed transaction described in this press release, including the Board of Directors' review and evaluation of the proposal, whether definitive agreements will be negotiated or executed, whether any transaction will be consummated, and the potential terms, structure, timing or benefits of any such transaction; any statements regarding our strategy, future operations, and growth prospects, including expectations relating to the Company's CPG division; any statements regarding the amount or timing of future revenue or revenue growth; any statements regarding future economic conditions or performance; any statements of belief or expectation; and any statements of assumptions underlying any of the foregoing or other future events. Forward-looking statements are based on current information available at the time the statements are made and on management's reasonable belief or expectations with respect to future events, and are subject to risks and uncertainties, many of which are beyond the Company's control, that could cause actual performance or results to differ materially from the belief or expectations expressed in or suggested by the forward-looking statements, including, among other things, the risk that the parties do not negotiate or execute definitive agreements with respect to the proposed transaction, that any transaction is not consummated on the terms contemplated, on the anticipated timeline, or at all, or that the anticipated benefits of any transaction are not realized. Additional factors or events that could cause actual results to differ may also emerge from time to time, and it is not possible for the Company to predict all of them. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to update any forward-looking statement to reflect future events, developments or otherwise, except as may be required by applicable law. Investors are referred to the Company's Annual Report on Form 10-K for the year ended

December 31, 2025, and our subsequent filings with the Securities and Exchange Commission ("SEC"), which are available on the SEC's website at www.sec.gov, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement.

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