

© 2026 First Watch Restaurant Group, Inc. All Rights Reserved.

STEVEN MAROTTA

Vice President – Investor Relations



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, (iv) Restaurant level operating profit margin, (v) Free cash flow, (vi) Net debt and (vii) Net leverage. 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. Reconciliations of these non-GAAP measures to the most comparable GAAP measure are included in the appendix. We have not reconciled guidance for Adjusted EBITDA, Free cash flow or Net leverage 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.

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

CHRIS TOMASSO

CEO and President




WELCOME

OWN THE MORNING



CREATE DEMAND

ENSURE RELEVANCE

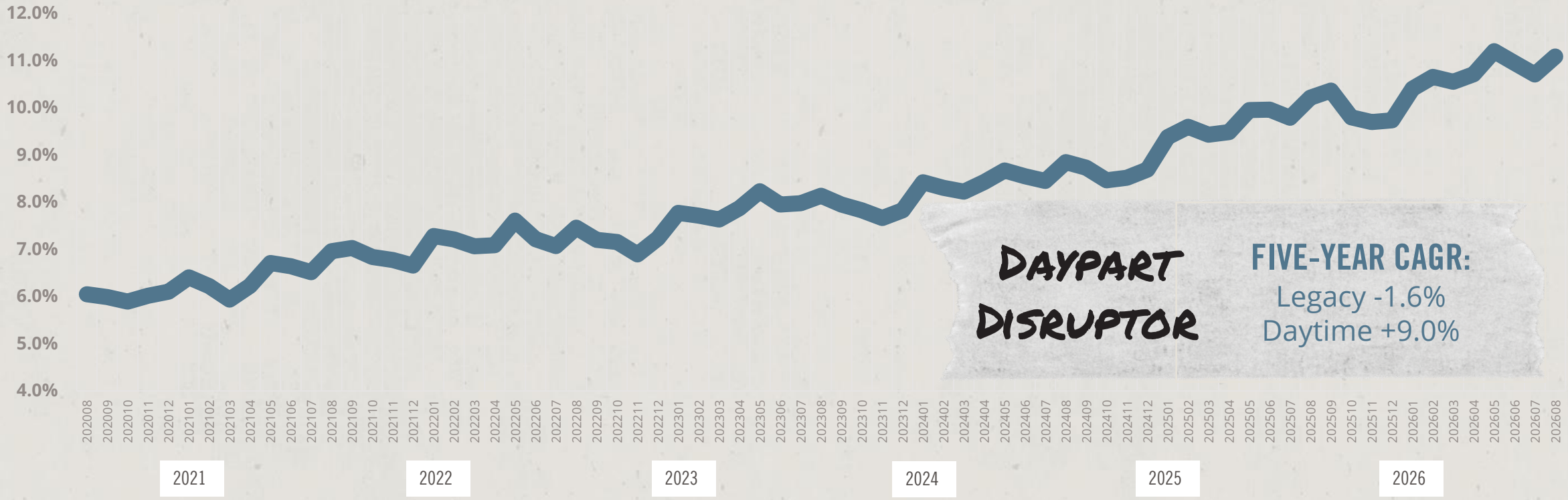
DELIVER THE EXPERIENCE

SCALE THE MODEL

COMPOUND THE VALUE

DAYTIME DINING IS WINNING BREAKFAST…

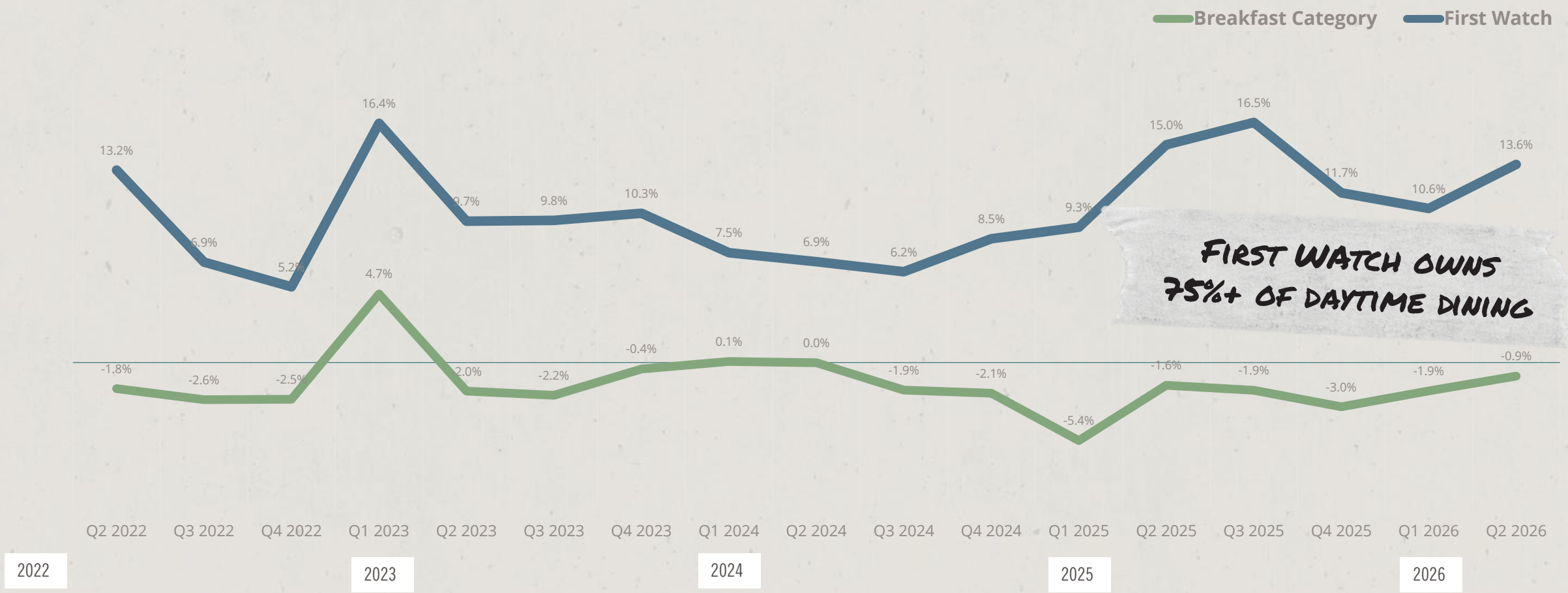
DAYTIME DINING SHARE OF FULL-SERVICE BREAKFAST



Source: Placer.ai, Location Intelligence Mobile Data, 10+ minute visit duration, includes total restaurants.

...AND FIRST WATCH IS THE UNDISPUTED LEADER

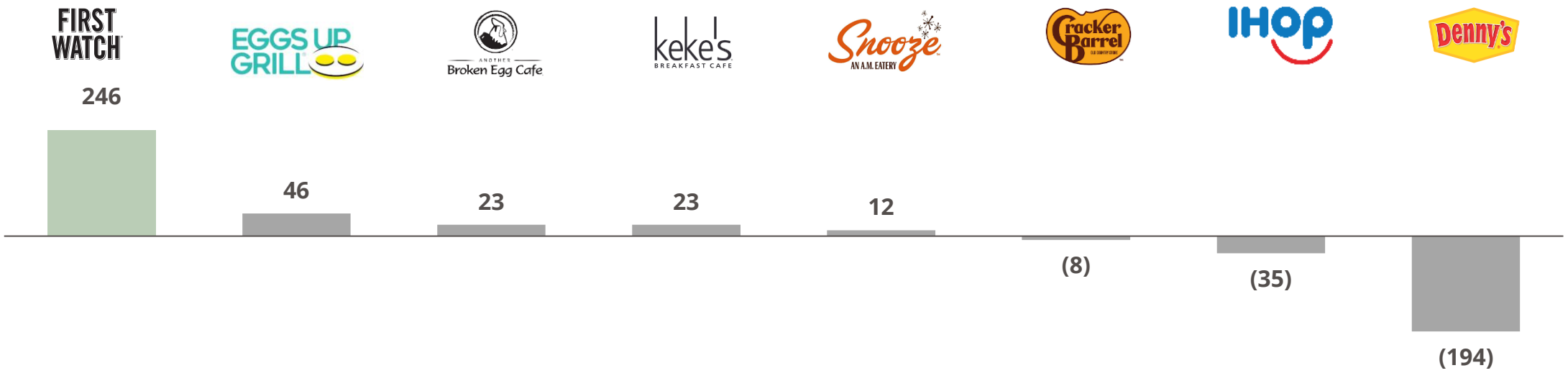
BREAKFAST CATEGORY - % YOY VISIT GROWTH I QUARTERLY TREND



Source: Placer.ai, Location Intelligence Mobile Data, 10+ minute visit duration, includes total restaurants.

WE EARNED THE FOOTPRINT

#1 DISCIPLINED UNIT GROWTH - FIRST WATCH UNIT GROWTH POSITIVE SINCE 2021 WHILE COMPETITOR SET UNITS ARE DOWN (133)



NET UNIT GROWTH – 2021 THROUGH 2026

Source: Placer ai for competitor set in US Domestic. | Locations with recorded visitation on 12.31 for 2021-2025 and on 9.27 for 2026.

PILLARS OF OUR SUCCESS



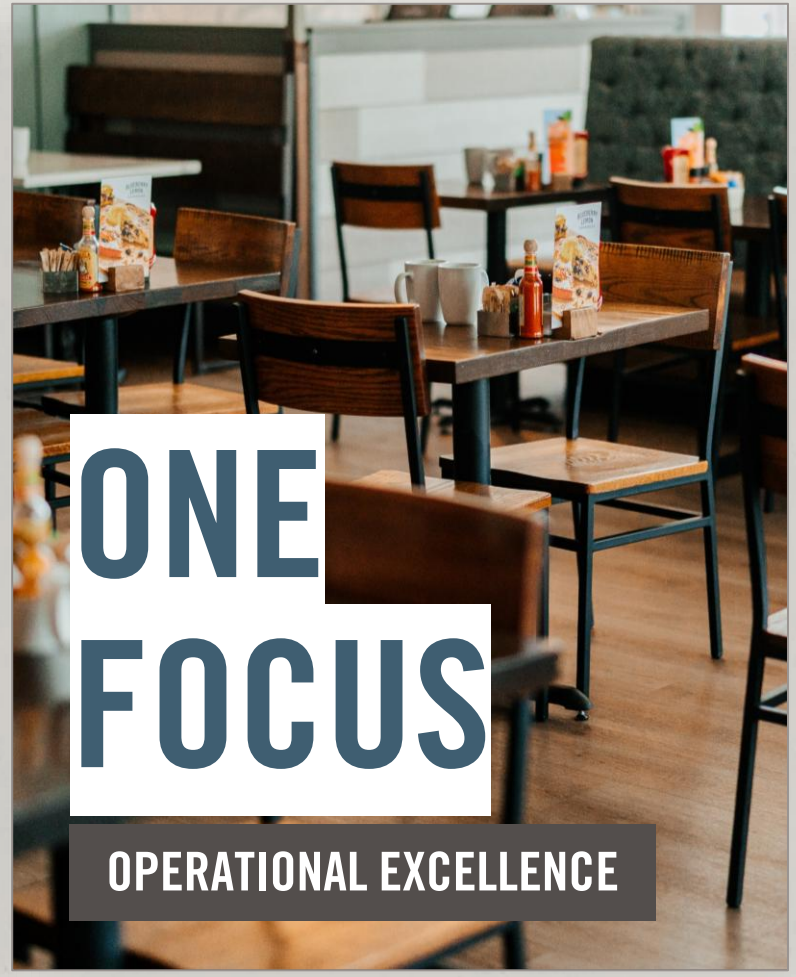
ONE SHIFT

EMPLOYEE EXPERIENCE



ONE MENU

WE FOLLOW THE SUN



ONE FOCUS

OPERATIONAL EXCELLENCE

ONE SHIFT – EMPLOYEE EXPERIENCE AND CULTURE





Manager and Hourly Turnover Rates Ahead of the Industry

Source: Blackbox Intelligence | TTM Q3 2026.

ONE MENU – WE FOLLOW THE SUN









ONE FOCUS – OPERATIONAL EXCELLENCE



AMERICA'S #1 MOST LOVED WORKPLACE

Designation from the Best Practice Institute in both 2024 and 2025

Position	Average AOR[1]
General Manager	1
Director of Operations	~ 5
Regional Vice President	~ 21
Vice President	~ 100

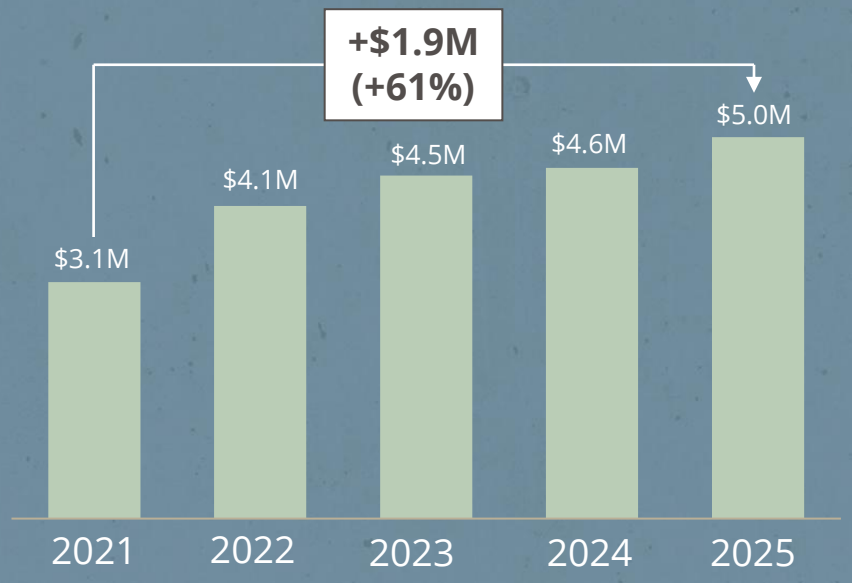
+28

NET PROMOTER SCORE

Position	Average Tenure[2]
General Manager	~ 5
Director of Operations	~ 9
Regional Vice President	~ 12
Vice President	~ 16

[1] AOR is short for Area of Responsibility, [2] in years. Datassential, Brand Performance, 12-months ending August 2026. Among Past Month Visitors. (n=1,631)

THE CEILING IS HIGH



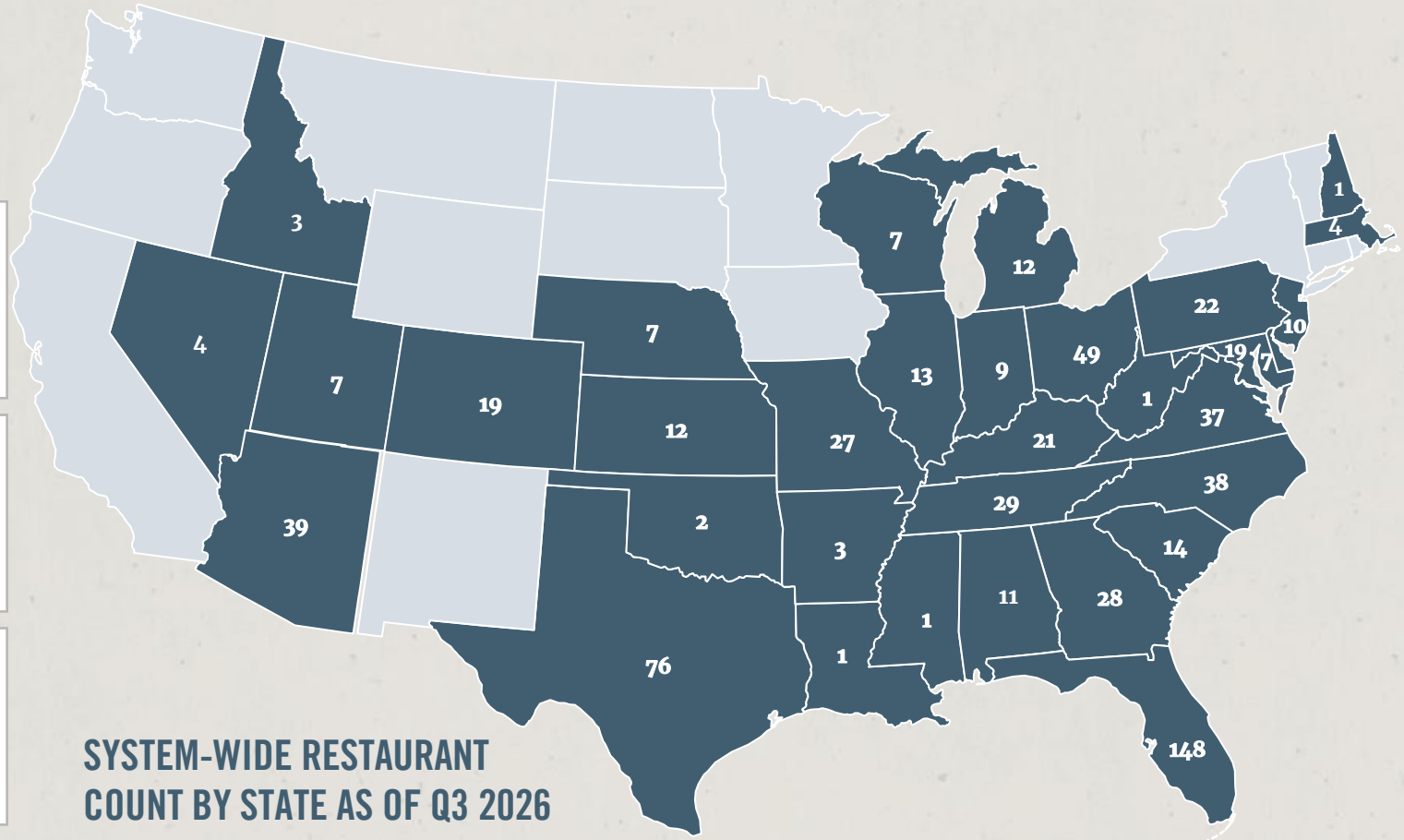
HIGHEST NET AUV RESTAURANT



Data includes annualized volumes for NROs opening that year.

