GOOD TIMES RESTAURANTS INC
Form S-1/A
August 15, 2013

As filed with the Securities and Exchange Commission on August 14, 2013
Registration No. 333-188183

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

AMENDMENT NO. 6 TO
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

GOOD TIMES RESTAURANTS INC.
(Exact name of registrant as specified in its charter)

Nevada	5812	84-1133368
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

601 Corporate Circle
Golden, Colorado 80401
(303) 384-1400
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Boyd E. Hoback
President and Chief Executive Officer
Good Times Restaurants Inc.
601 Corporate Circle
Golden, Colorado 80401
(303) 384-1400
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Roger C. Cohen, Esq. Snell & Wilmer L.L.P. 1200 17th Street, Suite 1900 Denver, Colorado 80202 Telephone: (303) 634-2000 Facsimile: (303) 634-2020	Barry I. Grossman, Esq. Benjamin S. Reichel, Esq. Ellenoff Grossman & Schole LLP 150 East 42nd Street New York, New York 10017 Telephone: (212) 370-1300 Facsimile: (212) 370-7889

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

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

Large accelerated filer o	Accelerated filer o
Non-accelerated filer (do not check if a smaller reporting company) o	Smaller reporting company x

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price per Share (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common stock, par value $0.001(2)		$6,957,500	$949.00
A Warrants to purchase common stock (2)	(5)	(5)	(6)
B Warrants to purchase common stock (2)	(5)	(5)	(6)
Shares of common stock underlying A Warrants (2) (3)		$7,653,250	$1,043.90
Shares of common stock underlying B Warrants (2) (3)		$3,826,625	$521.95
Underwriter’s warrants (4)		$487,025	$66.43
Shares of common stock underlying Underwriter’s warrants (3) (4)		$603,781	$83.04
TOTAL		$19,533,181	$2,664.33(7)

(1) Estimated solely for the purpose of calculating the registration fee under Rule 457(o) of the Securities Act of 1933, as amended.

(2) Includes 330,000 shares of common stock, A Warrants to purchase 330,000 shares of common stock, and B Warrants to purchase 165,000 shares of common stock which may be issued upon exercise of a 45-day option granted to the underwriters to cover over-allotments, if any.

(3) Pursuant to Rule 416 under the Securities Act of 1933, as amended, the securities being registered hereunder include such indeterminate number of additional shares of common stock as may be issued after the date hereof as a result of stock splits, stock dividends or similar transactions.

(4) Assumes the underwriters’ over-allotment option is fully exercised.

(5) The A Warrants and B Warrants to be issued to investors hereunder are included in the price of the common stock above.

(6) No separate registration fee is required pursuant to Rule 457(g) promulgated under the Securities Act of 1933, as amended.

(7) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

PRELIMINARY PROSPECTUS, SUBJECT TO COMPLETION, DATED AUGUST 14, 2013

2,200,000 Shares of Common Stock
A Warrants to Purchase 2,200,000 Shares of Common Stock
B Warrants to Purchase 1,100,000 Shares of Common Stock

Good Times Restaurants Inc. is offering 2,200,000 shares of our common stock together with warrants to purchase 2,200,000 shares of our common stock ("A Warrants") and additional warrants to purchase 1,100,000 shares of our common stock ("B Warrants"). One share of common stock is being sold together with one A Warrant, with each A Warrant being exercisable on or before [______], 2018 for one share of common stock at an exercise price of [$___] per share, and together with one B Warrant, with two B Warrants being exercisable on or before [______], 2014 for one share of common stock at an exercise price of [$___] per share. We expect the offering price of a share of our common stock and the corresponding A Warrants and B Warrants to be between [$____] and [$____].

Our common stock is listed on the Nasdaq Capital Market under the symbol "GTIM." On August 13, 2013, the last reported sale price for our common stock as reported on the Nasdaq Capital Market was $2.80 per share. Currently, no public market exists for our A Warrants or B Warrants. We do not intend to apply for the listing of the A Warrants or the B Warrants on any national securities exchange. The shares of common stock, the A Warrants and the B Warrants are immediately separable and will be issued separately, but will be purchased together in this offering.

