Q3 2026

SUPPLEMENTAL INFORMATION

November 3, 2026



CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

FORWARD LOOKING STATEMENTS

In addition to historical information, this presentation may contain a number of "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995, which are subject to known and unknown risks, uncertainties and other important factors that may cause actual results to be materially different from the statements made herein. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial position, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to any historical or current facts. These statements may include words such as "aim," "anticipate," "believe," "estimate," "expect," "forecast," "future," "intend," "outlook," "potential," "project," "projection," "plan," "seek," "may," "could," "would," "will," "should," "can," "can have," "likely," the negatives thereof and other similar expressions. You should evaluate all forward-looking statements made in this presentation in the context of the risks and uncertainties disclosed in our filings with the Securities and Exchange Commission (the "SEC"), accessible on the SEC's website at www.sec.gov and the Investors Relations section of the Company's website at https://investors.firstwatch.com/financial-information/sec-filings. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the following: our vulnerability to changes in consumer preferences and economic conditions such as inflation and recession; our inability to successfully open new restaurants or establish new markets; our inability to effectively manage our growth; potential negative impacts on sales at our and our franchisees' restaurants as a result of our opening new restaurants in existing markets; a decline in visitors to any of the retail centers, lifestyle centers, or entertainment centers where our restaurants are located; lower than expected same-restaurant sales growth; unsuccessful marketing programs and limited time new offerings; changes in the cost of food; unprofitability or closure of new restaurants or lower than previously experienced performance in existing restaurants; our inability to compete effectively for customers; our vulnerability to food safety and food-borne illness concerns; unsuccessful financial performance of our franchisees, our limited control over our franchisees' operations, our inability to maintain good relationships with our franchisees and conflicts of interest with our franchisees; the geographic concentration of our system-wide restaurant base in the southeast portion of the United States; damage to our reputation and negative publicity; our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media and artificial intelligence; our limited number of suppliers and distributors for several of our frequently used ingredients and shortages or disruptions in the supply or delivery of such ingredients; information technology system failures or breaches of our network security; our failure to comply with federal and state laws and regulations relating to privacy, data protection, advertising and consumer protection, or the expansion of current or the enactment of new laws or regulations relating to privacy, data protection, advertising and consumer protection; our potential liability with our gift cards under the property laws of some states; our failure to enforce and maintain our trademarks and protect our other intellectual property; litigation with respect to intellectual property assets; our dependence on our executive officers and certain other key employees; our inability to identify, hire, train and retain qualified individuals for our workforce; our failure to obtain or to properly verify the employment eligibility of our employees; our failure to maintain our corporate culture as we grow; unionization activities among our employees; employment and labor law proceedings; labor shortages or increased labor costs or health care costs; risks associated with leasing property subject to long-term and non-cancelable leases; risks related to our sale of alcoholic beverages; costly and complex compliance with federal, state and local laws, including trade and tax policies; changes in accounting principles applicable to us; our vulnerability to natural disasters, unusual weather conditions, pandemic outbreaks, political events, war and terrorism; our inability to secure additional capital to support business growth; our level of indebtedness; failure to comply with covenants under our credit facility; and uncertainty regarding the Russia and Ukraine war, war and unrest in the Middle East and the related impact on macroeconomic conditions, including inflation, as a result of such conflicts or other related events.

The forward-looking statements included in this presentation are made only as of the date hereof and are expressly qualified in their entirety by these cautionary statements. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

NON-GAAP FINANCIAL MEASURES (UNAUDITED)

To supplement the consolidated financial statements, which are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), we use the following non-GAAP measures, which present operating results on an adjusted basis: (i) Adjusted EBITDA, (ii) Adjusted EBITDA margin, (iii) Restaurant level operating profit and (iv) Restaurant level operating profit margin. Our presentation of these non-GAAP measures includes isolating the effects of some items that are either nonrecurring in nature or have no meaningful correlation to our ongoing core operating performance. These supplemental measures of performance are not required by or presented in accordance with GAAP. Management believes these non-GAAP measures provide investors with additional visibility into our operations, facilitate analysis and comparisons of our ongoing business operations because they exclude items that may not be indicative of our ongoing operating performance, help to identify operational trends and allow for greater transparency with respect to key metrics used by Management in our financial and operational decision making. Our non-GAAP measures may not be comparable to similarly titled measures used by other companies and have important limitations as analytical tools. These non-GAAP measures should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP as they may not provide a complete understanding of our performance. These non-GAAP measures should be reviewed in conjunction with our consolidated financial statements prepared in accordance with GAAP.

This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities.

GOOD MORNING!

We are First Watch.

We're the leaders of the **Daytime Dining** category – a segment comprised of culinary-driven concepts operating exclusively during daytime hours. Our performance and successes are achieved during *one* 7½-hour shift, from 7 a.m. to 2:30 p.m.

We serve **made-to-order** breakfast, brunch and lunch using fresh ingredients, and our culture is built around a simple, people-focused mission: "You First."

Our **elevated offering** capitalizes on three long-term consumer trends: the attractive breakfast daypart, an increasing demand for fresh, healthy food and the heightened importance of on-demand dining.

We appeal to a **broad mix of customers** across generations from Gen Z to Baby Boomers.

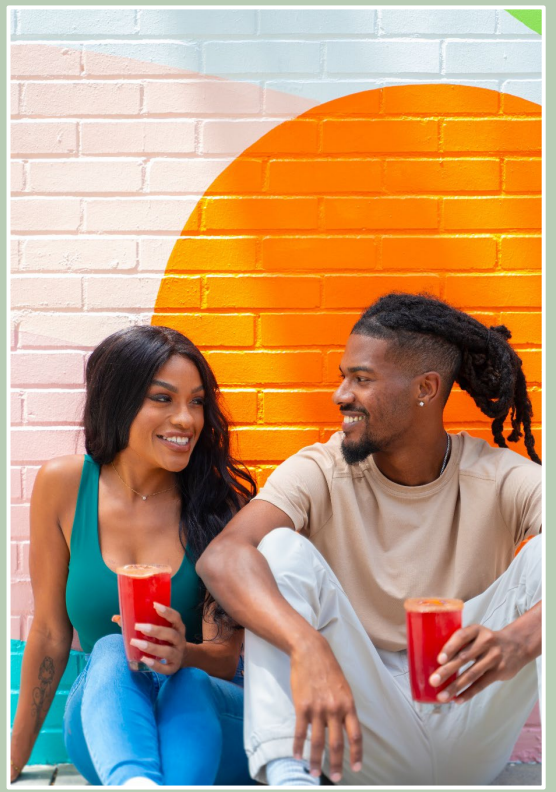
Since 1983, we have delivered sales and unit growth as a result of our broad brand appeal. At the end of the third quarter, we operated 681 system-wide restaurants in 33 states, and we believe we're just getting started.