ATTRACTIVE NEW UNIT ECONOMICS, A FLEXIBLE PROTOTYPE THAT WORKS EVERYWHERE

$2.8M YEAR 3 AVERAGE SALES[1]	**681** U.S. LOCATIONS AS OF Q3 2026
18-20% YEAR 3 RLOP[1]	**12%** CORPORATE-OWNED UNIT CAGR FROM Q3 2016 – Q3 2026
18%+ IRR[2]	TOP DECILE SPANS 16 STATES AND 27 DMAs[3]



SYSTEM-WIDE RESTAURANT COUNT BY STATE AS OF Q3 2026

FLORIDA - 148
$2.4M AUV

TEXAS - 76
$2.3M AUV

OHIO - 49
$2.3M AUV

ARIZONA - 39
$2.4M AUV

VIRGINIA - 37
$2.7M AUV

GEORGIA - 28
$2.4M AUV

MISSOURI - 27
$2.3M AUV

FIRST WATCH

(1) Representative of our target 3-year new units performance, which is comparable to the historical 3-year performance of our new restaurants. (2) 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. (3) All AUVs on a TTM basis as of Q3 2026.

SINCE IPO, COMPANY OWNED NROS HAVE GENERATED CUMULATIVE NET SALES OF

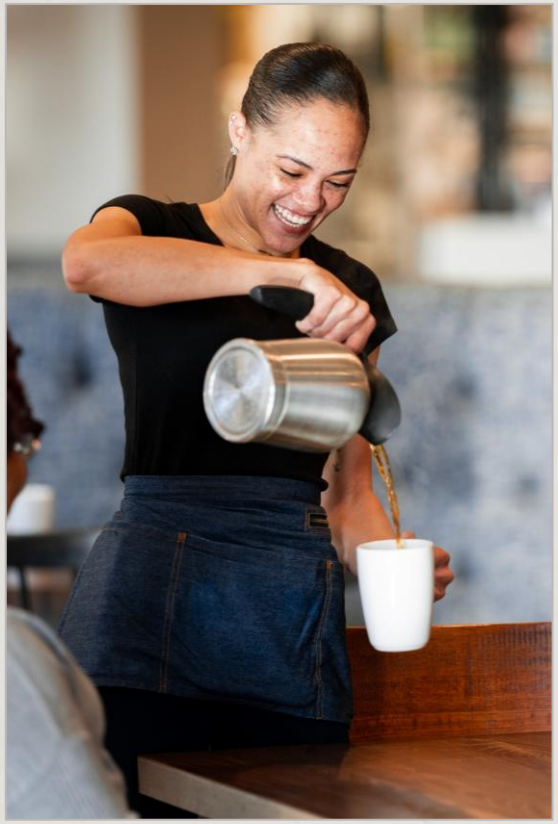
$1 BILLION



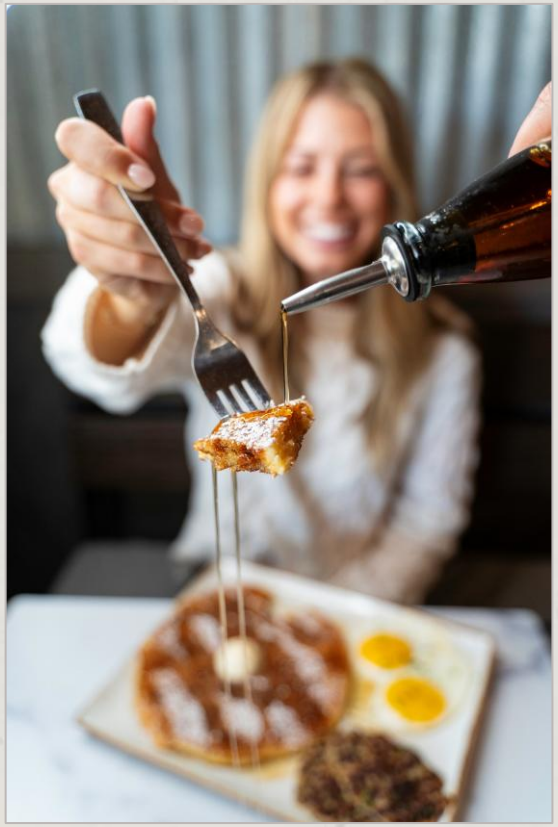
NORTH STAR AT IPO



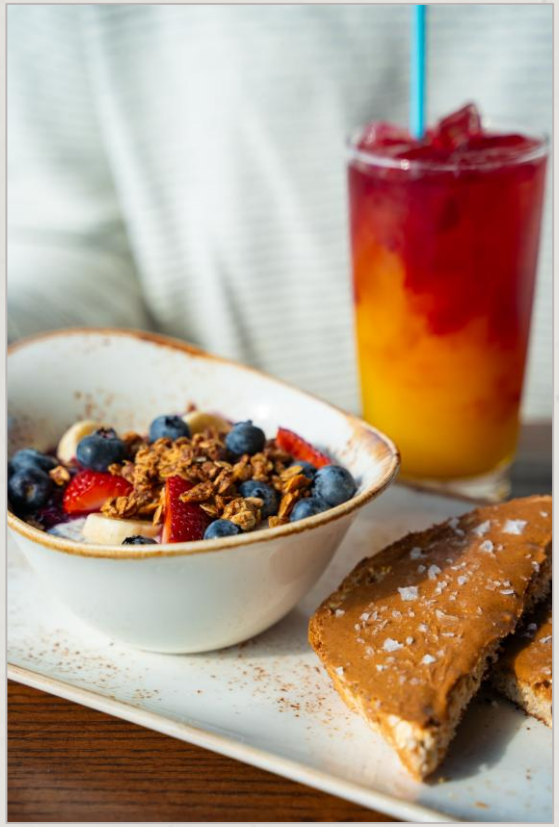
GROW THE FOOTPRINT
WITH DISCIPLINE



PRESERVE
OPERATING MARGINS



INVEST IN
THE BRAND



EXTEND OUR LEAD IN
DAYTIME DINING

STRATEGY SET, RESULTS DELIVERED, SINCE IPO



REVENUE GROWTH	Mid-Teens %	**18.7%**	*Exceeded*
RESTAURANT COUNT	+10%	**10.1%**	*Exceeded*
G&A LEVERAGE	Leverage	**110 bps**	*Delivered*
SRS GROWTH(1)	3.5%	**3.5%**	*Delivered*
AEBITDA GROWTH	Mid-Teens %	**20.4%**	*Exceeded*
AUV GROWTH	Was $1.8M in 2021	**$2.3M**	*Now Building $2.8M (year three)*

Compound annual growth rates and G&A Leverage, 2022-2025

FIRST WATCH

(1) Reflective of 2023-2025 SRS Growth.

ANNUAL GROWTH TARGETS, THROUGH 2028





G&A

Expense growth lower than Total revenue growth

2-4% *Same-Restaurant Sales Growth*

Includes positive underlying same-restaurant traffic, net of planned sales transfer from new restaurant growth

10-13% *Total Revenue Growth*

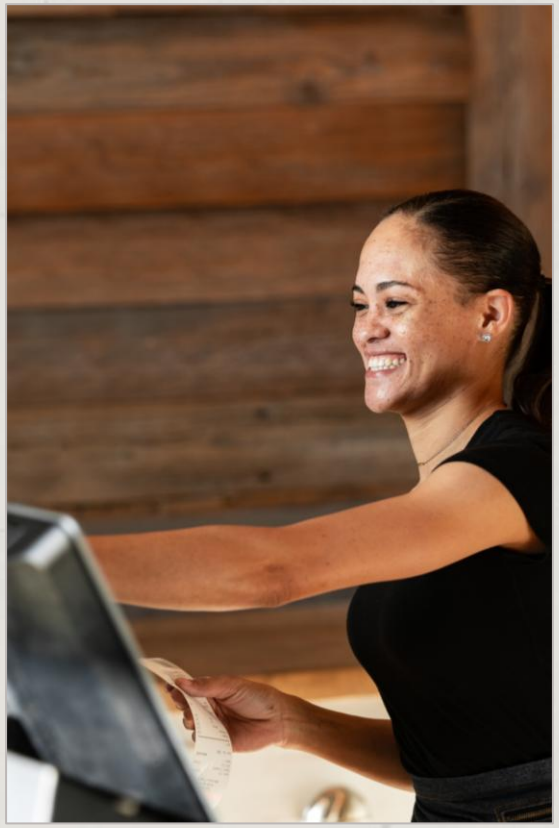
15%+ *Adjusted EBITDA Growth*

POSITIVE FREE CASH FLOW(1)

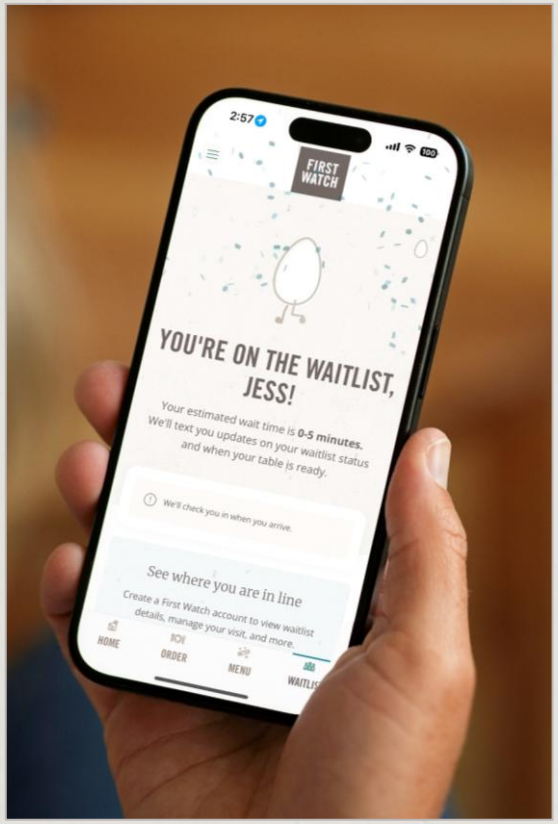
Beginning in 2027 and increasing each year