INVESTING IN OUR COMMON STOCK AND WARRANTS INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CONSIDER CAREFULLY THE "RISK FACTORS" DESCRIBED IN THIS PROSPECTUS BEGINNING ON PAGE 11.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Per Share (1)	Total
Public offering price	$	$
Underwriting discounts and commissions (2)	$	$
Proceeds, before expenses, to us	$	$

(1) One share of common stock is being sold together with one A Warrant and one B Warrant, with each A Warrant being exercisable for the purchase of one share of common stock and each two B Warrants being exercisable for the purchase of one share of common stock.
(2) See "Underwriting" for a description of the compensation payable to the underwriters.

We have granted the underwriters a 45-day option to purchase up to 330,000 additional shares of common stock, additional A Warrants to purchase up to 330,000 additional shares of common stock, and/or additional B Warrants to purchase up to 165,000 additional shares of common stock from us at the aggregate offering price for such securities, less underwriting discounts and commissions, to cover over-allotments, if any.

The underwriters expect to deliver our securities, against payment, on or about ________, 2013.

MAXIM GROUP LLC Sole Bookrunner	JP TURNER & CO., LLC Co-Manager

The date of this prospectus is _________, 2013.

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You should rely only on the information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to provide information different from that contained in this prospectus. We are not, and the underwriters are not, making an offer to sell, or seeking offers to buy, these securities in jurisdictions where offers and sales are not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of these securities.

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FORWARD-LOOKING STATEMENTS

This prospectus includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and such statements are subject to the safe harbors created thereby. A forward-looking statement is neither a prediction nor a guarantee of future events. We try, whenever possible, to identify these forward-looking statements by using words such as “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “plan,” “project,” “may,” “will,” and similar expressions. Forward-looking statements may relate to, among other things:

- business objectives and strategic plans;
- operating strategies;
- our ability to open and operate additional restaurants profitably and the timing of such openings;
- our ability to develop and grow the Bad Daddy’s Burger Bar concept;
- restaurant and franchise acquisitions;
- anticipated price increases;
- expected future revenues and earnings, comparable and non-comparable restaurant sales, results of operations, and future restaurant growth (both company-owned and franchised Good Times Burgers & Frozen Custard and Bad Daddy’s Burger Bar restaurants);
- estimated costs of opening and operating new restaurants, including general and administrative, marketing, franchise development and restaurant operating costs;
- anticipated selling, general and administrative expenses and restaurant operating costs, including commodity prices, labor and energy costs;
- future capital expenditures;
- our expectation that we will have adequate cash from operations to meet all capital expenditure and working capital requirements in the current fiscal year;
- the sufficiency of the supply of commodities and labor pool to carry on our business;
- success of advertising and marketing activities;
- the absence of any material adverse impact arising out of any current litigation in which we are involved;
- the impact of federal, state, or local government statutes, rules, and regulations;
- the impact of the adoption of new accounting standards and our financial and accounting systems and analysis programs; and
- the other matters described in “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business.”

Although we believe that the expectations reflected in our forward-looking statements are based on reasonable assumptions, such expectations may prove to be materially incorrect due to known and unknown risks and uncertainties. Given these risks and uncertainties, we urge you to read this prospectus completely with the understanding that actual future results may be materially different from what we plan or expect.

In some cases, information regarding certain important factors that could cause actual results to differ materially from any forward-looking statement appears together with such statement. In addition, the factors described under “Risk Factors,” as well as other possible factors not listed, could cause actual results to differ materially from those expressed in forward-looking statements. Consequently, there can be no assurance that actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effect on, us. Given these uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements.