FIRST WATCH



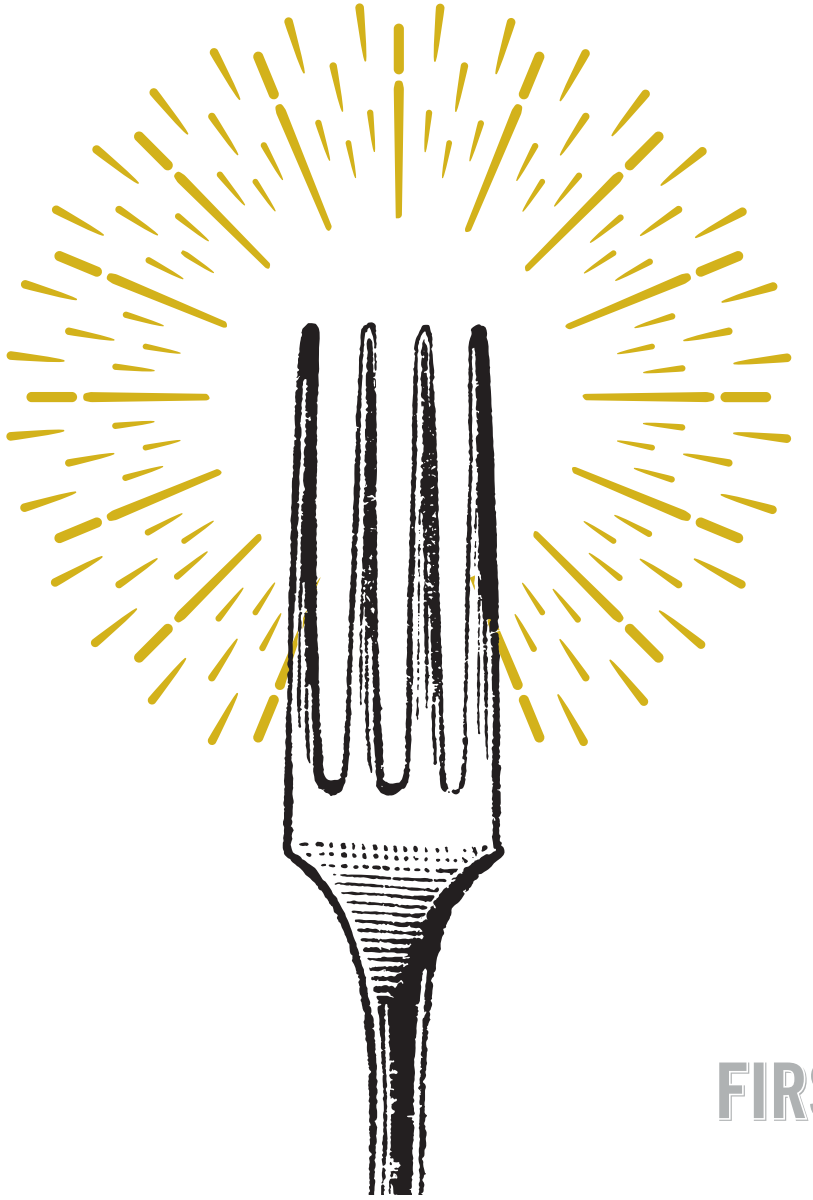

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WATCH
IT'S A
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Q3 2026

PERFORMANCE & COMMENTARY



FIRST WATCH

Q3 2026 HIGHLIGHTS



Third Quarter 2026 Highlights:

- Total revenues increased 10.7% to $349.9 million as compared to $316.0 million in the same period of 2025
- System-wide sales increased 10.9% to $391.2 million as compared to $352.7 million in the same period of 2025
- Same-Restaurant Sales Growth of 1.0%
- Same-Restaurant Traffic Growth of negative 1.9%
- Income from Operations Margin remained flat at 3.2% as compared to the same period of 2025
- Restaurant Level Operating Profit Margin* decreased to 19.4% as compared to 19.7% in the same period of 2025
- Net income increased to $4.8 million, or $0.08 per diluted share, from net income of $3.0 million, or $0.05 per diluted share, in the same period of 2025
- Adjusted EBITDA* increased to $39.7 million as compared to $34.1 million in the same period of 2025
- Opened 16 system-wide restaurants in 11 states resulting in a total of 681 system-wide restaurants (601 company-owned and 80 franchise-owned) across 33 states

**See Non-GAAP Financial Measures Reconciliations section below.*

“Our third-quarter performance is another encouraging proof point for the strength of First Watch. We delivered on our top-line plan, grew same-restaurant sales against our toughest comparison of the year and increased total revenue by 10.7%, all while opening 16 system-wide restaurants across 11 states.

Our teams continue to execute at a high level, driving Adjusted EBITDA growth ahead of our expectations and giving us the confidence to raise our full-year 2026 Adjusted EBITDA outlook to the high end of our previous guidance range.”