WE BUILT THE FOUNDATIONS FOR SERVING MORE DEMAND



KITCHEN DISPLAY SCREENS



ENHANCED WAITLIST



PAY AT THE TABLE



SEATING OPTIMIZATION

CREATING DEMAND, WITH CULINARY INNOVATION IN THE LEAD



NEW PLATFORMS

NEW OCCASIONS & SALES CHANNELS

DEEPER INVESTMENT IN MARKETING

PRESENTING TODAY



CHRIS TOMASSO

CEO & President
20 Years at First Watch



ASHLEE WEISSER

Chief Financial Officer
3 Years at First Watch



ERIC HARTMAN

Chief Development Officer
10 Years at First Watch



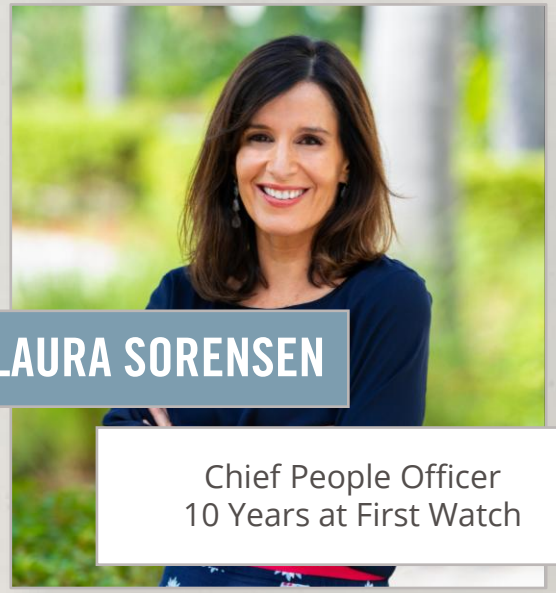
MATT EISENACHER

Chief Brand Officer
8 Years at First Watch



SHANE SCHAIBLY

SVP Culinary Strategy
13 Years at First Watch



LAURA SORENSEN

Chief People Officer
10 Years at First Watch

CREATING DEMAND

MATT EISENACHER

Chief Brand Officer



OWN THE MORNING

CREATE DEMAND

ENSURE RELEVANCE

DELIVER THE EXPERIENCE

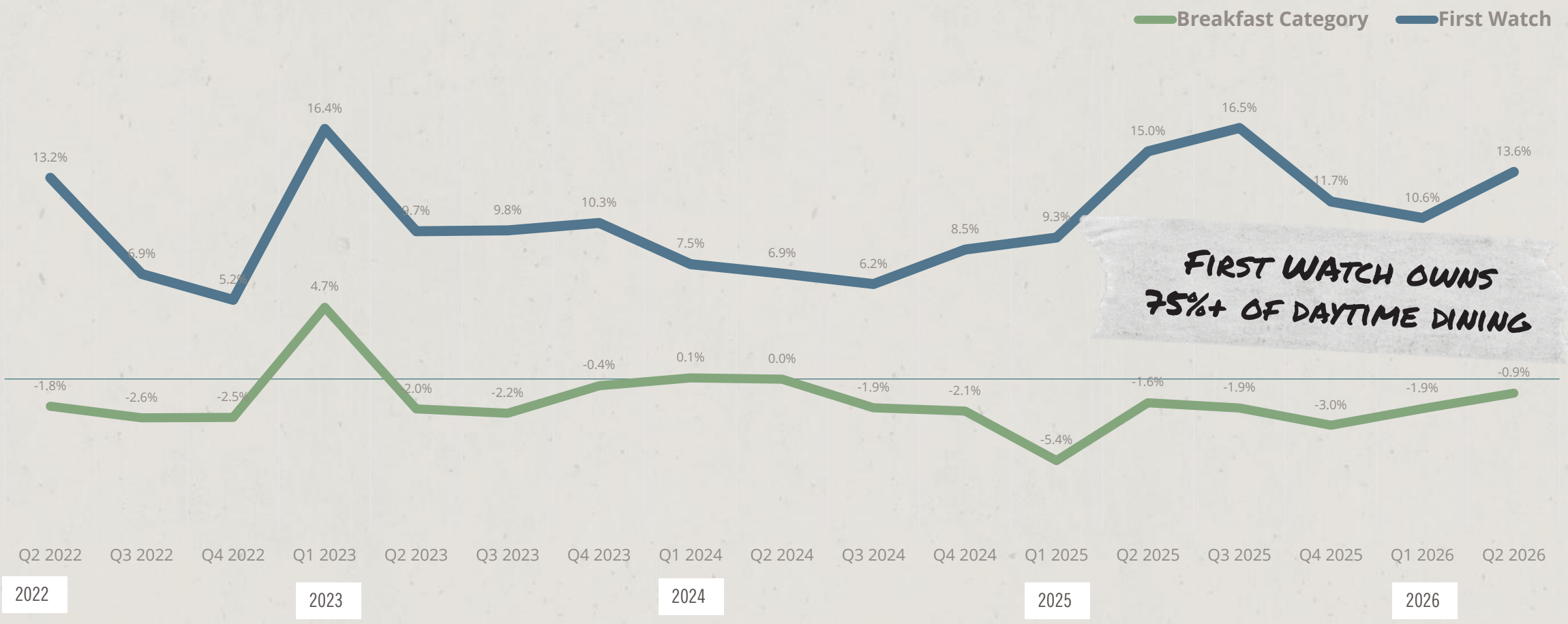
SCALE THE MODEL

COMPOUND THE VALUE



FIRST WATCH IS THE UNDISPUTED LEADER IN BREAKFAST

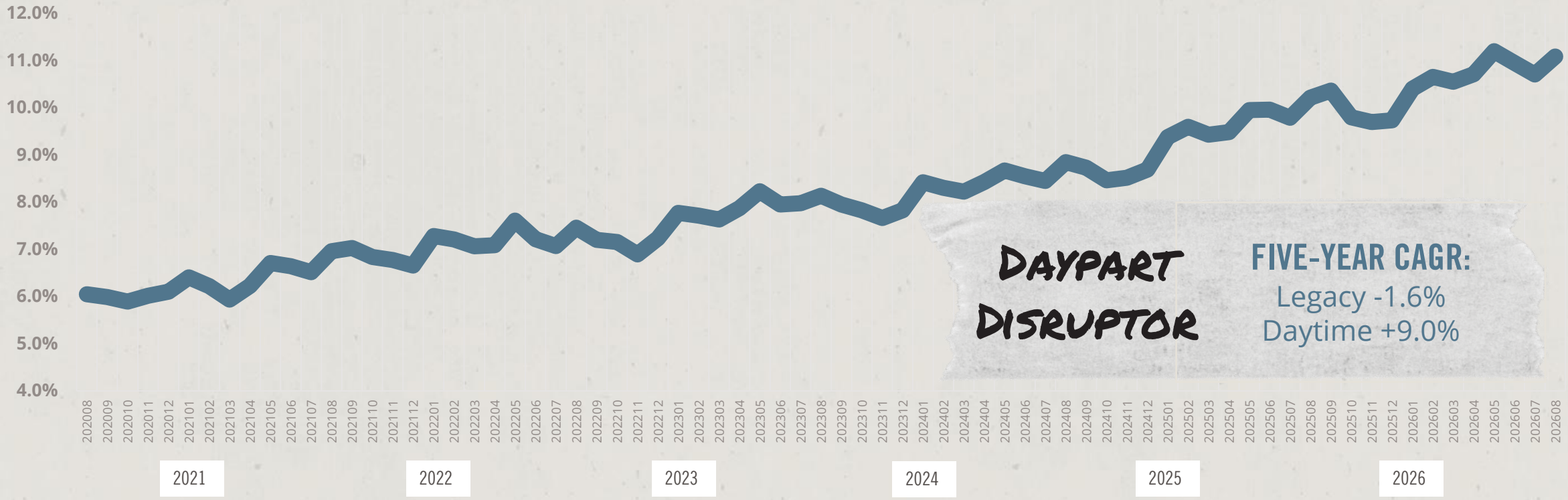
BREAKFAST CATEGORY - % YOY VISIT GROWTH I QUARTERLY TREND



Source: Placer.ai, Location Intelligence Mobile Data, 10+ minute visit duration, includes total restaurants.

DAYTIME DINING IS WINNING BREAKFAST…

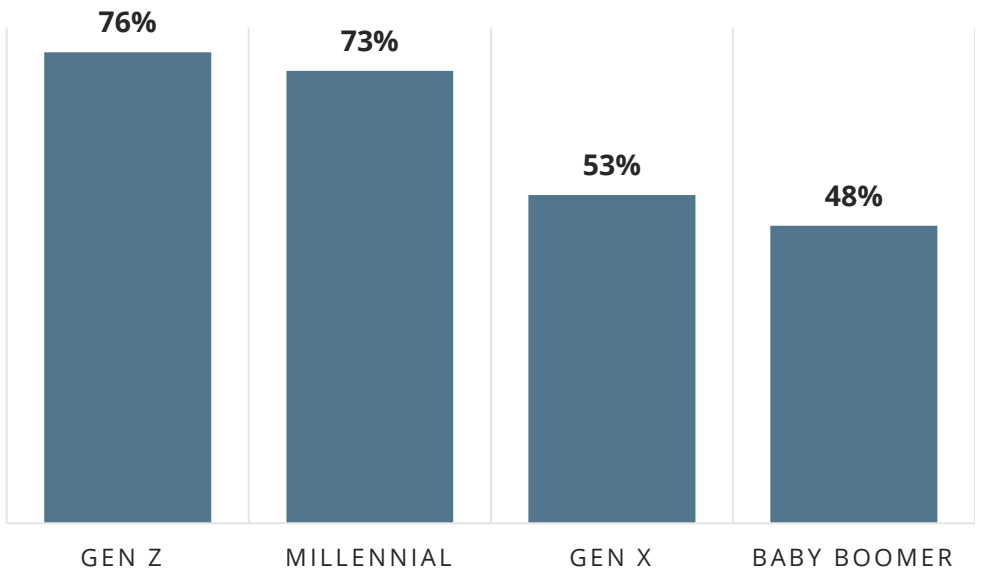
DAYTIME DINING SHARE OF FULL-SERVICE BREAKFAST



Source: Placer.ai, Location Intelligence Mobile Data, 10+ minute visit duration, includes total restaurants.

DRIVEN BY A YOUNGER CONSUMER

% OF DINERS BY GENERATION THAT DINE OUT PER MONTH FOR BREAKFAST

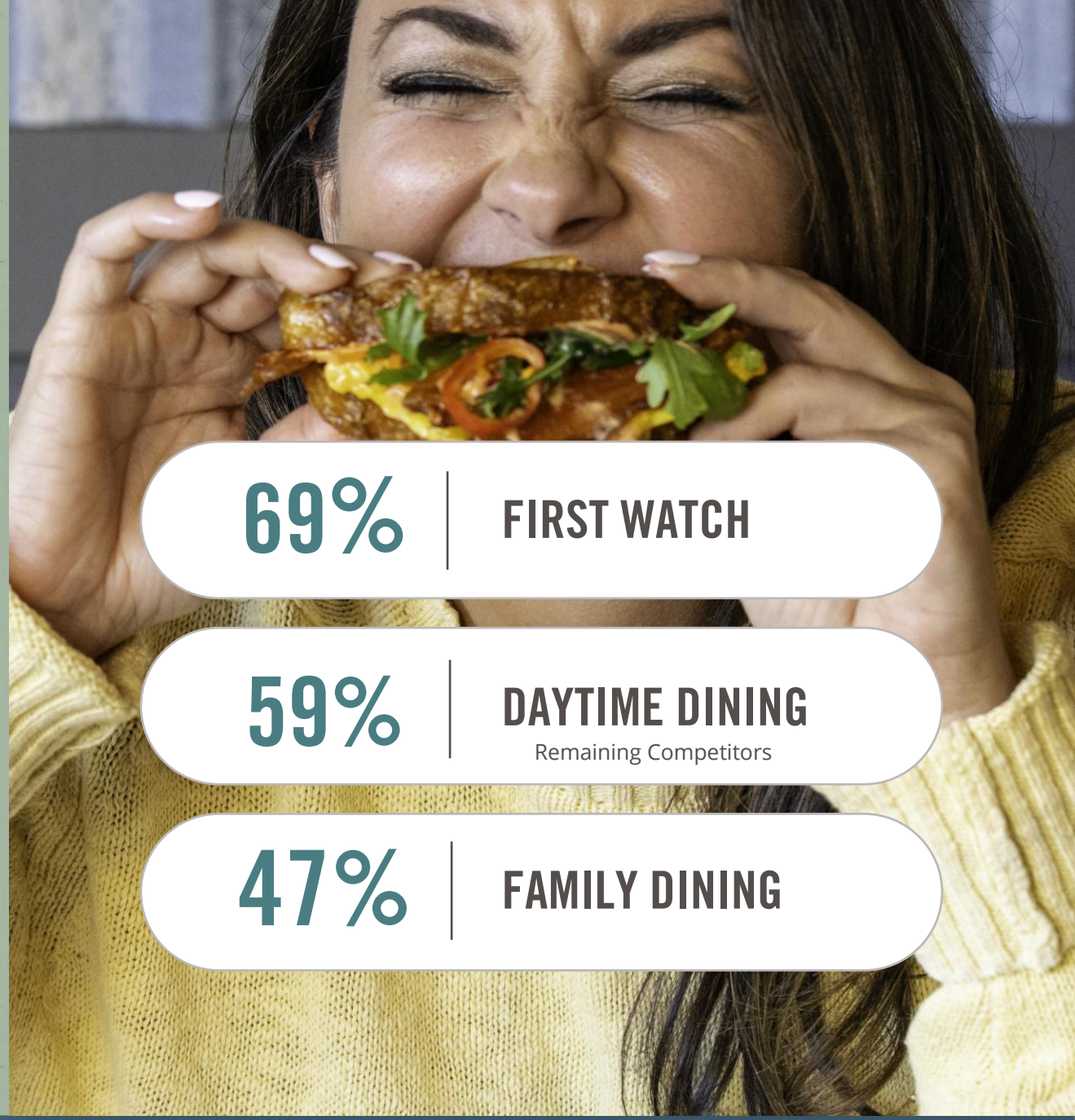




*Source: Custom Brand Tracker, April 2026. Visitor stated frequency 1-3x/month+. | *Datassential, April 2026. % of meals Away From Home in last month.*

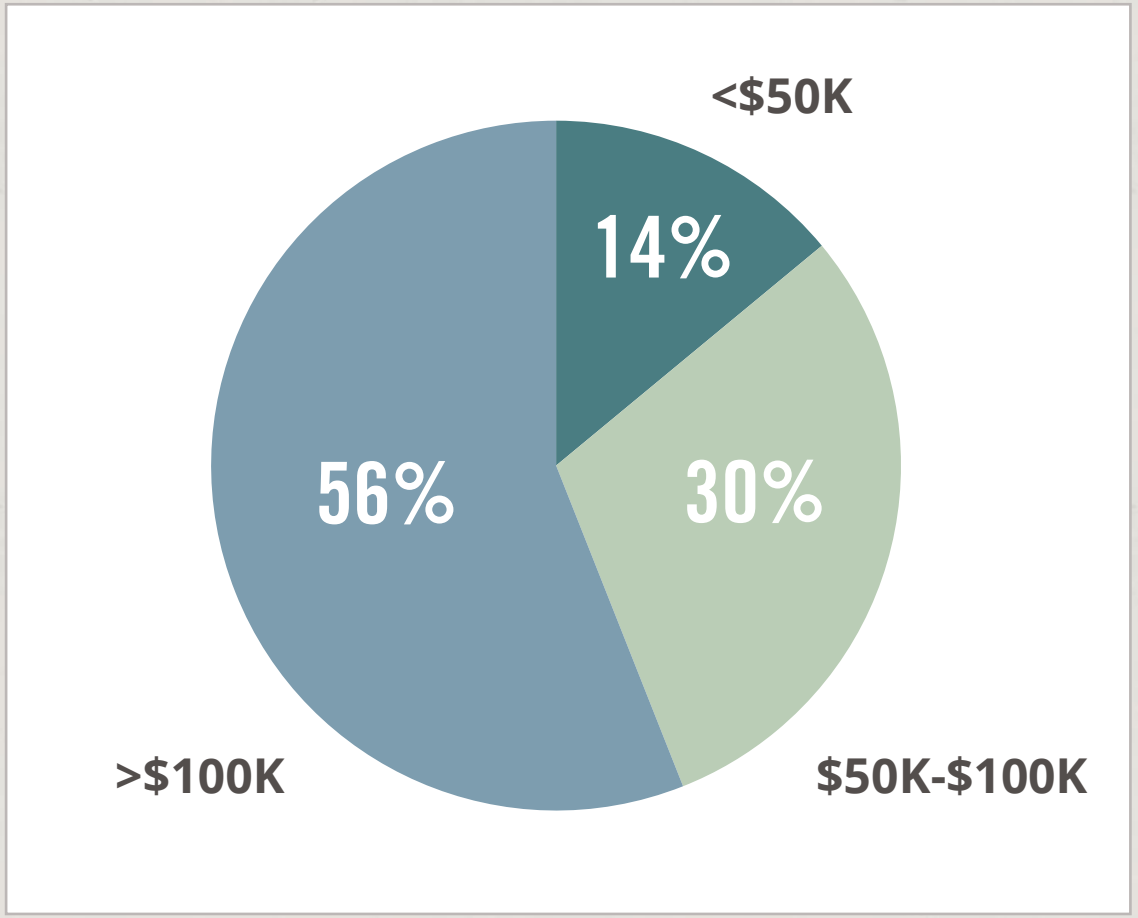
% VISITED IN THE PAST YEAR

RECENCY STATS SUPPORT THE GROWING RELEVANCE

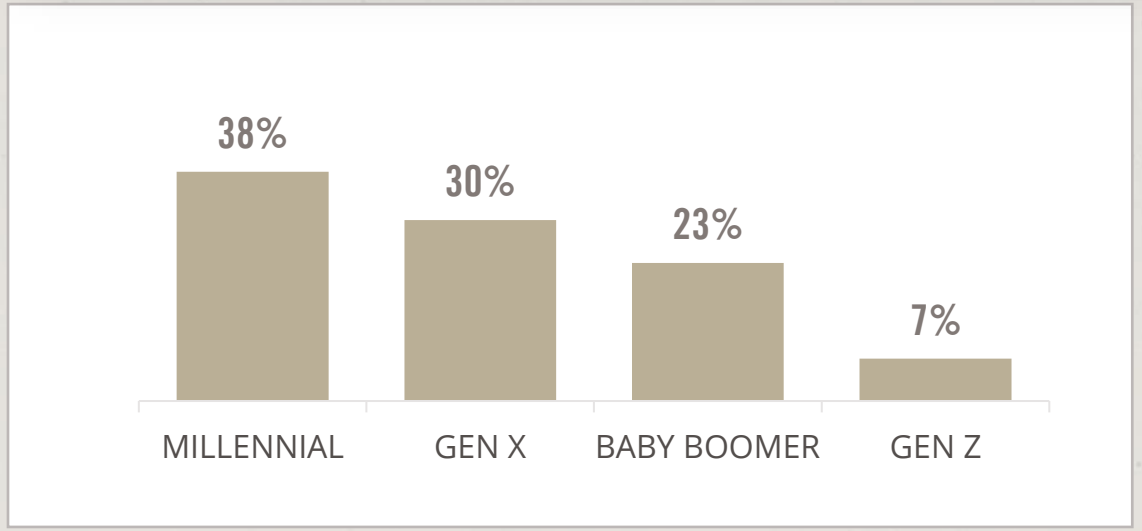


Source: Custom Brand Tracker, June 2026. Past year breakfast occasions.

FIRST WATCH SKEWS TOWARDS A HIGHER INCOME MILLENNIAL

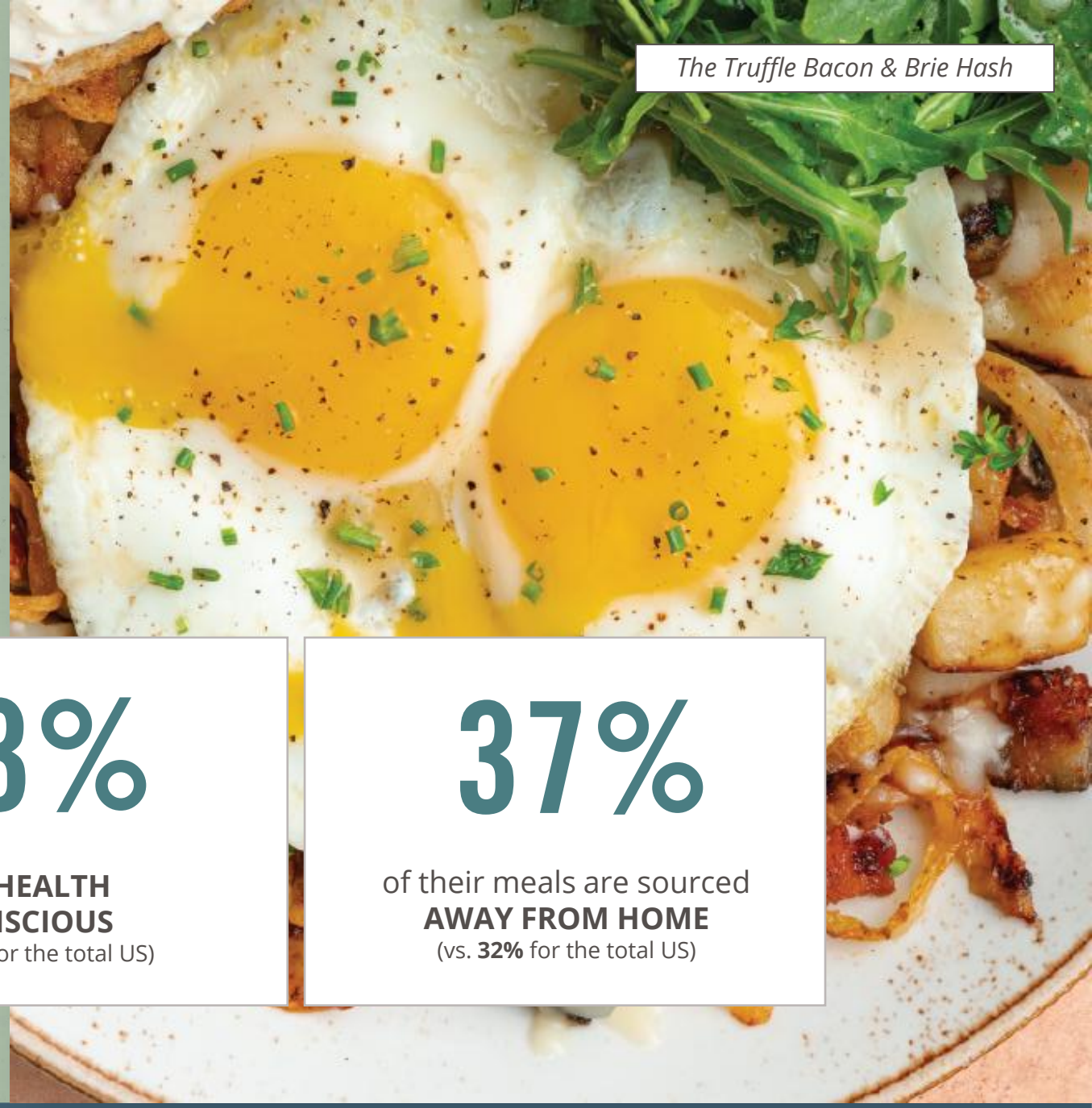






Source: Custom Brand Tracker, June 2024-June 2026. Among past 6-month visitors.