All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

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USE OF MARKET AND INDUSTRY DATA

This prospectus includes market and industry data that has been obtained from third party sources, including industry publications, as well as industry data prepared by our management on the basis of its knowledge of and experience in the industry in which we operate (including our management's estimates and assumptions relating to such industry based on that knowledge). Management's knowledge of such industry has been developed through its experience and participation in this industry. While our management believes the third party sources referred to in this prospectus are reliable, neither we nor our management have independently verified any of the data from such sources referred to in this prospectus or ascertained the underlying economic assumptions relied upon by such sources. Internally prepared and third party market forecasts, in particular, are estimates only and may be inaccurate, especially over long periods of time. In addition, the underwriters have not independently verified any of the industry data prepared by management or ascertained the underlying estimates and assumptions relied upon by management. Furthermore, references in this prospectus to any publications, reports, surveys or articles prepared by third parties should not be construed as depicting the complete findings of the entire publication, report, survey or article. The information in any such publication, report, survey or article is not incorporated by reference in this prospectus.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus. It may not contain all of the information that is important to you. You should read the entire prospectus carefully, especially the discussion regarding the risks of investing in our securities under the heading "Risk Factors," before making an investment decision.

As used in this prospectus, unless the context requires otherwise, "Good Times," "Company," "we," "us," and "our" refer to Good Times Restaurants Inc. and its consolidated subsidiaries, including Good Times Drive-Thru Inc. ("GTDT") and BD of Colorado LLC ("BDC"). Both of GTDT and BDC are wholly-owned subsidiaries of Good Times Restaurants Inc. Unless otherwise indicated or the context otherwise requires, financial and operating data in this prospectus reflect the consolidated business and operations of Good Times Restaurants Inc. and GTDT.

This prospectus includes trademarks, service marks and trade names owned by us or other companies. All trademarks, service marks and trade names included in this prospectus are the property of their respective owners.

Overview

The Company was incorporated in Nevada in 1987. Through our wholly-owned subsidiary, GTDT, we are engaged in the business of developing, owning, operating and franchising hamburger-oriented drive-through restaurants under the name Good Times Burgers & Frozen Custard. Most of our restaurants are located in the front-range communities of Colorado but we also have franchised restaurants in North Dakota and Wyoming. Over the last two years, we have sold or closed a small number of under-performing restaurants which has increased working capital and improved operating margins. We have also repaid all of our bank debt, increased our equity and significantly improved the profitability of the Company.

As described below under "Recent Developments," we recently entered into a series of agreements with Bad Daddy's International, LLC, a North Carolina limited liability company ("BDI"), and Bad Daddy's Franchise Development, LLC, a North Carolina limited liability company ("BDFD"), to acquire the exclusive development rights for Bad Daddy's Burger Bar restaurants in Colorado, additional restaurant development rights for Arizona and Kansas, and a 48% voting ownership interest in the Bad Daddy's Burger Bar franchisor entity, BDFD (collectively, the "Bad Daddy's Transaction"). Each of the material agreements relating to the Bad Daddy's Transaction is summarized in the "Business-Recent Developments-Bad Daddy's Burger Bar" section beginning on page 44 of this prospectus.

Financial & Brand Highlights

- We have had twelve consecutive quarters of same store sales growth.
- We had a 9.5% increase in same store sales for the first nine months of fiscal 2013.
- We have recently repaid all of our bank and term debt and have $149,000 of total capitalized leases and term debt on our balance sheet.
- Our income from operations improved by $1,247,000 in fiscal 2011 compared to fiscal 2010 and by an additional $191,000 in fiscal 2012 compared to fiscal 2011, even in the midst of unprecedented commodity cost increases.
- Our cost of sales, as a percentage of net sales, declined 1.7% in fiscal 2012 compared to fiscal 2011 as a result of menu price increases, new product introductions and re-engineering of each category of our menu.

- Our net revenues for fiscal 2012 decreased by $897,000 (-4.4%) to $19,706,000 from $20,603,000 for fiscal year 2011, primarily due to two closed stores during fiscal 2012. Our net revenues for the nine month period ended June 30, 2013 increased by $1,694,000 (+11.6%) to $16,358,000 from $14,664,000 for the nine month period ended June 30, 2012.