Chris Tomasso,

First Watch CEO and President



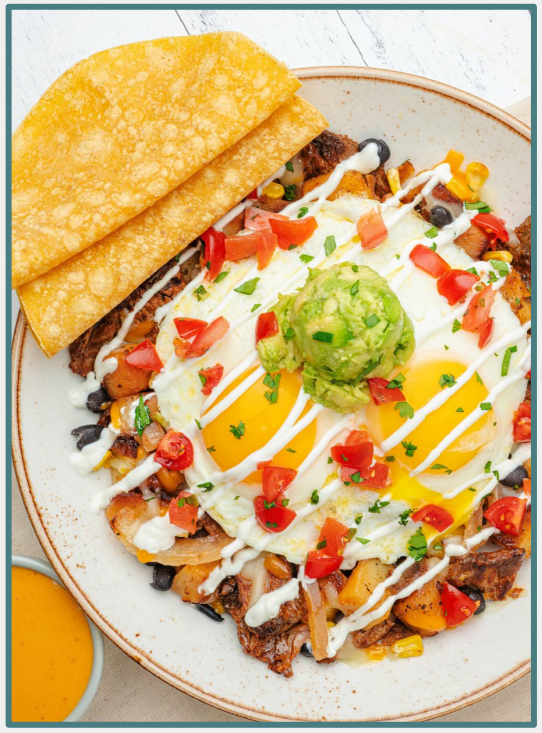






HONEY BUTTER BISCUIT BITES

Freshly baked mini buttermilk biscuits sprinkled with sugar and served with salted honey butter and warm mixed berry compote.



CHIPOTLE STEAK AND QUESO HASH

Carne asada steak, house-roasted corn and onions, Cheddar and Monterey Jack and seasoned black beans in a potato hash. Topped with two cage-free eggs any style, fresh smashed avocado, housemade pico de gallo, lime crema and cilantro. Served with two wheat-corn tortillas and a side of chipotle queso.



MILLION DOLLAR BREAKFAST SANDWICH

Million Dollar Bacon, a Jones Dairy Farm all-natural pork sausage patty, an over-easy cage-free egg, smoked Wisconsin Gouda, fresh arugula and Mike's Hot Honey drizzled on a griddled English muffin. Served with lemon-dressed organic mixed greens.



BANANA BRITTLE FRENCH TOAST

Thick-cut, custard-dipped, griddled challah bread topped with a drizzle of almond butter crème anglaise, caramelized bananas, fresh blueberries, lemon whipped cream, honey roasted almonds, Maldon sea salt and mint. Lightly dusted with powdered cinnamon sugar.



THE GODFATHER BREAKFAST BOWL

Griddled Italian pork sausage, two cage-free eggs any style and Bob's Red Mill seasoned grits topped with lemon-dressed arugula, fresh herbs and freshly grated Parmesan. Served with a side of chopped Calabrian chilis.



MAPLE BACON CROISSANT SANDWICH

Million Dollar Bacon, a Jones Dairy Farm all-natural pork sausage patty, folded cage-free eggs, house-pickled jalapeños, sharp Cheddar and bacon apricot jam on a griddled, buttery croissant round. Served with freshly seasoned potatoes.



PUMPKIN SPICE DONUTS

Warm cake donut holes tossed with pumpkin-spiced sugar and lightly dusted with powdered cinnamon sugar. Served with salted caramel and crème anglaise for dipping.



BLAZING DRAGON

Fresh juice featuring strawberry, lemon, cane sugar and dragon fruit.

OUTLOOK FOR FISCAL YEAR 2026

Based upon third quarter results and current trends, the Company updated the following guidance metrics for the 52-week fiscal year ending December 27, 2026:

- Same-Restaurant Sales Growth of ~2.0%
- Total revenue growth of ~13.5%(1)
- Adjusted EBITDA(2) of ~$136.0 million(1)
- 60 net new System-wide restaurants, including 2 company-owned restaurant closures (53 new company-owned restaurants and 9 new franchise-owned restaurants)
- Capital expenditures of ~$145 million invested primarily in new restaurant projects and planned remodels(3)

(1) Includes net impact of approximately 1% in total revenue growth and approximately $2 million in Adjusted EBITDA associated with completed acquisitions.

(2) We have not reconciled guidance for Adjusted EBITDA to the corresponding GAAP financial measure because we do not provide guidance for the various reconciling items. We are unable to provide guidance for these reconciling items because we cannot determine their probable significance, as certain items are outside of our control and cannot be reasonably predicted due to the fact that these items could vary significantly from period to period. Accordingly, a reconciliation to the corresponding GAAP financial measure is not available without unreasonable effort.

(3) Does not include the capital outlays associated with the acquisition of franchise-owned restaurants.



CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

The following table summarizes our results of operations and the percentages of items in our Consolidated Statements of Operations in relation to Total revenue or, where indicated, Restaurant sales for fiscal years 2025, 2024, 2023, the thirteen weeks and thirty-nine weeks ended September 27, 2026, and thirteen weeks and thirty-nine weeks ended September 28, 2025.