AN AUDIENCE THAT APPRECIATES QUALITY


The Truffle Bacon & Brie Hash

46%

consider themselves **FOODIES**
(vs. **36%** for the total US)

43%

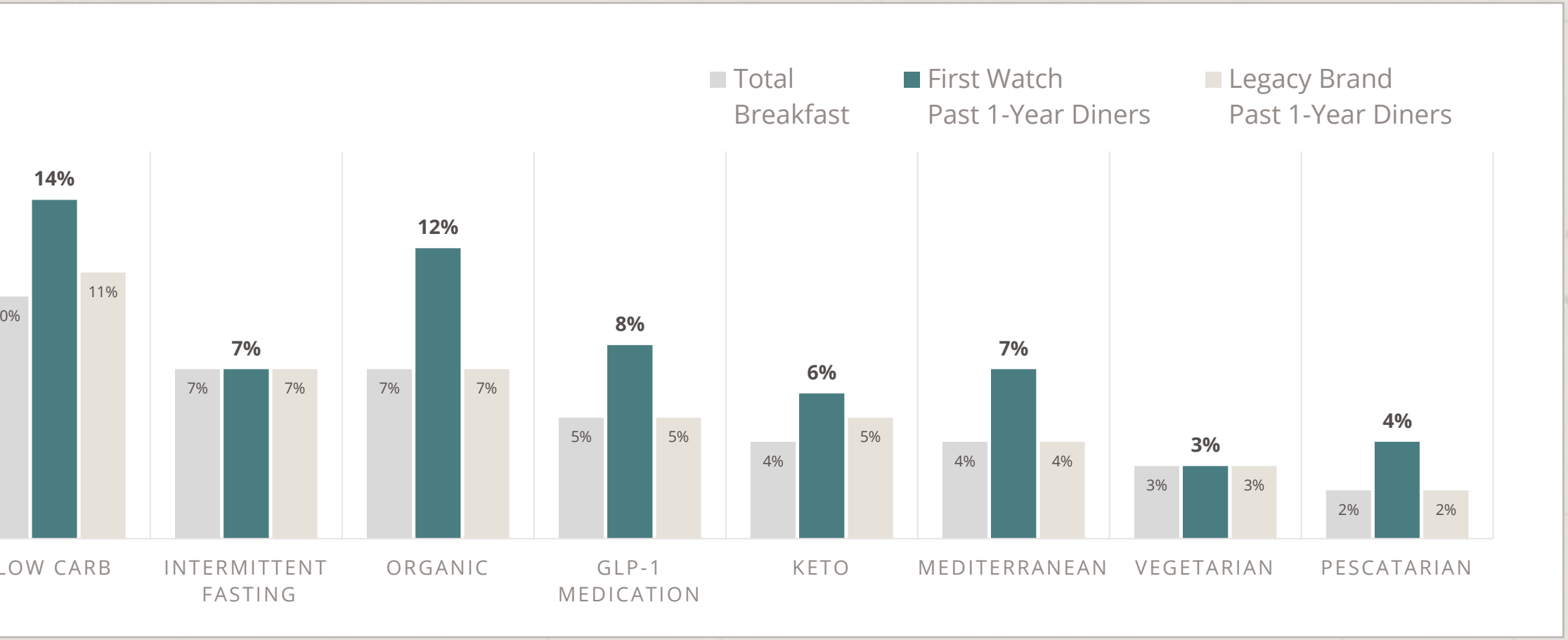
are **HEALTH CONSCIOUS**
(vs. **34%** for the total US)

37%

of their meals are sourced **AWAY FROM HOME**
(vs. **32%** for the total US)

Source: Datassential, Brand Performance, 12-months ending August 2026. Among past month visitors. (n=664)

QUALITY THAT IS ALSO APPARENT IN THEIR LIFESTYLE CHOICES



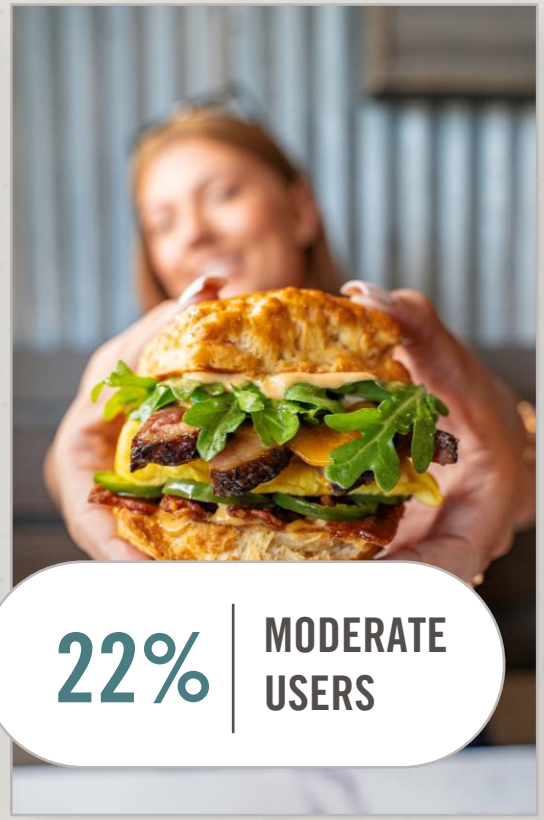
Source: Custom Brand Tracker, January 2026. % following specified lifestyle.

THESE CONSUMERS ALSO APPRECIATE CONVENIENCE

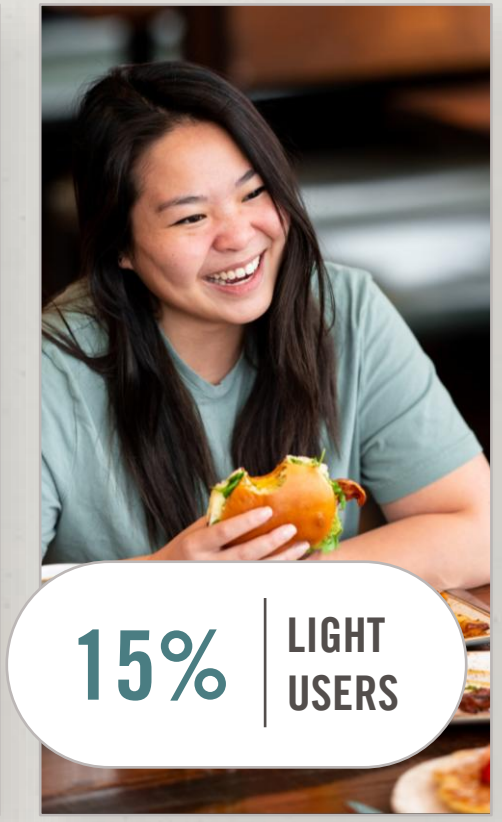
% FIRST WATCH OVERLAP WITH HEAVY DELIVERY USERS FOR BREAKFAST



56% | HEAVY USERS



22% | MODERATE USERS



15% | LIGHT USERS

Source: Custom Brand Tracker, January 2026. Frequency definitions – Heavy = 1x/month+ / Moderate = once every 2-6 months / Light = <1x in 6 months.

35%

OF CUSTOMER TRAFFIC IN THE FULL-SERVICE SEGMENT IS NOW OFF-PREMISES

Indicating evolving consumer behavior



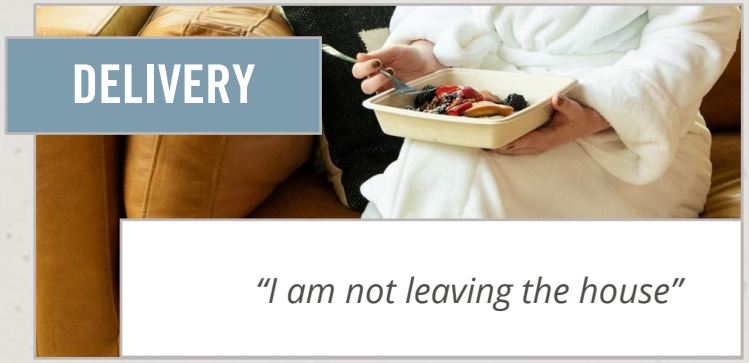
CATERING

"I want to plan an event, and I want to make sure it is perfect"



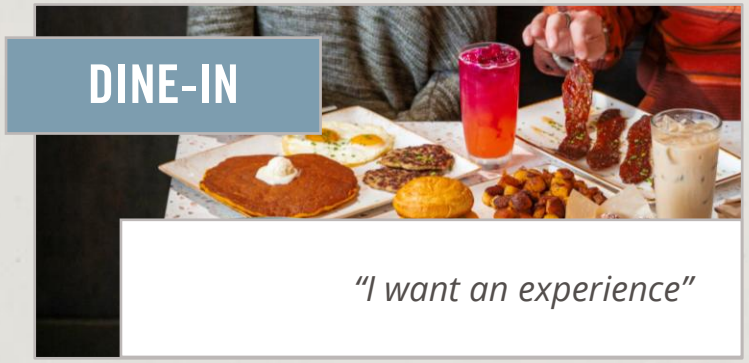
LARGE GROUP ORDERS

"I need a solution for a large group with different tastes and desires"



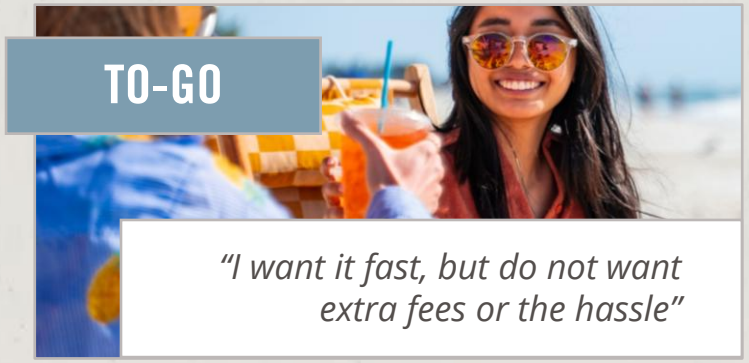
DELIVERY

"I am not leaving the house"



DINE-IN

"I want an experience"



TO-GO

"I want it fast, but do not want extra fees or the hassle"



CURBSIDE

"I do not want to get out of the car"

FIRST WATCH

Source: National Restaurant Association's State of the Industry 2026 report.



OWN THE MORNING

Without intention, mornings just happen.

In a world that rushes, First Watch shows up for people who slow down intentionally. Whether you're a parent carving out 30 minutes before the kids wake up, a fitness crew gathering post-5K, a golf group celebrating a tournament win, or a working professional starting their day with purpose—First Watch is made for you.

We don't create breakfast moments. We fuel the ones already happening.

We don't invent rituals. We belong in them.

We show up for your crew.

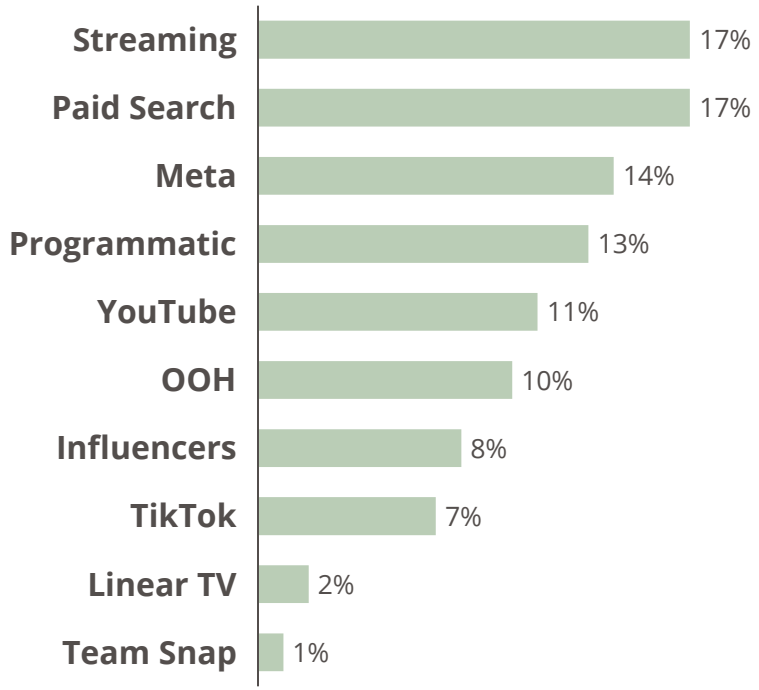
PLAN PILLARS DRIVE AWARENESS, ACCESSIBILITY & TRAFFIC

DEMAND GENERATION	GROW OCCASIONS	INNOVATION
		
PAID MEDIA CREATORS COLLABORATIONS	SUN ON THE RUN GROUP ORDERING CATERING	SEASONAL MENU
AWARENESS & RELEVANCE	FREQUENCY & TRAFFIC	FREQUENCY & RELEVANCE