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- Our loss from operations was $474,000 in fiscal 2012 compared to $665,000 in fiscal 2011. We had a loss from operations of $387,000 for the nine month period ended June 30, 2013 compared to a loss of $558,000 for the same prior year period.

- Our net loss was $668,000 for fiscal 2012 compared to $895,000 for fiscal 2011. Our net loss for the nine month period ended June 30, 2013 was $459,000 compared to a net loss of $710,000 for the same prior year period.

- In November, 2012 we introduced a new breakfast menu that is already generating over 7% of total sales.

- During fiscal 2012, we began a reimaging and remodeling program for our older restaurants that we plan to complete in fiscal 2013 and 2014 using a portion of the proceeds of this offering.

- We recently introduced a new All Natural, Handbreaded Chicken Tenderloin platform to replace our prior chicken item. In early results, we have increased the category's sales mix from approximately 8% of total sales to over 13%.

- We believe Good Times is the only quick service restaurant concept in Colorado offering all natural beef and chicken with no hormones, no steroids, no antibiotics and humanely raised, vegetarian fed animals with no animal byproducts in the feed.

- We began a new television campaign the last week of March 2013 for the first time in over three years. We hope to achieve continued same store sales increases through fiscal 2013 as a result of the television broadcast media, the new breakfast menu, the new chicken platform and other menu innovations.

- We recently signed a new five-year distribution agreement with Food Services of America that we believe will lower our overall cost of sales as a percentage of sales as a result of improved distribution and purchasing costs.

- Over the last two years, we have sold a few underperforming restaurants for cash and have purchased one high volume franchised restaurant from a franchisee. We anticipate the effect will be improvement in our income from operations margin as a percentage of sales.

- We plan to build additional Good Times Burgers & Frozen Custard company-owned restaurants in Colorado, utilizing our 2,000 square foot, 50 seat dining room design.

Recent Developments

After looking at over two dozen concepts for possible acquisition over the last year, we have entered into a series of agreements with BDI and BDFD to acquire the exclusive development rights for Bad Daddy's Burger Bar restaurants in Colorado, additional restaurant development rights for Arizona and Kansas, and a 48% voting ownership interest in the franchisor entity, BDFD, for the offering of Bad Daddy's Burger Bar restaurant franchises.

Bad Daddy's Burger Bar is a relatively new restaurant concept that has been in existence for approximately three years. There are currently five existing Bad Daddy's Burger Bar restaurants, all of which are located in North Carolina, including an airport concession licensed to Host Marriot Services in the Charlotte, N.C. airport. Of the existing restaurants, three have been open for more than one year.

BDI is owned by Dennis Thompson, a restaurant entrepreneur who has developed and taken public or sold multiple concepts (Lone Star Steakhouse, Bailey's Sports Grille, Fox & Hound Pub, Firebird's Woodfired Grill), and by Frank Scibelli, a local restaurateur operating multiple highly successful, award winning concepts including Mama Ricotta's, Cantina 1511, Midwood Smokehouse Barbeque, and Paco's Tacos and Tequila. Our criteria for acquiring a new growth concept were threefold:

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1) A highly differentiated concept exhibiting high customer loyalty;
2) Industry leading unit economic model exceeding a 40% cash on cash return; and
3) Experienced management that intends to participate in the future growth and development of the concept.