	THIRTEEN WEEKS ENDED		THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED		THIRTY-NINE WEEKS ENDED		FISCAL YEAR					
(in thousands)	September 27, 2026		September 28, 2025		September 27, 2026		September 28, 2025		2025		2024		2023	
Revenues														
Restaurant sales	$ 346,722	99.1%	$ 313,636	99.2%	$ 1,026,351	99.1%	$ 898,210	99.1%	$ 1,212,173	99.2%	$ 1,004,355	98.9%	$ 877,092	98.4%
Franchise revenues	3,139	0.9%	2,386	0.8%	9,141	0.9%	7,939	0.9%	10,328	0.8%	11,555	1.1%	14,459	1.6%
Total revenues	349,861	100.0%	316,022	100.0%	1,035,492	100.0%	906,149	100.0%	1,222,501	100.0%	1,015,910	100.0%	891,551	100.0%
Operating costs and expenses														
Restaurant operating expenses (1) (exclusive of depreciation and amortization shown below):														
Food and beverage costs	77,402	22.3%	69,730	22.2%	234,305	22.8%	$ 208,355	23.2%	280,098	23.1%	223,097	22.2%	197,374	22.5%
Labor and other related expenses	112,962	32.6%	102,387	32.6%	339,294	33.1%	300,451	33.4%	405,544	33.5%	335,038	33.4%	294,010	33.5%
Other restaurant operating expenses	56,048	16.2%	50,140	16.0%	163,509	15.9%	141,002	15.7%	188,685	15.6%	151,968	15.1%	134,477	15.3%
Occupancy expenses	29,506	8.5%	25,891	8.3%	85,261	8.3%	73,849	8.2%	100,788	8.3%	82,694	8.2%	68,400	7.8%
Pre-opening expenses	3,461	1.0%	3,813	1.2%	9,833	1.0%	9,980	1.1%	12,933	1.1%	10,109	1.0%	7,173	0.8%
General and administrative expenses	35,244	10.1%	33,746	10.7%	113,916	11.0%	97,150	10.7%	128,950	10.5%	113,270	11.1%	103,121	11.6%
Depreciation and amortization	22,700	6.5%	19,662	6.2%	65,935	6.4%	54,355	6.0%	75,011	6.1%	57,715	5.7%	41,223	4.6%
Impairments and loss on disposal of assets	170	0.0%	175	0.1%	437	0.0%	311	0.0%	448	0.0%	525	0.1%	1,359	0.2%
Transaction and restructuring expenses, net	1,320	0.4%	428	0.1%	2,828	0.3%	2,220	0.2%	2,533	0.2%	2,587	0.3%	3,147	0.4%
Total operating costs and expenses	338,813	96.8%	305,972	96.8%	1,015,318	98.1%	887,673	98.0%	1,194,990	97.7%	977,003	96.2%	850,284	95.4%
Income from operations (1)	11,048	3.2%	10,050	3.2%	20,174	2.0%	18,476	2.1%	27,511	2.3%	38,907	3.9%	41,267	4.7%
Interest expense	(4,933)	(1.4)%	(4,567)	(1.4)%	(14,603)	(1.4)%	(11,904)	(1.3)%	(16,699)	(1.4)%	(12,640)	(1.2)%	(8,063)	(0.9)%
Other income, net	362	0.1%	191	0.1%	840	0.1%	1,141	0.1%	1,321	0.1%	1,759	0.2%	2,871	0.3%
Income before income taxes	6,477	1.9 %	5,674	1.8 %	6,411	0.6%	7,713	0.9%	12,133	1.0%	28,026	2.8%	36,075	4.0%
Income tax (expense) benefit	(1,690)	(0.5)%	(2,683)	(0.8)%	(1,970)	(0.2)%	(3,445)	(0.4)%	7,299	0.6 %	(9,101)	(0.9)%	(10,690)	(1.2)%
Net income	$ 4,787	1.4 %	$ 2,991	0.9 %	$ 4,441	0.4%	$ 4,268	0.5%	$ 19,432	1.6%	$ 18,925	1.9%	$ 25,385	2.8%
Net income	$ 4,787		$ 2,991		$ 4,441		$ 4,268		$ 19,432		$ 18,925		$ 25,385	
Other comprehensive income (loss):														
Unrealized gain (loss) on derivatives	1,331		88		2,381		(920)		(869)		301		(889)	
Income tax related to other comprehensive income (loss)	(330)		(22)		(590)		229		215		(75)		222	
Comprehensive income	$ 5,788		$ 3,057		$ 6,232		$ 3,577		$ 18,778		$ 19,151		$ 24,718	
Net income per common share - basic	$ 0.08		$ 0.05		$ 0.07		$ 0.07		$ 0.32		$ 0.31		$ 0.43	
Net income per common share - diluted	$ 0.08		$ 0.05		$ 0.07		$ 0.07		$ 0.31		$ 0.30		$ 0.41	
Weighted average number of common shares outstanding - basic	61,719,871		61,027,278		61,544,361		60,933,443		60,963,587		60,365,393		59,531,404	
Weighted average number of common shares outstanding - diluted	62,550,856		62,834,080		62,600,196		62,798,962		62,842,519		62,351,222		61,191,613	