DEMAND GENERATION

EARLY MEDIA INVESTMENTS ARE ALREADY DRIVING MEASURABLE TRAFFIC

% OF INVESTMENT





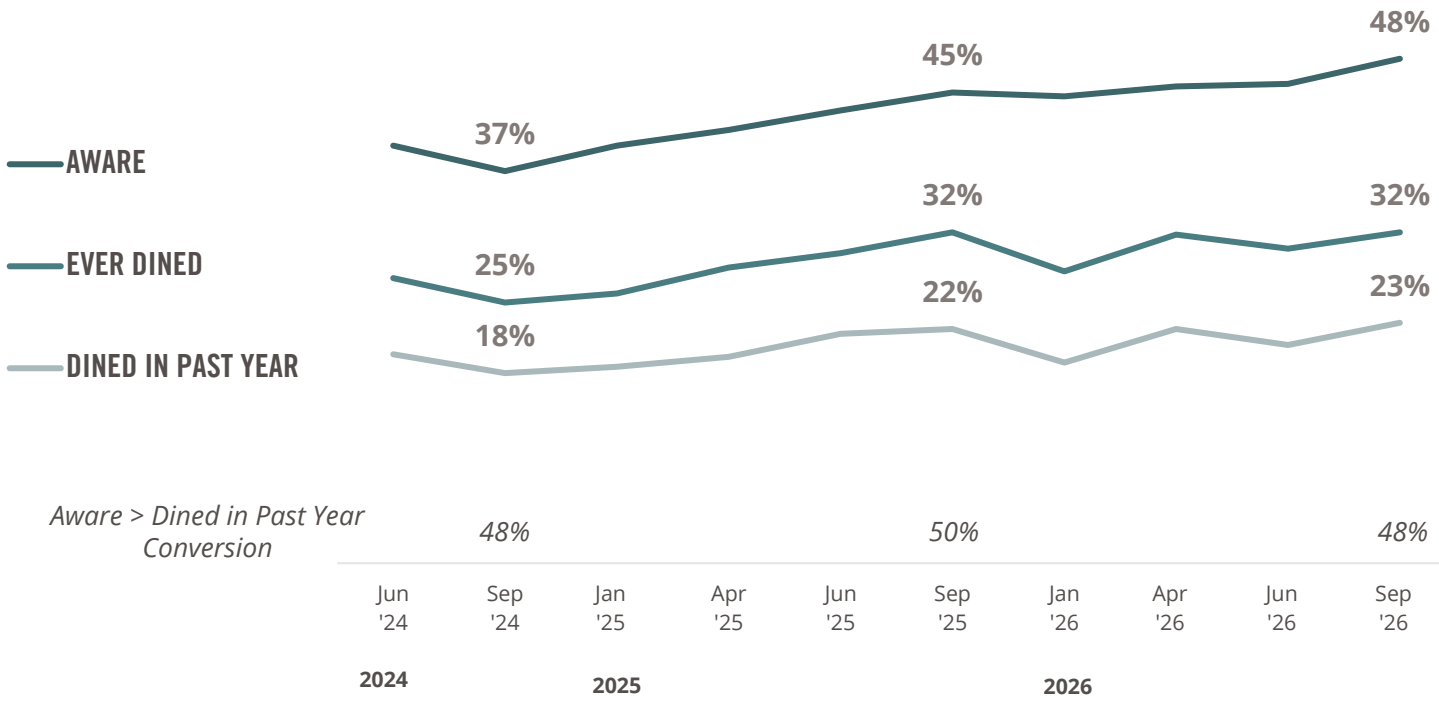
+~2.8%

Traffic outperformance vs. trend and non-targeted markets across Q2 and Q3 2026

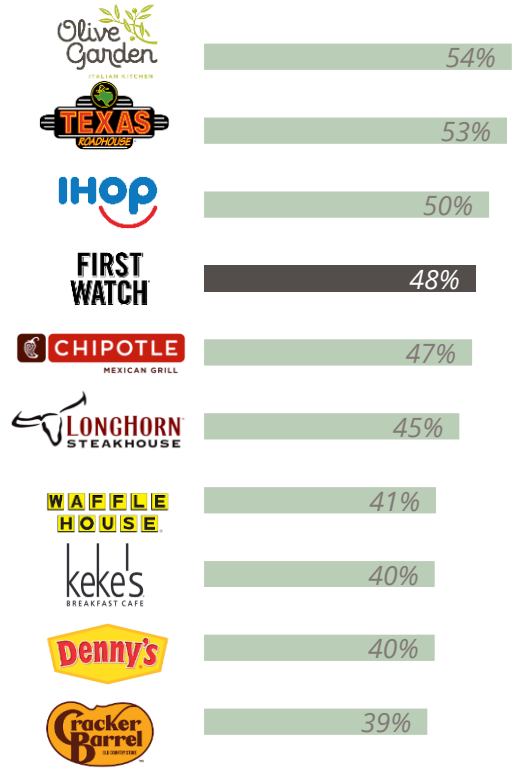
% investment YTD as of Q2 2026.

WITH AWARENESS GROWING AND CONVERSION HOLDING

FIRST WATCH BRAND FUNNEL



AWARE → DINED IN PAST YEAR CONVERSION | SEP '26



Source: Custom Brand Tracker, June 2024 – September 2026.

SUCCESSFUL PILOTS CREATE MEANINGFUL HEADROOM TO SCALE IN 2027+

PAID SEARCH

Demand Capture

$3 Cost per Visit

10.1x ROAS

Headroom to Increase Impression Share



TV & VIDEO

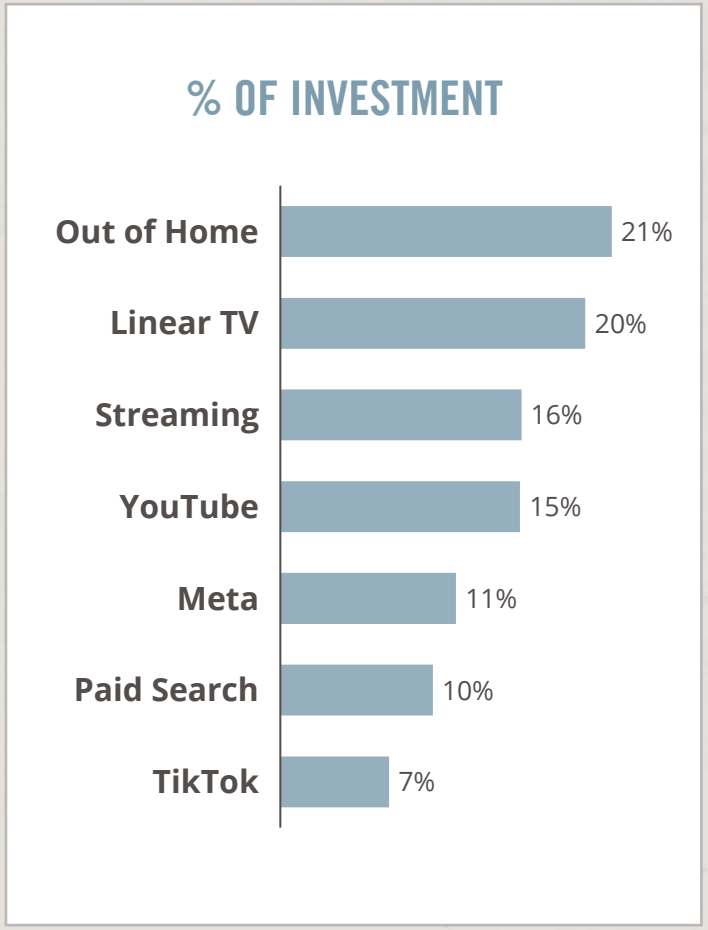
Top of Funnel

CTV / Linear / YouTube

Linear CPM as low as $4-$5

Outperformance vs control markets

DALLAS-FORT WORTH IS A STANDOUT CASE STUDY





OUTSIZED PERFORMANCE VS CONTROL MARKETS

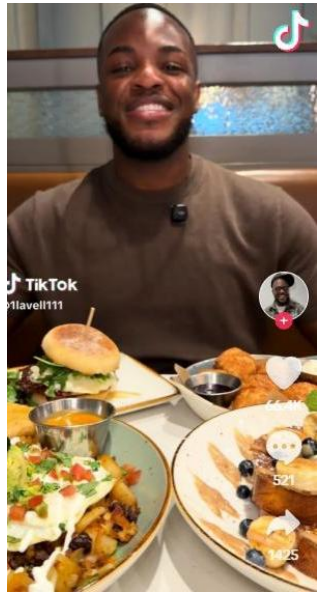
DFW market % investment YTD as of Q2 2026.

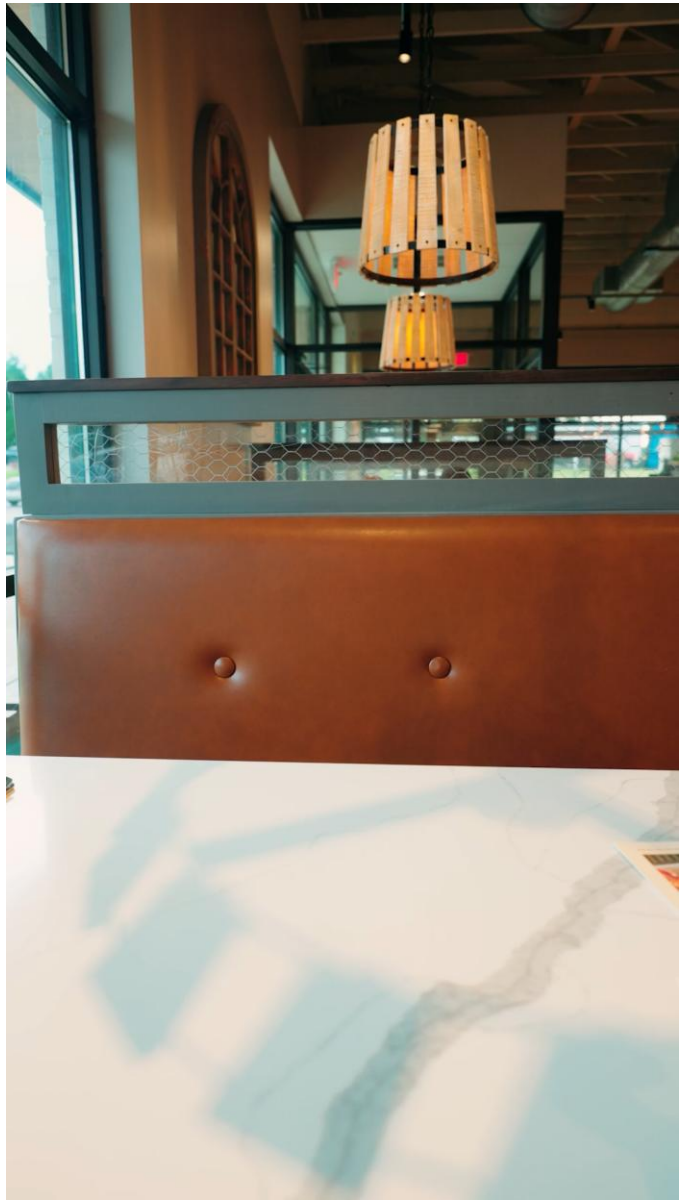

FIRST WATCH®

YTD: 62M VIEWS & REACH OF 41M

INCREASED INFLUENCER INVESTMENT





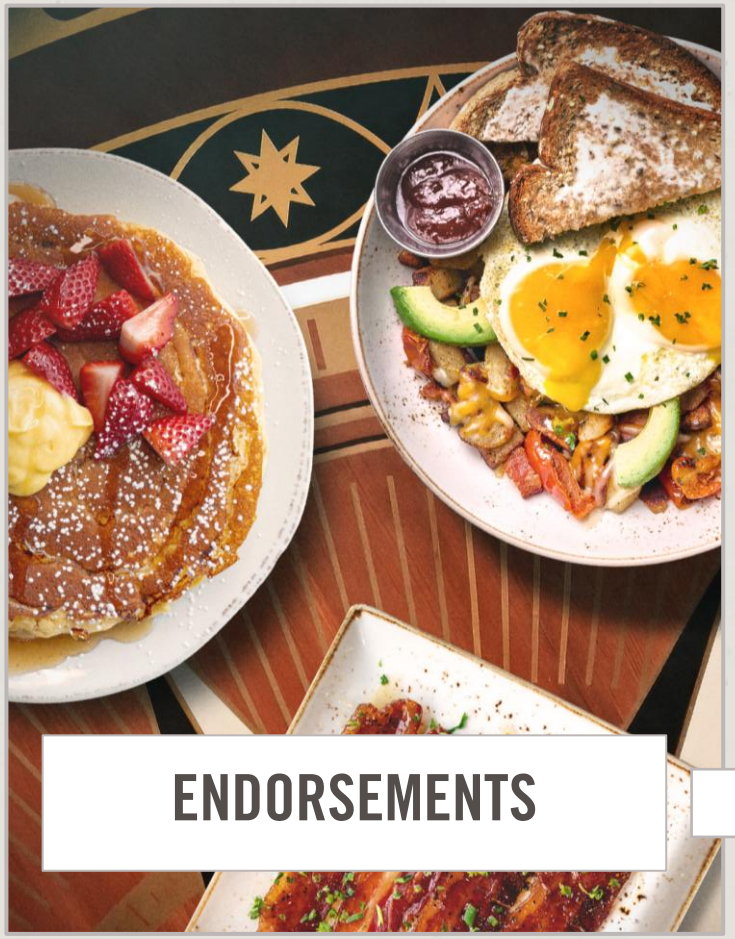






Source: Creator IQ | Views/Reach YTD as of Q3 2026.

BUT THE STRATEGY IS EVOLVING



ENDORSEMENTS



MEDIA UNITS

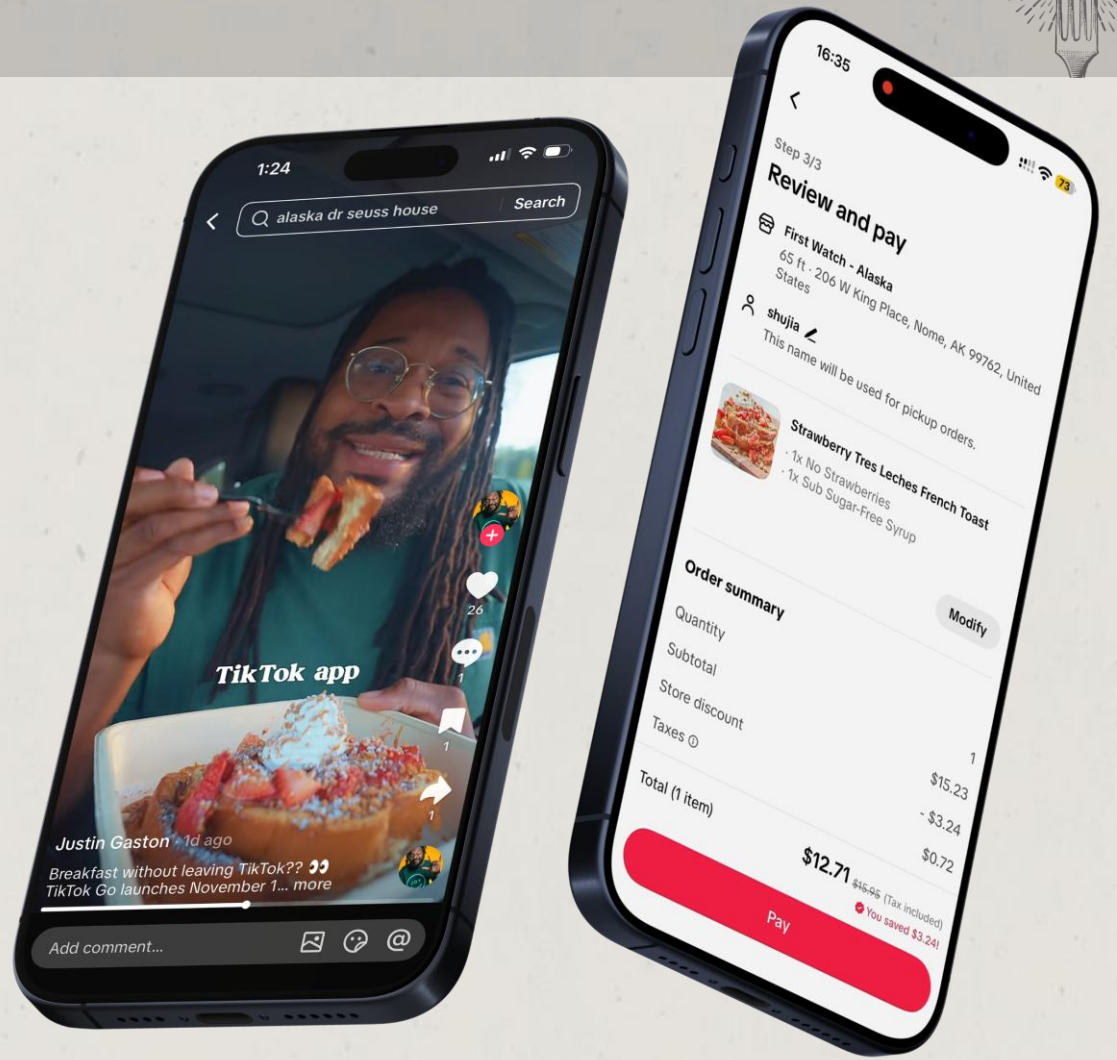


CREATORS

PARTNERSHIP WITH TIKTOK GO

Introducing a new platform aiming to **encourage local discovery on TikTok**

By connecting videos, search, and restaurant pages to location-specific offers and in-app transactions, **TikTok GO helps restaurants move diners seamlessly from inspiration to action**



PARTNERSHIPS + COLLABS TO MAKE BREAKFAST ASPIRATIONAL

INTRODUCING "MORNING MAKERS"