We believe that Bad Daddy's Burger Bar can meet each of these objectives and that our relationship with BDI and BDFD can provide the vehicle for leveraging our existing infrastructure in administration, accounting, information technology, purchasing, human resources and training, marketing and operating systems and processes in partnering with the Bad Daddy's Burger Bar founders who have serial restaurant experience and who can provide brand leadership and strategy as the Bad Daddy's Burger Bar concept is expanded. Bad Daddy's Burger Bar operates in a different segment of the restaurant industry than Good Times Burgers & Frozen Custard as a full service, upscale casual restaurant concept with a chef-driven menu specializing in signature recipes, gourmet burgers, sandwiches, salads, appetizers and desserts, with a full bar specializing in craft microbrews. Based on our continued review of their electronic point of sale system data that immediately captures each customer transaction in each of their three existing restaurants that have been open for more than one year, we have determined that Bad Daddy's Burger Bar average sales and average customer check per restaurant are materially higher than the Good Times Burgers & Frozen Custard average sales and average check per restaurant.

We purchased the 48% interest in BDFD for an aggregate subscription price of $750,000. The first $375,000 installment was paid on April 15, 2013. The remaining $375,000 installment is to be paid on or before the six month anniversary of the execution date of the subscription agreement. In addition, pursuant to the terms of the BDFD operating agreement, we may be required to make an additional capital contribution to BDFD of up to $480,000.

For more information regarding the Bad Daddy's Transaction and the material agreements relating thereto, see "Business-Recent Developments-Bad Daddy's Burger Bar" beginning on page 44 of this prospectus.

Company Information

We were incorporated as a Nevada corporation on October 6, 1987. Our executive offices are located at 601 Corporate Circle, Golden, Colorado 80401. Our telephone number is (303) 384-1400 and our website address is www.goodtimesburgers.com. The information on or accessible through our website is not part of this prospectus.

We use Good Times, Good Times Burgers & Frozen Custard and the Good Times logo in the United States. BDI owns the Bad Daddy's Burger Bar trademark and related service marks, subject to license rights granted to BDFD and sublicenses granted by BDFD to others, including BDC. All other trademarks, service marks or trade names referred to in this prospectus are the property of their respective owners.

Our Principal Stockholder

Following completion of this offering, Small Island Investments Limited ("SII") will beneficially own approximately 42.5% of our outstanding common stock, or 39.8% if the underwriters' over-allotment option is fully exercised, or 23.1% if all of the Warrants issued to the public in this offering are fully exercised (including the Warrants subject to the underwriters' over-allotment option). In addition, by virtue of its ownership of Series C Convertible Preferred Stock, SII will continue to have certain rights and preferences over the holders of our common stock, including a right to approve certain major corporate transactions. As a result, SII will be able to have significant influence regarding the strategic direction and/or capital structure of the Company. See "Risk Factors – Risks Relating to The Offering and Ownership of Our Securities."

SII is a Bermuda corporation and is owned and controlled by director David Dobbin and members of his family.

Summary Risk Factors

We are subject to a number of risks, which the reader should be aware of and should carefully consider before deciding to purchase the securities in this offering. These risks are discussed in the section entitled "Risk Factors" beginning on page 11 of this prospectus. The following is a list of some of the principal risks relating to our business

- We have accumulated losses.
- If we are unable to continue to increase same store sales at existing restaurants, our ability to attain profitability may be adversely affected.
- New restaurants, when and if opened, may not be profitable, if at all, for several months.
- We depend on key management employees.
- Our ability to succeed with the Bad Daddy’s Burger Bar restaurant concept will require significant capital expenditures and management attention.
- Our growth, including the development of Bad Daddy’s Burger Bar restaurants, may strain our management and infrastructure.
- Bad Daddy’s Burger Bar is subject to all of the risks of a relatively new business, including competition, and there is no guarantee of a return on our capital investment into BDFD and BDC.
- The Company does not have a majority voting interest in BDFD and the Company’s Management Services Agreement with BDFD has a limited term of three years.
- If the Company fails to comply with the development schedule under its license agreement with BDFD, it will lose its exclusive development rights in Colorado and its additional development rights in Arizona and Kansas.