(1) Percentages are calculated as a percentage of restaurant sales

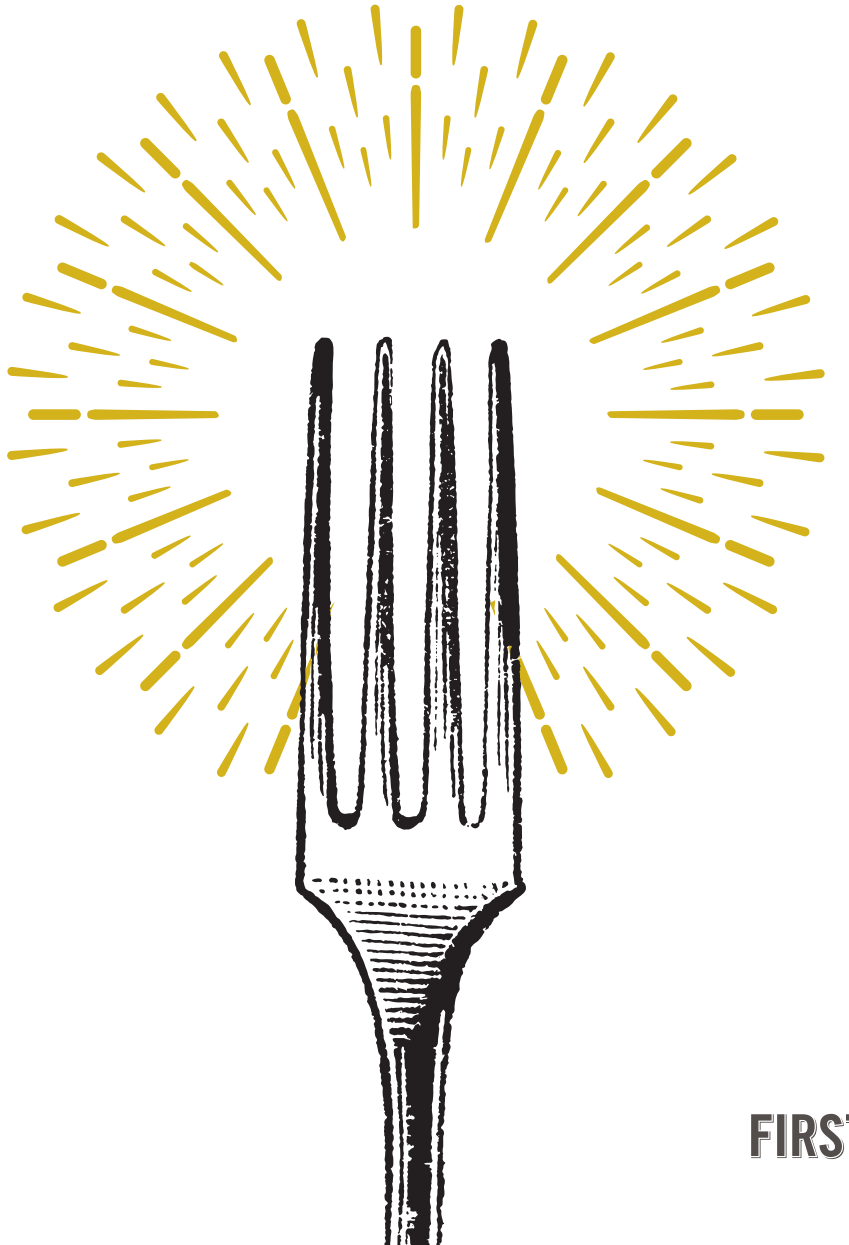
SELECTED OPERATING DATA

	THIRTEEN WEEKS	THIRTEEN WEEKS	THIRTY-NINE WEEKS	THIRTY-NINE WEEKS	FISCAL YEAR		
	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025	2025	2024	2023
Operating weeks	13	13	39	39	52	52	53
System-wide restaurants	681	620	681	620	633	572	524
Company-owned	601	548	601	548	560	489	425
Franchise-owned	80	72	80	72	73	83	99
System-wide sales (in thousands)	$391,192	$352,688	$1,155,803	$1,021,896	$1,375,045	$1,184,469	$1,103,089
Same-restaurant sales growth [1]	1.0%	7.1%	2.4%	3.7 %	3.6%	(0.5)%	7.6%
Same-restaurant traffic growth [1]	(1.9)%	2.6 %	(1.4)%	1.3 %	0.5%	(4.0)%	0.2%
Average Unit Volume (in thousands) *					$2,294	$2,204	$2,250
Income from operations (in thousands)	$11,048	$10,050	$20,174	$18,476	$27,511	$38,907	$41,267
Income from operations margin	3.2%	3.2%	2.0%	2.1%	2.3%	3.9%	4.7%
Restaurant level operating profit (in thousands) [2]	$67,343	$61,675	$194,149	$164,573	$224,125	$201,761	$175,658
Restaurant level operating profit margin [2]	19.4%	19.7%	18.9%	18.3%	18.5%	20.1%	20.0%
Net income (in thousands)	$4,787	$2,991	$4,441	$4,268	$19,432	$18,925	$25,385
Net income margin	1.4 %	0.9 %	0.4 %	0.5%	1.6%	1.9%	2.8%
Adjusted EBITDA (in thousands) [3]	$39,748	$34,099	$102,015	$87,231	$120,918	$113,836	$99,483
Adjusted EBITDA margin [3]	11.4%	10.8%	9.9%	9.6%	9.9%	11.2%	11.2%

**Average unit volume presented on an annual basis only.*

(1) Comparing the 52-week periods ended December 28, 2025, December 29, 2024 and December 31, 2023 in order to compare like-for-like periods. See "Key Performance Indicators" for additional information.
(2) Reconciliations from Income from operations and Income from operations margin, the most comparable GAAP measures to Restaurant level operating profit and Restaurant level operating profit margin, respectively, are set forth in the schedules within the Non-GAAP Financial Measure Reconciliations section below.
(3) Reconciliations from Net income and Net income margin, the most comparable GAAP measures to Adjusted EBITDA and Adjusted EBITDA margin, respectively, are set forth in the schedules within the Non-GAAP Financial Measure Reconciliations section below.

APPENDIX



FIRST WATCH

ATTRACTIVE NEW UNIT ECONOMICS, FLEXIBLE SIZE, WORKS EVERYWHERE

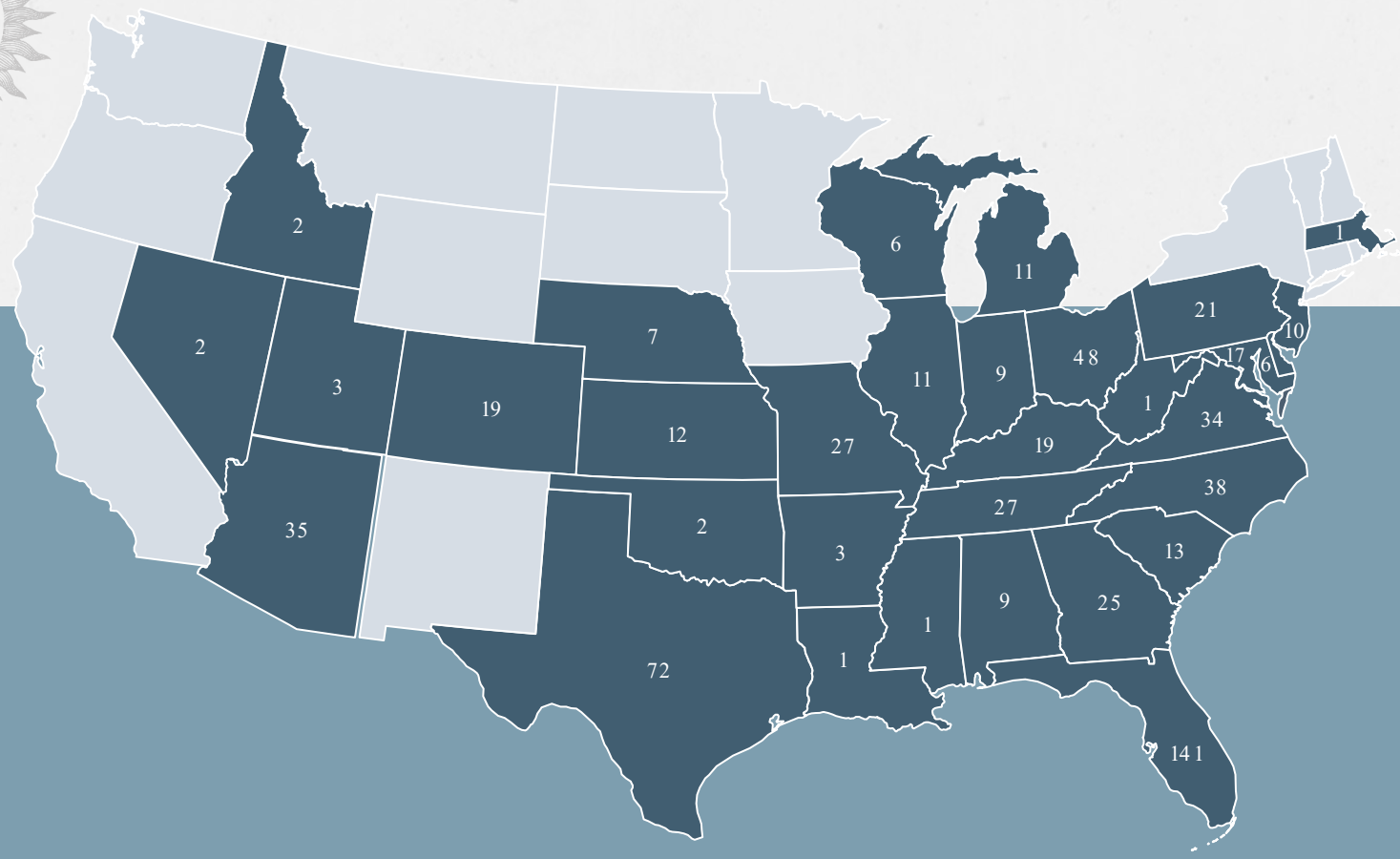
$2.8M
Year 3 Avg Sales[1]