JENNA PALEK – BARRE TO BRUNCH
INSTA/TT: 1M



MALLORY ERVIN – IN MY SUNDAYS
INSTA/TT/YT: 1.2M



ISAAC ROCHELL – GARAGE DADS
INSTA/TT/YT: 3.0M



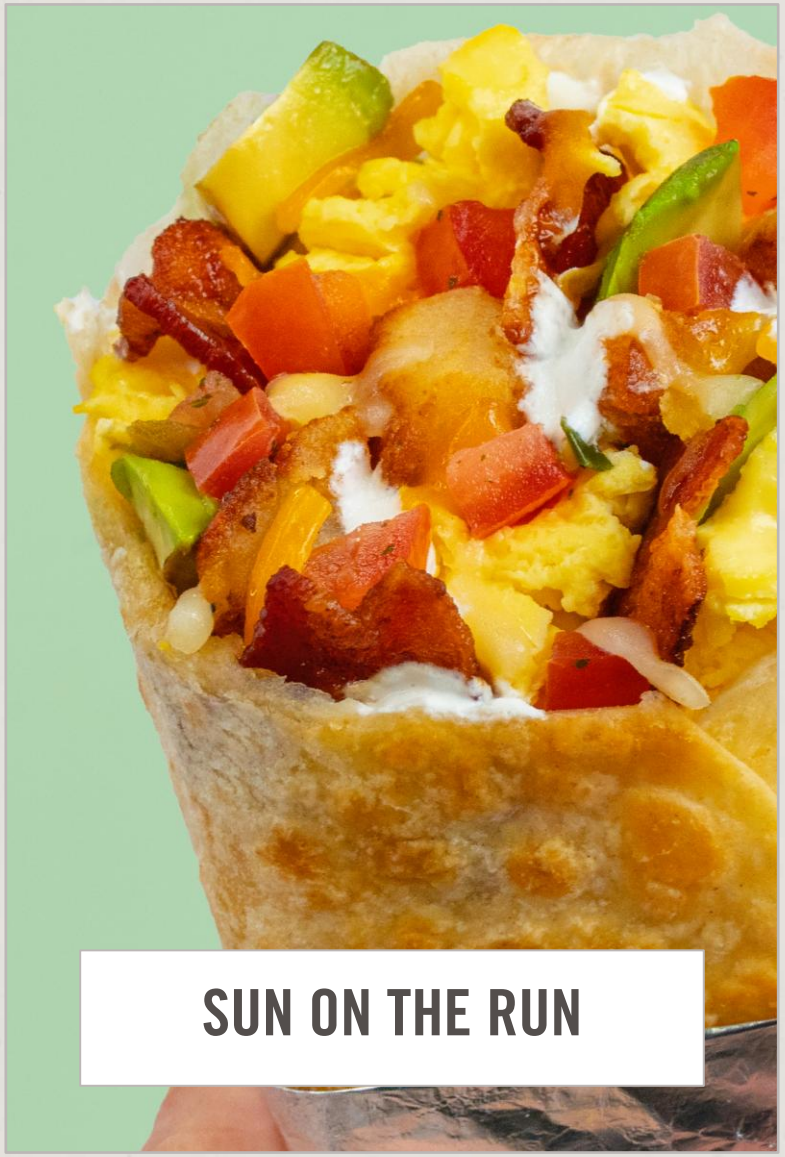
GABBY GOLF GIRL
INSTA/TT/YT: 1.9M

Celebrating those who start their days with intention and uplift others

GROW OCCASIONS



NATIVE GROUP ORDERS

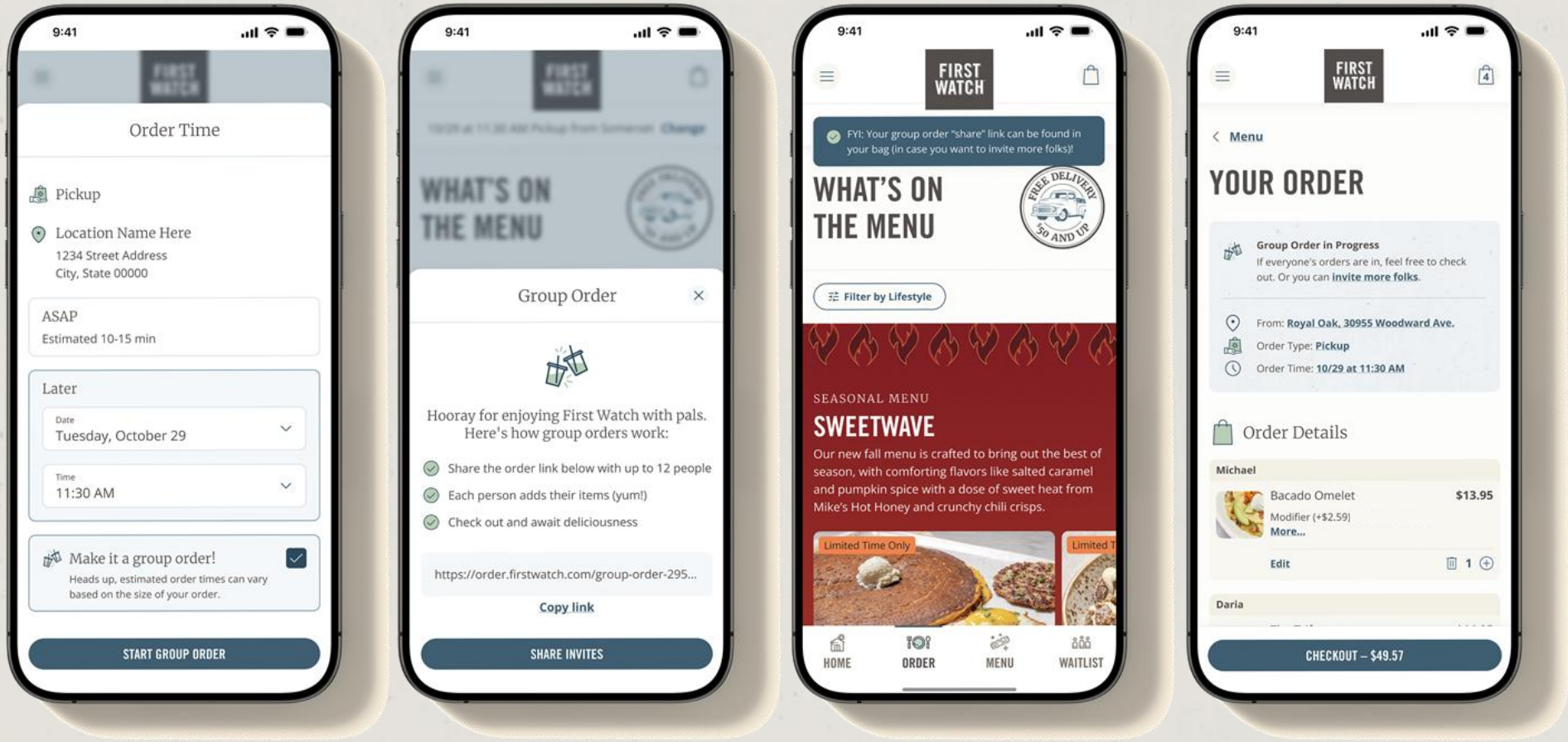


SUN ON THE RUN

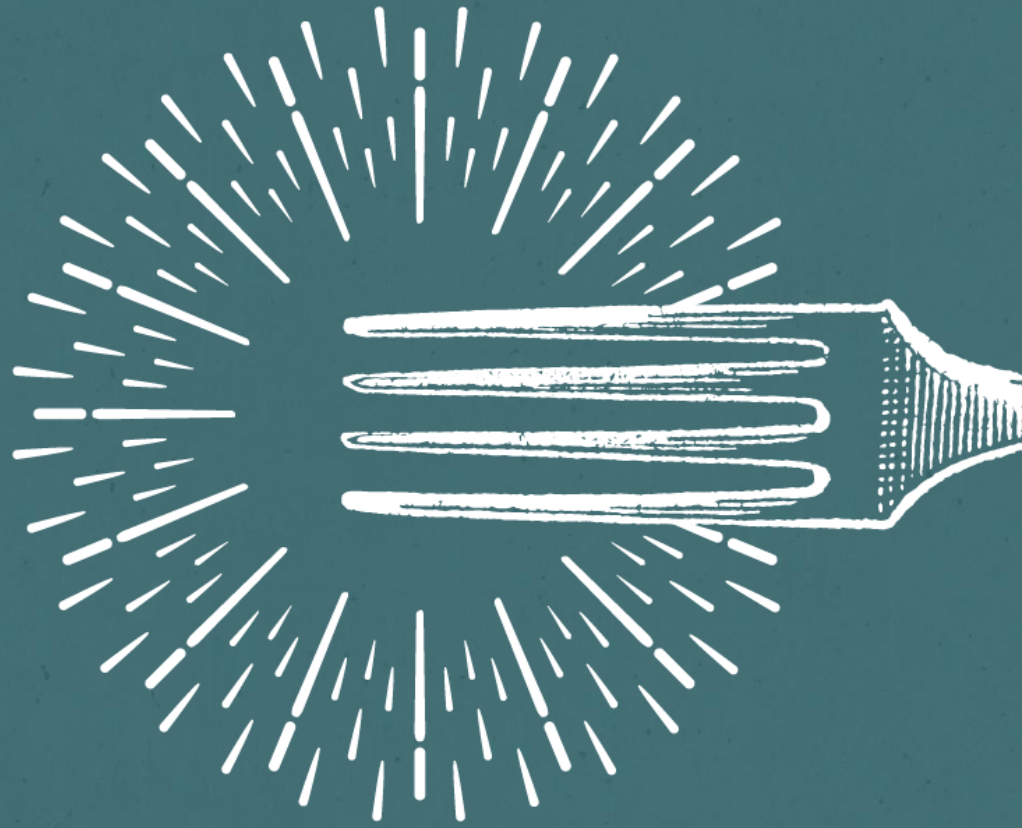


CORP ORDERING

NEW OCCASIONS: GROUP ORDERING & CORP ORDERING



Weekdays represent a high-capacity opportunity as daily habits have evolved



THERE IS A TRUE GAP IN THE MARKET

QUICK HUNGER FIX



Affordability with the tradeoff of quality

BEVERAGE-LED UPSELL



Convenience with the tradeoff of quality

CRAFTED TO ORDER



Quality with the tradeoff of convenience

What if you could get First Watch quality on a weekday, built for your morning routine, at a price that justifies the trade-up?

INTRODUCING

SUN ON THE RUN™

Fresh Breakfast. Real Ingredients.
Made for on-the-go

$9.99 I WEEKDAYS ONLY I APP EXCLUSIVE



THE LINE UP



THE BANGER



THE OG



THE PESTO SUNRISE



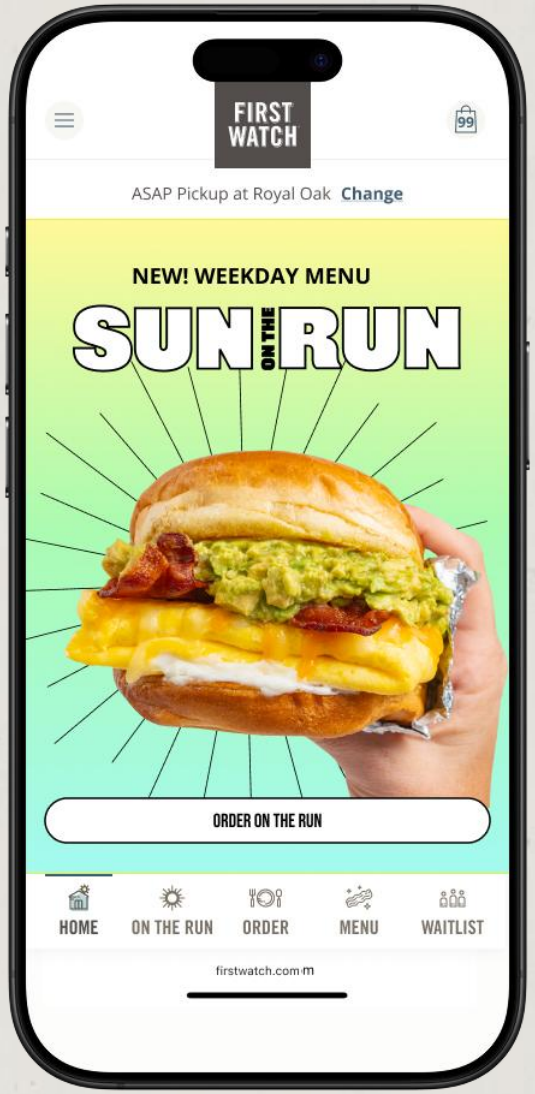
THE EARLY BIRD



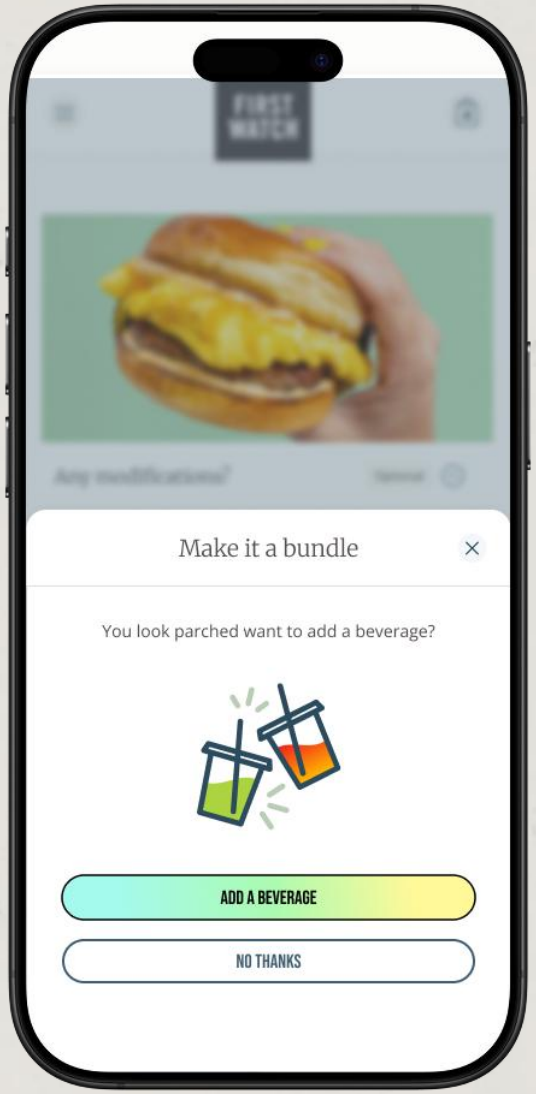
THE MAIN CHARACTER

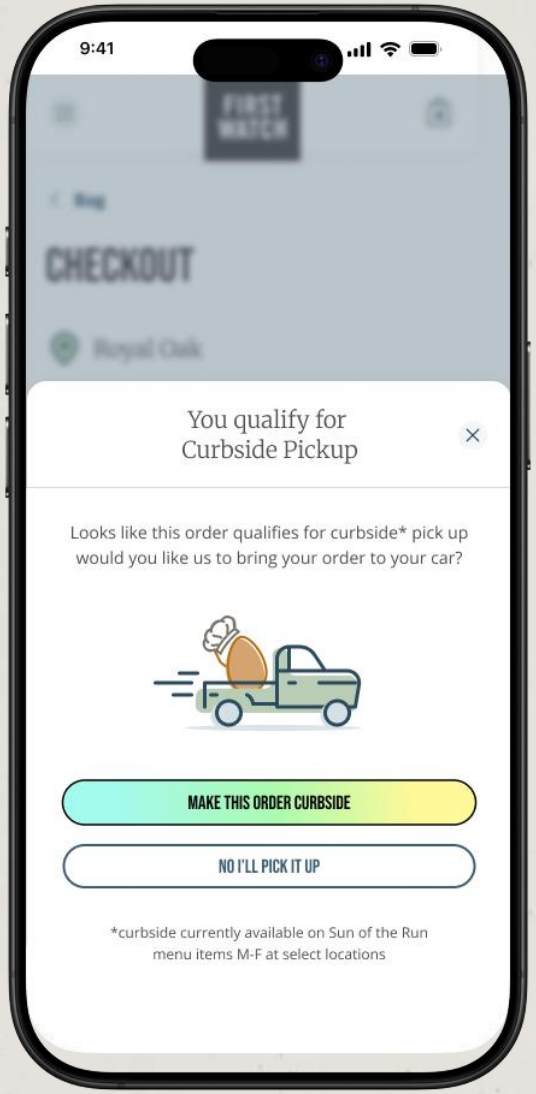


THE SPICY COWBOY


FIRST WATCH
99
ASAP Pickup at Royal Oak Change
NEW! WEEKDAY MENU
SUN ON THE RUN
ORDER ON THE RUN
HOME
ON THE RUN
ORDER
MENU
WAITLIST
firstwatch.com


FIRST WATCH
99
ASAP Pickup at Royal Oak Change
WEEKDAY MENU
SUN ON THE RUN
STARTING AT $9.99 • WEEKDAYS ONLY • STA
SANDWICHES
BURRITOS
APP EXCLUSIVE
The OG
$9.99 | 1100 CALS
A griddled Jones Dairy Farm all-natural pork sausage patty, folded cage-free eggs, Cheddar and chipotle aioli... Show more
QUICK ADD
CUSTOMIZE

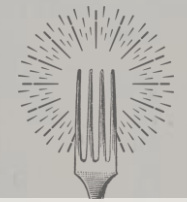

Make it a bundle
You look parched want to add a beverage?
ADD A BEVERAGE
NO THANKS