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THE OFFERING

Securities offered by us	2,200,000 shares of our common stock together with A Warrants to purchase 2,200,000 shares of our common stock and B Warrants to purchase 1,100,000 shares of our common stock (A Warrants and B Warrants collectively, the "Warrants")
Common stock outstanding immediately prior to this offering	2,726,214 shares
Common stock outstanding immediately after this offering	4,926,214 shares
Warrants outstanding immediately prior to this offering	None
Warrants outstanding immediately after this offering	A Warrants to purchase 2,200,000 shares of our common stock and B Warrants to purchase 1,100,000 shares of our common stock (excluding warrants to be received by the underwriters in connection with this offering)
Terms of Warrants issued as a part of the offering	Exercise price – [$____] per share for the A Warrants and [$____] per share for the B Warrants. We may, in our sole discretion, by notice to registered holders lower the exercise price of the Warrants at any time prior to their expiration date for a specified period of not less than 20 business days. If, and only if, at the time of exercise of the Warrants there is no effective registration statement covering the issuance of the shares of common stock underlying the Warrants, then the holders of the Warrants may elect to exercise the Warrants, in whole or in part, by means of a "cashless exercise" provision as described therein. Exercisability – each A Warrant is exercisable for one share of common stock, subject to adjustment as described therein, and each two B Warrants are exercisable for one share of common stock, subject to adjustment as described in therein. A holder may not exercise any portion of a Warrant to the extent that the holder, together with its affiliates and any other person or entity acting as a group, would own more than 9.99% of the outstanding common stock after exercise, as such percentage ownership is determined in accordance with the terms of the Warrants, except that upon at least 61 days' prior notice from the holder to us, the holder may waive such limitation. Exercise period – each A Warrant will be immediately exercisable upon issuance and will expire on [_________, 2018], or earlier upon redemption, and each B Warrant will be immediately exercisable upon issuance and will

expire on [_________, 2014]. We may extend the duration of the Warrants by delaying the expiration date upon not less than 20 days' notice to registered holders of the Warrants.

Currently, no public market exists for our Warrants. We do not intend to apply for the listing of the Warrants on any national securities exchange. The shares of common stock and Warrants are immediately separable and will be issued separately, but will be purchased together in this offering.

See "Description of Securities – Warrants to be Issued in This Offering" beginning on page 72 for more information.

Redemption of A Warrants issued as a part of the offering	From and after one year following their issuance we may call all, but not less than all, of the outstanding A Warrants for redemption as follows: (i) at a price of $0.01 for each A Warrant at any time while the A Warrants are exercisable, so long as a registration statement relating to the common stock issuable upon exercise of the A Warrants is effective and current; (ii) upon not less than 30 days prior written notice of redemption to each A Warrant holder; and (iii) if, and only if, the reported last sale price of a share of common stock equals or exceeds 150% of the A Warrant exercise price for any 20 trading days within a 30 consecutive trading day period ending on the third business day prior to the notice of redemption to A Warrant holders.

If the foregoing conditions are satisfied and we call the A Warrants for redemption, each A Warrant holder will then be entitled to exercise his, her or it's a Warrant prior to the date scheduled for redemption. However, there can be no assurance that the price of the common stock will exceed the call price or the A Warrant exercise price after the redemption call is made.

We may not call the B Warrants for redemption.

Over-allotment option	330,000 shares of common stock, A Warrants to purchase 330,000 shares of common stock, and/or B Warrants to purchase 165,000 shares of common stock. See "Underwriting" beginning on page 79 for more information.
Use of proceeds	We estimate that our net proceeds from this offering, without exercise of the over-allotment option, will be approximately [$________] (assuming an initial offering price of [$____] per share of common stock and corresponding Warrants). We will also receive additional aggregate gross proceeds of up to [$________] if and when the A Warrants are exercised and of up to [$________] if and when the B Warrants are exercised. We intend to use the net proceeds from this offering for our remaining required equity contribution to BDFD; for the remodeling and reimaging of existing Good Times Burgers & Frozen Custard restaurants; for the development of new Bad Daddy's Burger Bar restaurants through BDC; and as working capital reserves and future investment at the discretion of our Board of Directors. See "Use of Proceeds."
Nasdaq symbol	"GTIM"
Risk factors	Investment in our common stock and Warrants involves substantial risks. You should read this prospectus carefully, including the section entitled "Risk Factors," beginning on page 11, and the consolidated financial statements and the related notes to those statements included elsewhere in this prospectus, before making an investment decision with respect to our common stock and Warrants.