18-20%
Year 3 Restaurant-Level Operating Profit[1]

~35%
Year 3 Cash-On-Cash Returns, actualized[2]

18%+
IRR[3]

SYSTEM-WIDE RESTAURANT COUNT BY STATE AS OF 2025 YEAR END



Our flexible box size of ~3,500–6,600 sq ft with an average net build-out cost of ~$1.8M allows us to fit in any real estate and supports visibility to more than 2,200 restaurants

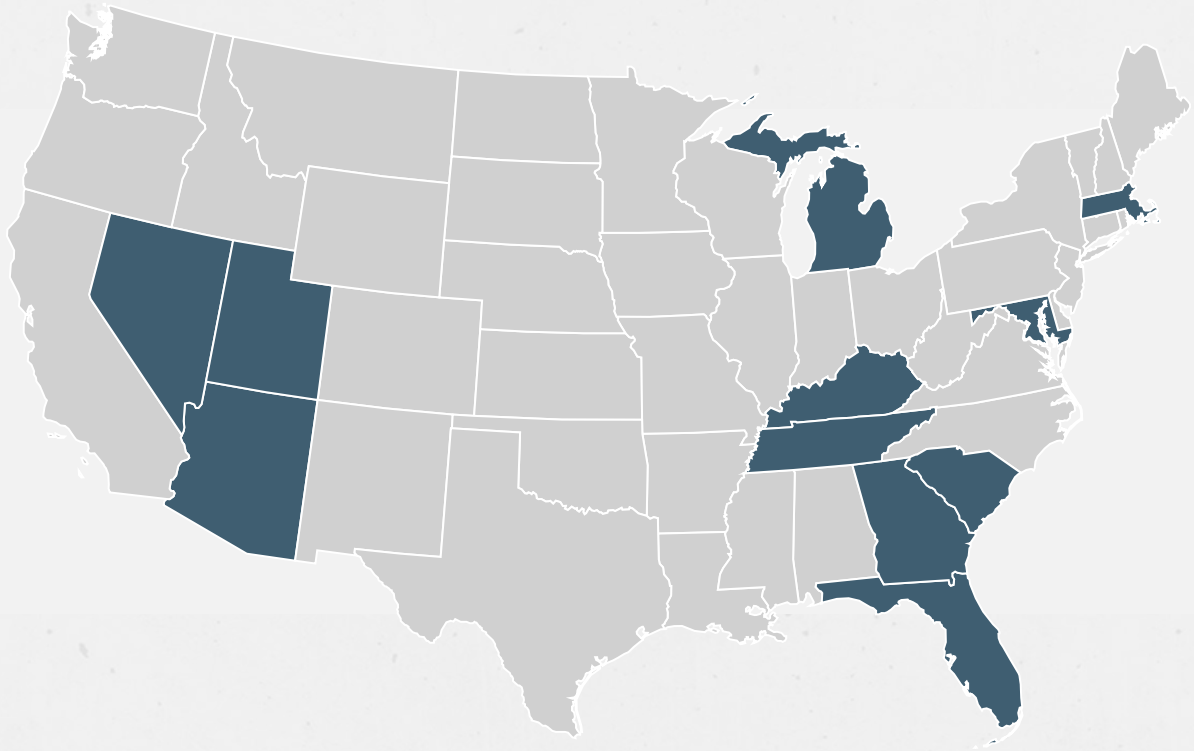
- Demonstrated success of rapid unit growth
- *11.7% corporate-owned unit CAGR from 2015-2025*
- 633 locations across the U.S. at the 2025 year end
- Proven portability with restaurants in our top decile spanning 13 states and 24 DMAs

FLORIDA	TEXAS	OHIO	ARIZONA	MISSOURI
141	72	48	35	27
$2.4M AUV	$2.3M AUV	$2.3M AUV	$2.4M AUV	$2.3M AUV

(1) Representative of our target 3-year new units performance, which is comparable to the historical 3-year performance of our new restaurants. (2) Cash-on-Cash Return is defined as Restaurant Level Operating Profit (excluding gift card breakage and deferred rent expense (income)) in the third year of operation (months 25-36 of operation) for company-owned restaurants divided by their cash build-out expenses, net of landlord incentives. (3) The Internal Rate of Return (IRR) is the annual growth rate that makes the net present value (NPV) of all cash flows from the investment zero. IRR represents the minimum yearly return needed for the investment in a new restaurant location to break even over the lease term. Note: Restaurant counts represent system-wide restaurants. AUV metrics by state is for Company-Owned restaurants only, representing trailing 12 months as of the end of Q4 2025.