9:41
CHECKOUT
You qualify for Curbside Pickup
Looks like this order qualifies for curbside* pick up would you like us to bring your order to your car?
MAKE THIS ORDER CURBSIDE
NO I'LL PICK IT UP
*curbside currently available on Sun of the Run menu items M-F at select locations

MOM KNOWS BEST



PLAN PILLARS DRIVE AWARENESS, ACCESSIBILITY & TRAFFIC



DEMAND GENERATION	GROW OCCASIONS	INNOVATION
PAID MEDIA	SUN ON THE RUN	SEASONAL MENU
CREATORS	GROUP ORDERING	
COLLABORATIONS	CATERING	
AWARENESS & RELEVANCE	FREQUENCY & TRAFFIC	FREQUENCY & RELEVANCE

ENSURING RELEVANCE

SHANE SCHAIBLY

SVP Culinary Strategy



OWN THE MORNING

CREATE DEMAND

ENSURE RELEVANCE

DELIVER THE EXPERIENCE

SCALE THE MODEL

COMPOUND THE VALUE



THE FIRST WATCH DIFFERENCE



Seasonal produce sourced at its peak



Fun & playful … balancing comfort and innovation

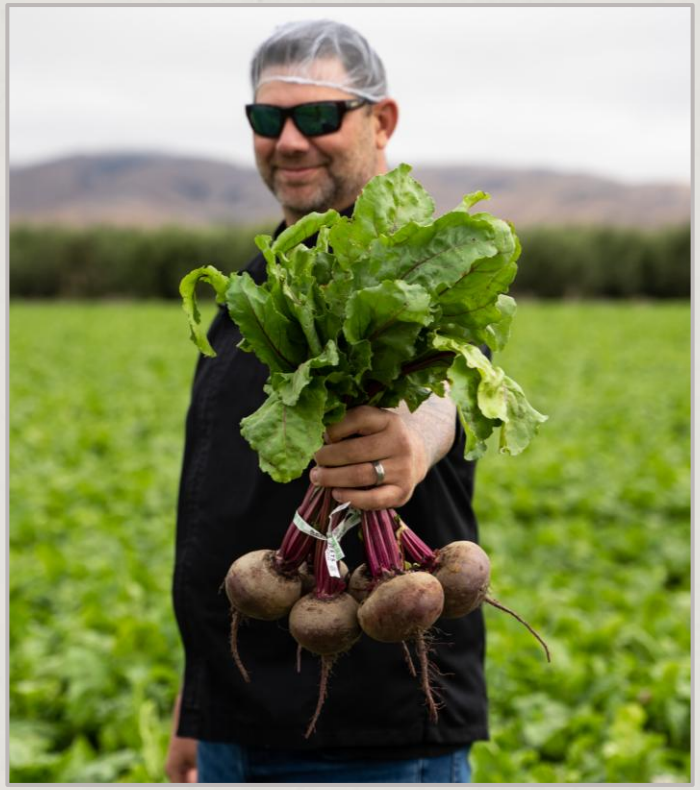


Pushing the envelope on what's possible



… all made possible by 360° collaboration

MENU INNOVATION IS WHAT WE DO



- Produce delivered fresh 3-4x/week
- Balance between what's "sourced" and what's made in-house



- No microwaves, deep fryers, heat lamps
- Full kitchen designed to handle fresh food at high volumes

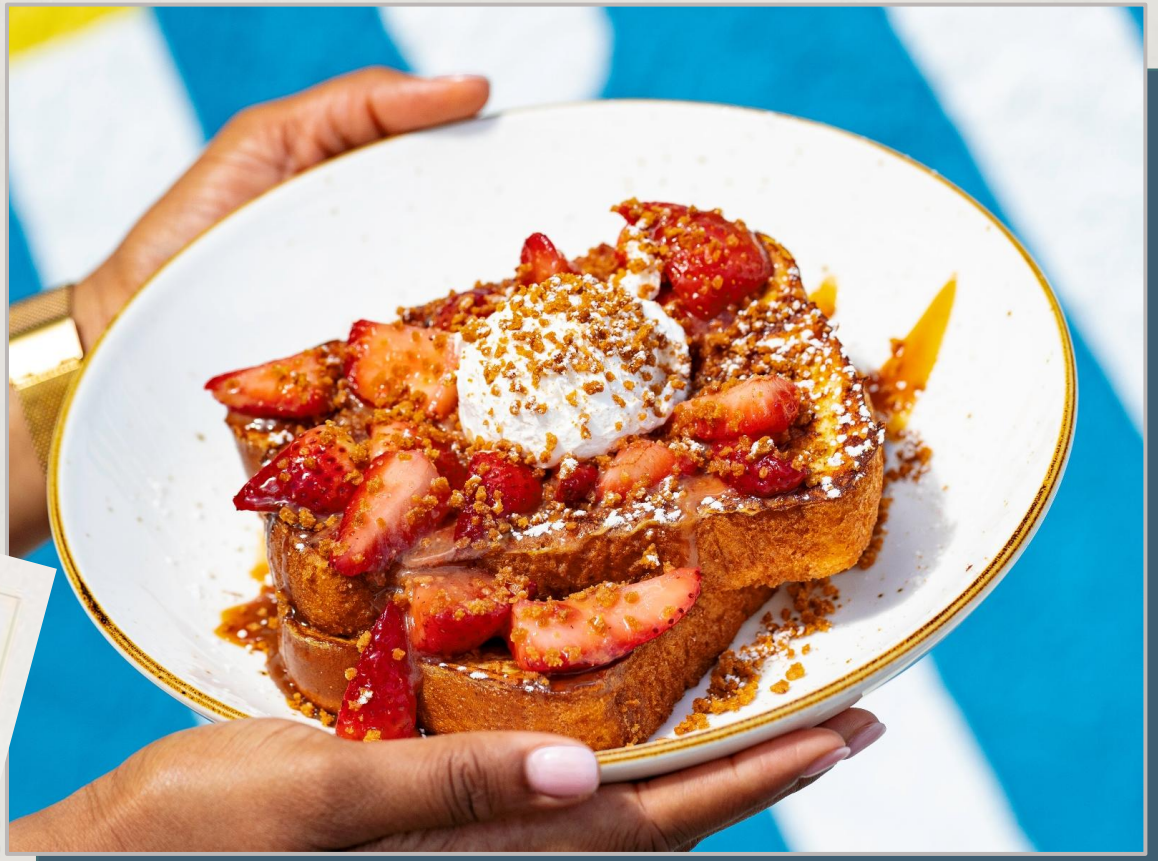


- All entrées made-to-order
- Menu drives efficiency

CORE MENU INNOVATION IS MEASURABLY DRIVING RESULTS

- Higher-margin items mixing above expectations
- Contributing positive menu mix
- Increased attachment on fresh juices, add-ons, shareables
- 25+ items with 30+ grams of protein … *naturally*





A “RECIPE” THAT WORKS…

SEASONAL INNOVATION ROOTED IN STRATEGY

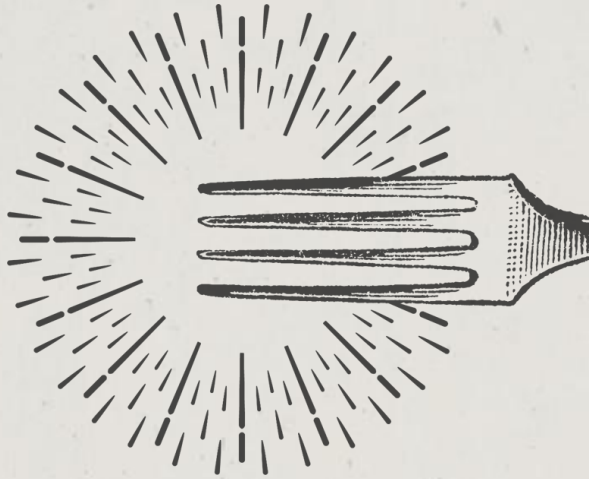








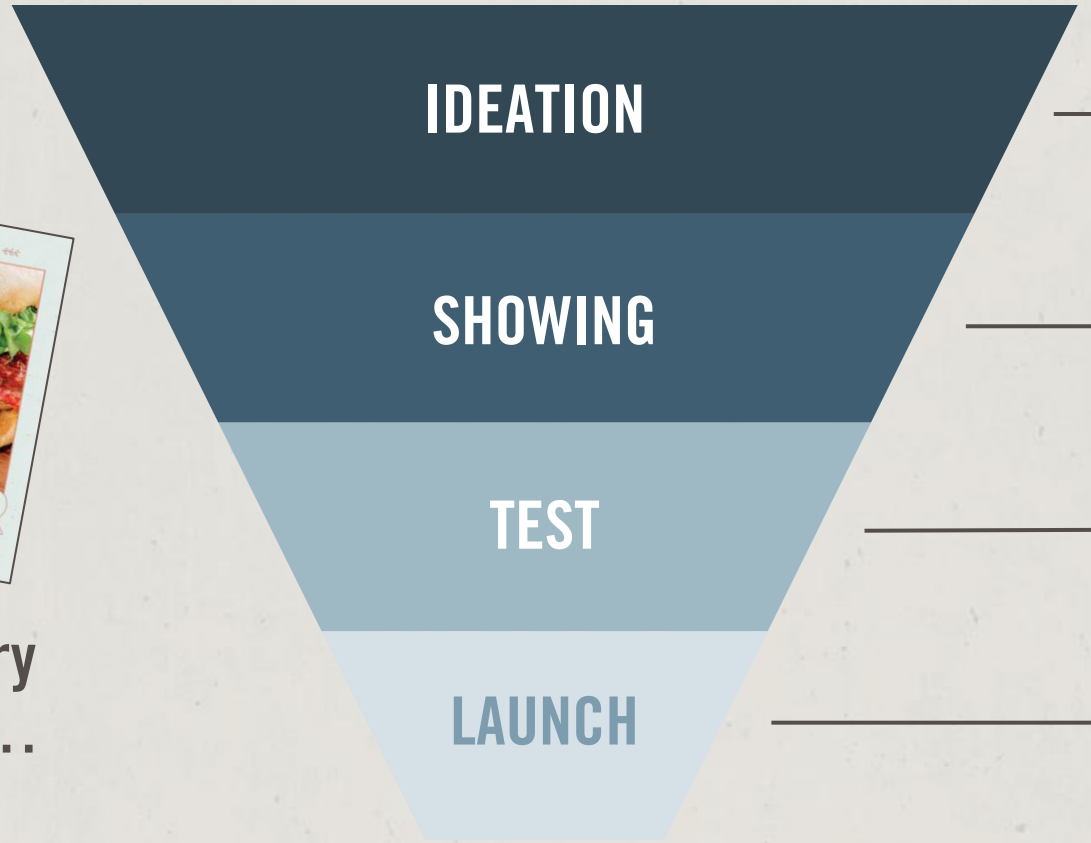




OUR TESTING PROCESS



Every season, every menu starts with …



50-60 MENU ITEMS
Build the initial innovation pipeline

12-15 MENU ITEMS
Evaluate for 2-3 months

5 MENU ITEMS
In ~25 restaurants for 10 weeks

5 MENU ITEMS
Roll out system-wide

Our rolling innovation pipeline is consistently working 12-18 months out

WE'RE CONSTANTLY RAISING THE BAR ON "GREAT"

HIGHEST MIXING SEASONAL HASH IN 2016

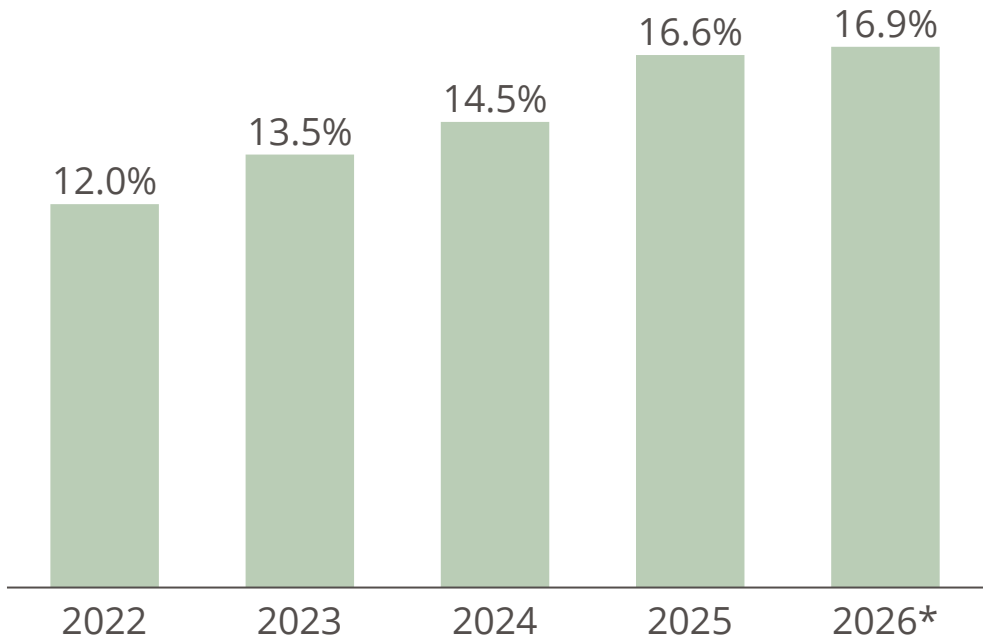


HIGHEST MIXING SEASONAL HASH TODAY

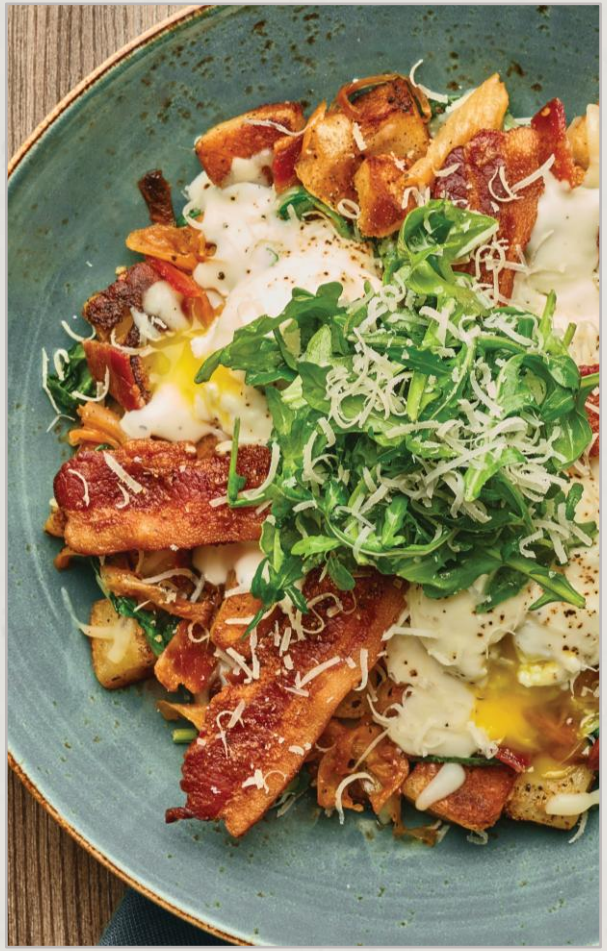


MENU INNOVATION IS DRIVING HIGHER-MARGIN SALES MIX

NATIONAL SEASONAL MENU PMIX







*Represents Seasonal Menu mix through P8.

AND THE FUTURE IS BRIGHT!