The number of shares of our common stock that will be outstanding immediately after this offering is based on 2,726,214 shares of common stock outstanding as of August 13, 2013, and excludes:

- 710,902 shares of our common stock issuable upon the conversion of 355,451 shares of our Series C Convertible Preferred Stock outstanding as of August 13, 2013, at a conversion ratio of two shares of common stock for each share of Series C Convertible Preferred Stock;
- 293,854 shares of our common stock issuable upon the exercise of stock options outstanding under our 2008 Omnibus Equity Incentive Compensation Plan as of August 13, 2013, at a weighted-average exercise price of $4.54 per share;
- 2,200,000 shares of our common stock issuable upon exercise of the A Warrants issued to the public in connection with this offering;
- 1,100,000 shares of our common stock issuable upon exercise of the B Warrants issued to the public in connection with this offering;
- 154,000 shares of common stock underlying warrants to be received by the underwriters in connection with this offering; and

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206,146 additional shares of our common stock to be reserved for future issuance under our 2008 Omnibus Equity Incentive Compensation Plan following this offering.

Except as otherwise indicated herein, all information in this prospectus, including the number of shares of common stock that will be outstanding after this offering, assumes or gives effect to:

- no conversion of shares of Series C Convertible Preferred Stock outstanding on the date of this prospectus into shares of our common stock;
- no exercise of warrants or options outstanding on the date of this prospectus; and
- no exercise of the underwriters' over-allotment option.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table sets forth, for the periods and dates indicated, our summary historical consolidated financial and operating data. We have derived the summary financial and operating data for the fiscal years ended September 30, 2011 and September 30, 2012 from our audited consolidated financial statements appearing elsewhere in this prospectus. We have derived the summary financial and operating data for the three and nine month periods ended June 30, 2013 from our unaudited consolidated financial statements appearing elsewhere in this prospectus. Our historical results for any period are not necessarily indicative of our future performance. You should read this information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes thereto included elsewhere in this prospectus.

	Three Months Ended June 30, 2013 (Unaudited)	Nine Months Ended June 30, 2013 (Unaudited)	Year Ended September 30, 2012 (Audited)	Year Ended September 30, 2011 (Audited)
Operating Data:	In thousands, except per share amount			
Restaurant sales	$ 6,394	$ 16,092	$ 19,274	$ 20,183
Franchise fees and royalties received	93	266	432	420
Total Net Revenues	6,487	16,358	19,706	20,603
Restaurant Operating Costs:				
Food and packaging costs	2,149	5,503	6,592	7,241
Payroll and other employee benefit costs	2,104	5,683	6,691	7,043
Occupancy and other operating costs	1,126	3,156	3,939	4,172
Preopening costs	29	29	-	-
Depreciation and amortization	169	537	795	888
Total Restaurant Operating Costs	5,577	14,908	18,017	19,344
Selling, General & Administrative costs	665	1,875	2,154	2,038
Franchise costs	17	48	60	70
Gain on restaurant assets	(6)	(86)	(51)	(184)
Income (loss) from Operations	$ 234	$ (387)	$ (474)	$ (665)
Other Income and (expenses)				
Unrealized gain (loss) on interest rate swap	-	-	20	27
Other income (expense)	(1)	(4)	(15)	22
Affiliate investment loss	(23)	(23)	-	-
Interest income (expense), net	(2)	(45)	(199)	(279)
Total other income (expense)	(26)	(72)	(194)	(230)
Net Income (loss)	$ 208	$ (459)	$ (668)	$ (895)
Income attributable to non-controlling interest	(67)			