RESTAURANT OPENINGS IN Q3

- Arizona
- Florida
- Georgia
- Kentucky
- Maryland
- Massachusetts
- Michigan
- Nevada
- South Carolina
- Tennessee
- Utah



Pre-opening Expenses*

	2026				2025					2024				
	Q1	Q2	Q3	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Other restaurant operating expenses	$ 1,946	$ 1,922	$ 2,144	$ 6,012	$ 1,443	$ 2,088	$ 2,358	$ 1,781	$ 7,670	$ 957	$ 928	$ 828	$ 2,971	$ 5,684
Occupancy expenses	1,111	1,393	1,317	3,821	1,217	1,419	1,455	1,172	5,263	610	900	1,559	1,356	4,425
Total Pre-opening expenses	$ 3,057	$ 3,315	$ 3,461	$ 9,833	$ 2,660	$ 3,507	$ 3,813	$ 2,953	$ 12,933	$ 1,567	$ 1,828	$ 2,387	$ 4,327	$ 10,109

** Pre-opening expenses are presented in one line item on the Consolidated Statements of Operations and Comprehensive Income*

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin

Management uses Adjusted EBITDA and Adjusted EBITDA Margin (i) as factors in evaluating management's performance when determining incentive compensation, (ii) to evaluate the Company's operating results and the effectiveness of our business strategies, (iii) internally as benchmarks to compare the Company's performance to that of its competitors and (iv) to provide investors with additional transparency of the Company's operations. The use of Adjusted EBITDA and Adjusted EBITDA Margin as performance measures permit a comparative assessment of the Company's operating performance relative to the Company's performance based on the Company's GAAP results, while isolating the effects of some items that are either nonrecurring in nature or vary from period to period without any correlation to the Company's ongoing core operating performance.

The adjacent table reconciles Net income and Net income margin, the most directly comparable GAAP measures, to Adjusted EBITDA and Adjusted EBITDA Margin, respectively, for the periods indicated.

	THIRTEEN WEEKS	THIRTEEN WEEKS	THIRTY-NINE WEEKS	THIRTY-NINE WEEKS	FISCAL YEAR		
(in thousands)	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025	2025	2024	2023
Net income	$ 4,787	$ 2,991	$ 4,441	$ 4,268	$ 19,432	$ 18,925	$ 25,385
Depreciation and amortization	22,700	19,662	65,935	54,355	75,011	57,715	41,223
Interest expense	4,933	4,567	14,603	11,904	16,699	12,640	8,063
Income tax expense (benefit)	1,690	2,683	1,970	3,445	(7,299)	9,101	10,690
EBITDA	34,110	29,903	86,949	73,972	103,843	98,381	85,361
Strategic transition costs [1]	509	715	1,113	2,748	3,279	1,843	892
Loss on extinguishment of debt	—	—	—	—	—	428	—
Stock-based compensation, net of amounts capitalized [2]	3,639	2,877	10,688	7,926	10,760	8,525	7,604
Delaware Voluntary Disclosure Agreement Program [3]	—	1	—	54	55	126	1,250
Transaction and restructuring expenses, net [4]	1,320	428	2,828	2,220	2,533	2,587	3,147
Insurance proceeds in connection with natural disasters, net [5]	—	—	—	—	—	329	(621)
Impairments and loss on disposal of assets [6]	170	175	437	311	448	525	1,359
Recruiting and relocation costs [7]	—	—	—	—	—	888	465
Severance costs [8]	—	—	—	—	—	204	26
Adjusted EBITDA	$ 39,748	$ 34,099	$ 102,015	$ 87,231	$ 120,918	$ 113,836	$ 99,483
Total revenues	$ 349,861	$ 316,022	$ 1,035,492	$ 906,149	$ 1,222,501	$ 1,015,910	$ 891,551
Net income margin	1.4 %	0.9 %	0.4 %	0.5 %	1.6 %	1.9 %	2.8 %
Adjusted EBITDA margin	11.4%	10.8 %	9.9 %	9.6 %	9.9 %	11.2 %	11.2 %
Additional information							
Deferred rent [9]	$ (337)	$ (141)	$ (836)	$ 337	$ 309	$ 1,318	$ 2,090

(1) Represents costs related to process improvements and strategic initiatives. These costs are recorded within General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.
(2) Represents non-cash, stock-based compensation expense, net of amounts capitalized, which is recorded within General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.
(3) Represents professional service costs incurred in connection with the Delaware Voluntary Disclosure Agreement Program related to unclaimed or abandoned property. These costs are recorded in General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.
(4) Represents severance costs resulting from organizational optimization, costs incurred in connection with the acquisition of franchise-owned restaurants, non-recurring professional fees, secondary equity offering costs, costs related to restaurant closures and investor relations costs.
(5) Represents insurance recoveries, net of costs incurred, in connection with hurricane damage, which were recorded in Other income, net on the Consolidated Statements of Operations and Comprehensive Income.
(6) Represents impairment charges and costs related to the disposal of assets due to retirements, replacements and restaurant closures.
(7) Represents costs incurred for hiring qualified individuals. These costs are recorded within General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.
(8) Severance costs are recorded in General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.
(9) Represents the non-cash portion of straight-line rent recorded within both Occupancy expenses and General and administrative expenses on the Consolidated Statements of Operations and Comprehensive Income.

Restaurant Level Operating Profit and Restaurant Level Operating Profit Margin

Restaurant Level Operating Profit and Restaurant Level Operating Profit Margin are not indicative of our overall results, and because they exclude corporate-level expenses, do not accrue directly to the benefit of our stockholders. We will continue to incur such expenses in the future. Restaurant Level Operating Profit and Restaurant Level Operating Profit Margin are important measures we use to evaluate the performance and profitability of each operating restaurant, individually and in the aggregate and to make decisions regarding future spending and other operational decisions. We believe that Restaurant Level Operating Profit and Restaurant Level Operating Profit Margin provide useful information about our operating results, identify operational trends and allow for transparency with respect to key metrics used by us in our financial and operational decision-making.

The adjacent table reconciles Income from operations and Income from operations margin, the most directly comparable GAAP financial measures, to Restaurant Level Operating Profit and Restaurant level operating profit Margin, respectively, for the periods indicated.

	THIRTEEN WEEKS	THIRTEEN WEEKS	THIRTY-NINE WEEKS	THIRTY-NINE WEEKS	FISCAL YEAR		
(in thousands)	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025	2025	2024	2023
Income from operations	$ 11,048	$ 10,050	$ 20,174	$ 18,476	$ 27,511	$ 38,907	$ 41,267
Less: Franchise revenues	(3,139)	(2,386)	(9,141)	(7,939)	(10,328)	(11,555)	(14,459)
Add:							
General and administrative expenses	35,244	33,746	113,916	97,150	128,950	113,270	103,121
Depreciation and amortization	22,700	19,662	65,935	54,355	75,011	57,715	41,223
Transaction and restructuring expenses, net [1]	1,320	428	2,828	2,220	2,533	2,587	3,147
Impairments and loss on disposal of assets [2]	170	175	437	311	448	525	1,359
Costs in connection with natural disasters [3]	—	—	—	—	—	312	—
Restaurant level operating profit	$ 67,343	$ 61,675	$ 194,149	$ 164,573	$ 224,125	$ 201,761	$ 175,658
Restaurant sales	$ 346,722	$ 313,636	$ 1,026,351	$ 898,210	$ 1,212,173	$ 1,004,355	$ 877,092
Income from operations margin	3.2 %	3.2 %	2.0 %	2.1 %	2.3 %	3.9 %	4.7 %
Restaurant level operating profit margin	19.4 %	19.7 %	18.9 %	18.3 %	18.5 %	20.1 %	20.0 %
Additional information							
Deferred rent [4]	$ (353)	$ (168)	$ (883)	$ 211	$ 167	$ 1,119	$ 1,891

(1) Represents severance costs resulting from organizational optimization, costs incurred in connection with the acquisition of franchise-owned restaurants, non-recurring professional fees, secondary equity offering costs, costs related to restaurant closures and investor relations costs.

(2) Represents impairment charges and costs related to the disposal of assets due to retirements, replacements and restaurant closures.

(3) Represents costs incurred in connection with hurricane damage. The costs include inventory spoilage and labor costs, which were recorded in Food and beverage costs and Labor and other related expenses, respectively, on the Consolidated Statements of Operations and Comprehensive Income.

(4) Represents the non-cash portion of straight-line rent recorded within Occupancy expenses on the Consolidated Statements of Operations and Comprehensive Income.

DEFINITIONS USED IN PRESENTATION

Adjusted EBITDA: represents Net income (loss) before depreciation and amortization, interest expense, income taxes, and items that we do not consider in our evaluation of ongoing core operating performance as identified in the reconciliation of Net income, the most directly comparable measure in accordance with GAAP, to Adjusted EBITDA, included in the section Non-GAAP Financial Measure Reconciliations above.

Adjusted EBITDA Margin: represents Adjusted EBITDA as a percentage of total revenues. See Non-GAAP Financial Measure Reconciliations above for a reconciliation to Net income margin, the most directly comparable GAAP measure.

Average Unit Volume: the total restaurant sales (excluding gift card breakage) recognized in the comparable restaurant base, which is defined as the number of company-owned First Watch branded restaurants open for 18 months or longer as of the beginning of the fiscal year ("Comparable Restaurant Base"), divided by the number of restaurants in the Comparable Restaurant Base during the period. This measurement allows management to assess changes in consumer spending patterns at our restaurants and the overall performance of our restaurant base.

Restaurant Level Operating Profit: represents restaurant sales, less restaurant operating expenses, which include food and beverage costs, labor and other related expenses, other restaurant operating expenses, pre-opening expenses and occupancy expenses. Restaurant level operating profit excludes corporate-level expenses and other items that we do not consider in the evaluation of the ongoing core operating performance of our restaurants as identified in the reconciliation of Income from operations, the most directly comparable GAAP measure, to Restaurant level operating profit, included in the section Non-GAAP Financial Measure Reconciliations above.

Restaurant Level Operating Profit Margin: represents Restaurant level operating profit as a percentage of restaurant sales. See Non-GAAP Financial Measure Reconciliations above for a reconciliation to Income from operations margin, the most directly comparable GAAP measure.

Same-Restaurant Sales Growth: the percentage change in year-over-year restaurant sales (excluding gift card breakage) for the comparable restaurant base, which we define as the number of company-owned First Watch branded restaurants open for 18 months or longer as of the beginning of the fiscal year ("Comparable Restaurant Base"). For the thirteen and thirty-nine weeks ended September 27, 2026 and September 28, 2025, there were 454 restaurants and 381 restaurants, respectively, in our Comparable Restaurant Base. Measuring our same-restaurant sales growth allows management to evaluate the performance of our existing restaurant base. We believe this measure is useful for investors to provide a consistent comparison of restaurant sales results and trends across periods within our core, established restaurant base, unaffected by results of store openings, closings, and other transitional changes.

Same-Restaurant Traffic Growth: the percentage change in year-over-year traffic counts using the Comparable Restaurant Base. Measuring our same-restaurant traffic growth allows Management to evaluate the performance of our existing restaurant base. We believe this measure is useful for investors because same-restaurant traffic provides an indicator as to the development of our brand and the effectiveness of our marketing strategy.

System-wide restaurants: the total number of restaurants, including all company-owned and franchise-owned restaurants.

System-wide sales: consists of restaurant sales from our company-owned restaurants and franchise-owned restaurants. We do not recognize the restaurant sales from our franchise-owned restaurants as revenue.

For more information, visit investors.firstwatch.com or email investors@firstwatch.com