TEST TOP 3 ITEM MIX

FALL 2027
[redacted]
~7%

SUMMER 2027
[redacted]
~6%

WINTER 2027
[redacted]
~6%



SNAPSHOT: FRESH JUICE PROGRAM

LAUNCHED 2015

3 CORE JUICES

5-8 FRUITS AND VEGETABLES JUICED IN-HOUSE DAILY

5 SEASONAL JUICES

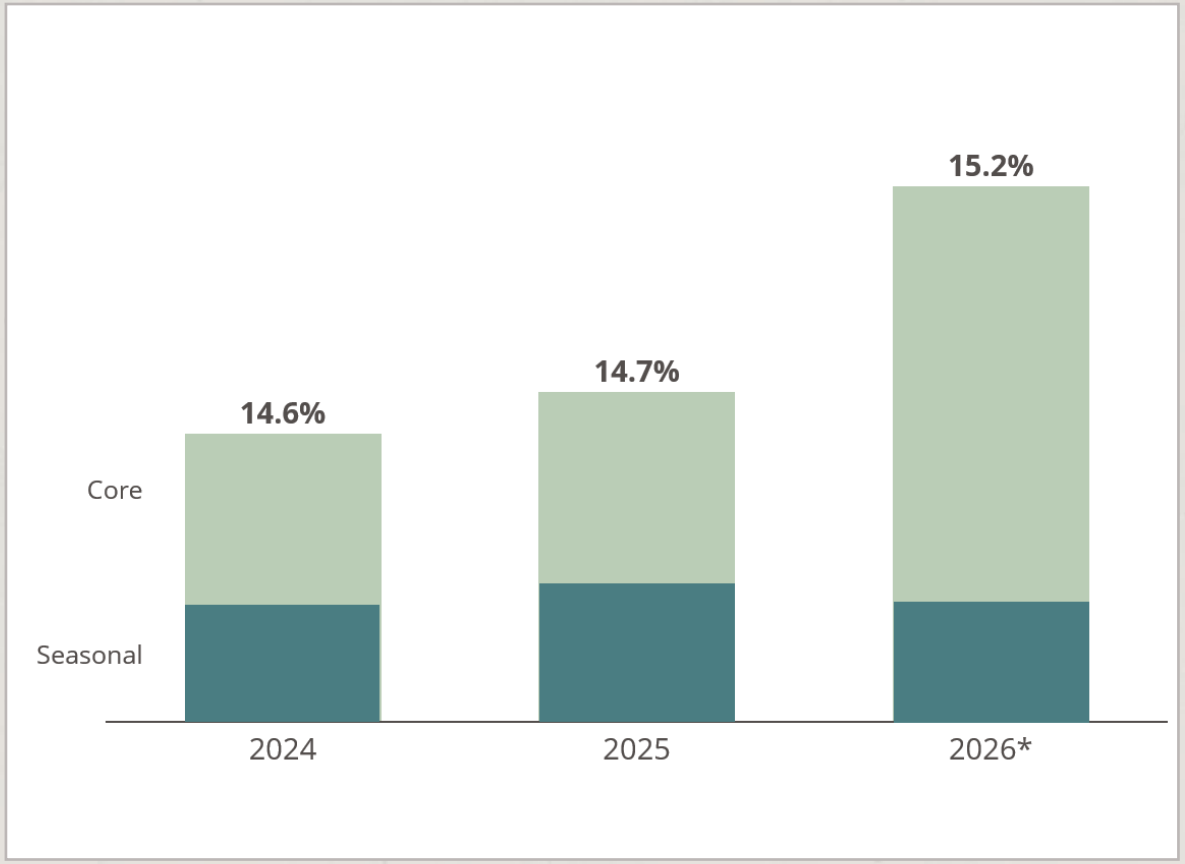
~15% AVERAGE OVERALL PMIX

ATTRACTIVE PRICE POINT AND MARGIN ACCRETIVE



SNAPSHOT: FRESH JUICE PROGRAM

NATIONAL FRESH JUICE PMIX





*Represents Fresh Juice mix through P8.

SNAPSHOT: SHAREABLES

CREATING OUR OPPORTUNITY TO "ADD ON"

- Launched in 2017, refined in 2019
- Serves as an "add-on" purchase
- Capitalizes on the social nature of breakfast and brunch meals

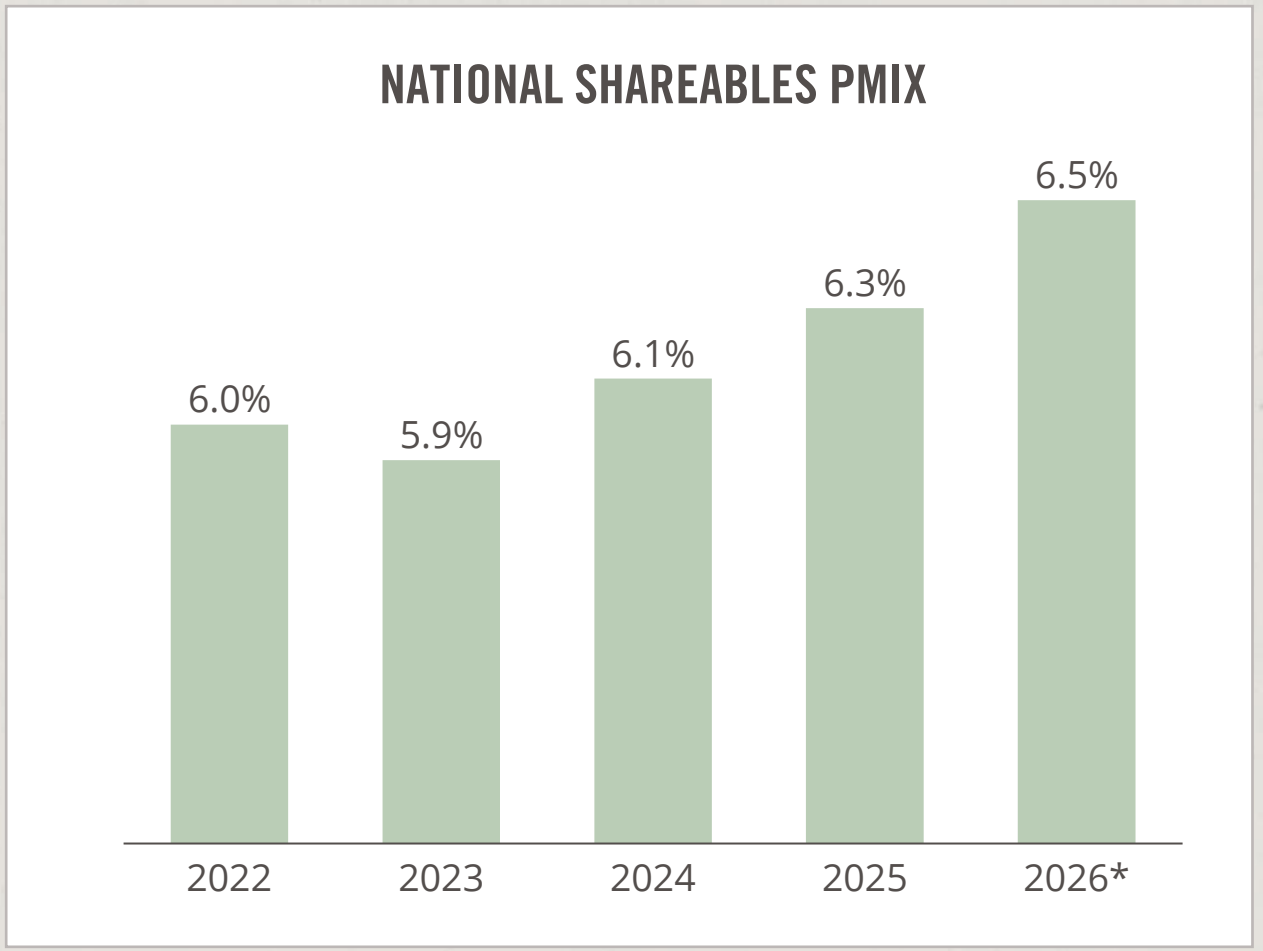


SNAPSHOT: SHAREABLES









*Represents Shareable mix through P8.



OUR SECRET SAUCE

360° innovation and collaboration with all teams:

- Drives long-term, healthy margin growth
- Creates new occasions and reasons to visit
- Keeps the brand relevant and exciting

SO, WHAT'S NEXT?

- Continue to deliver exciting, on-trend flavors in a familiar format
- Stay ahead of industry trends across food and beverage
- Keep raising the bar!

DELIVERING THE EXPERIENCE

LAURA SORENSEN

Chief People Officer



OWN THE MORNING

CREATE DEMAND

ENSURE RELEVANCE

DELIVER THE EXPERIENCE

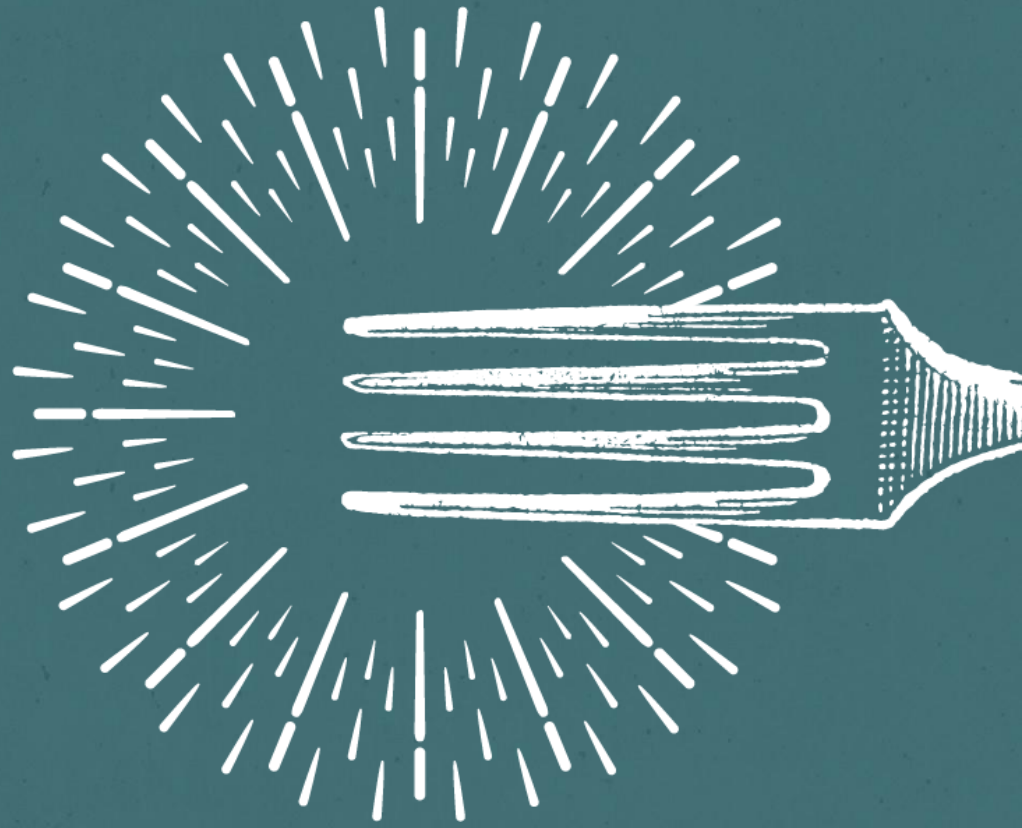
SCALE THE MODEL

COMPOUND THE VALUE




FIRST WATCH
THE DAYTIME CAFE

15 Minute Break



STEVEN MAROTTA

Vice President – Investor Relations



SCALING THE MODEL

ERIC HARTMAN

Chief Development Officer



OWN THE MORNING



CREATE DEMAND

ENSURE RELEVANCE

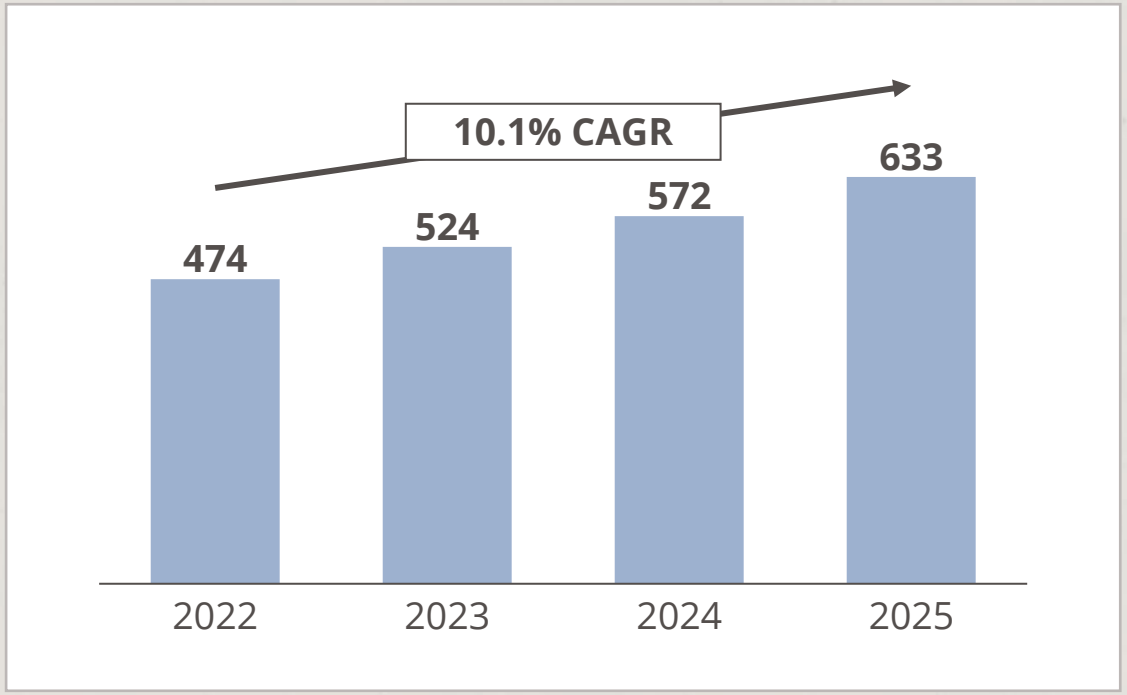
DELIVER THE EXPERIENCE

SCALE THE MODEL

COMPOUND THE VALUE

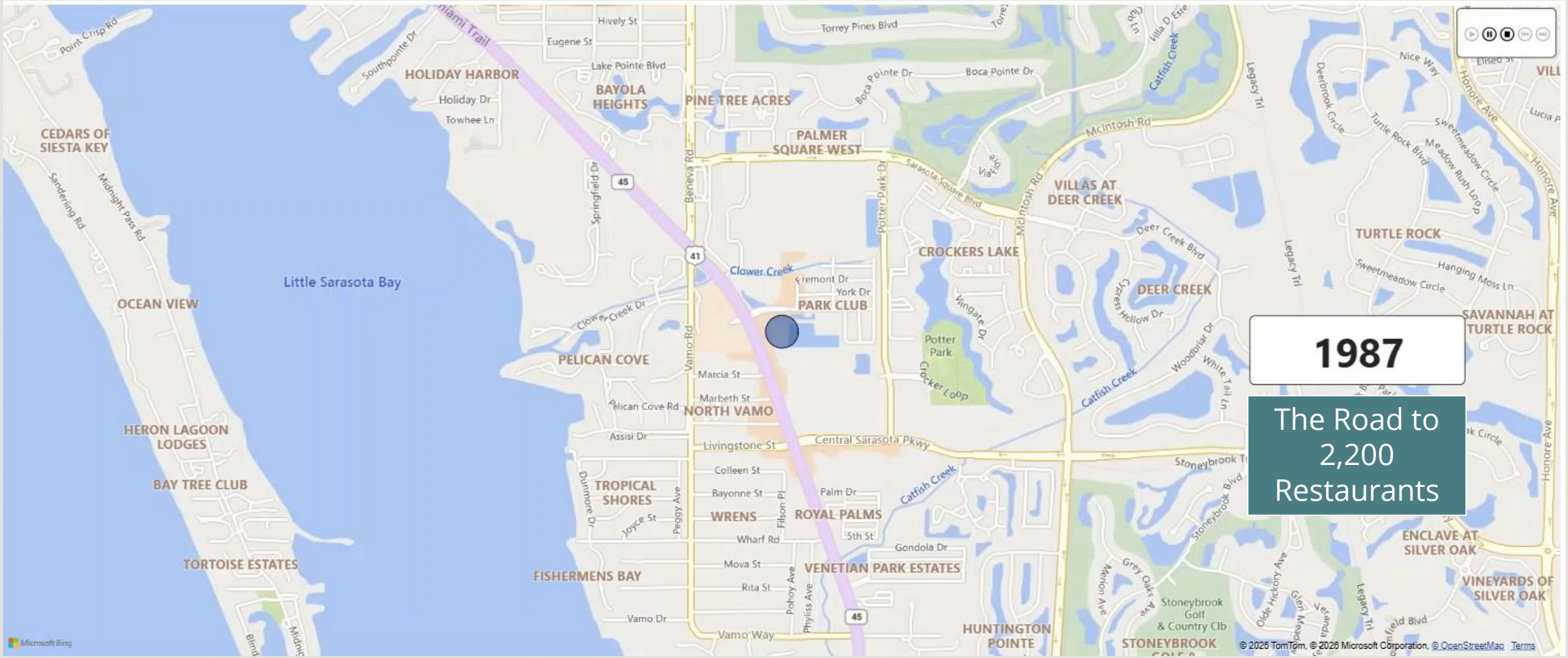
WE DELIVERED THE AGGRESSIVE GROWTH TARGETED AT IPO

2022 - 2025	TARGETED	DELIVERED
RESTAURANT COUNT	~+10% / YEAR	+10.1% CAGR ✓





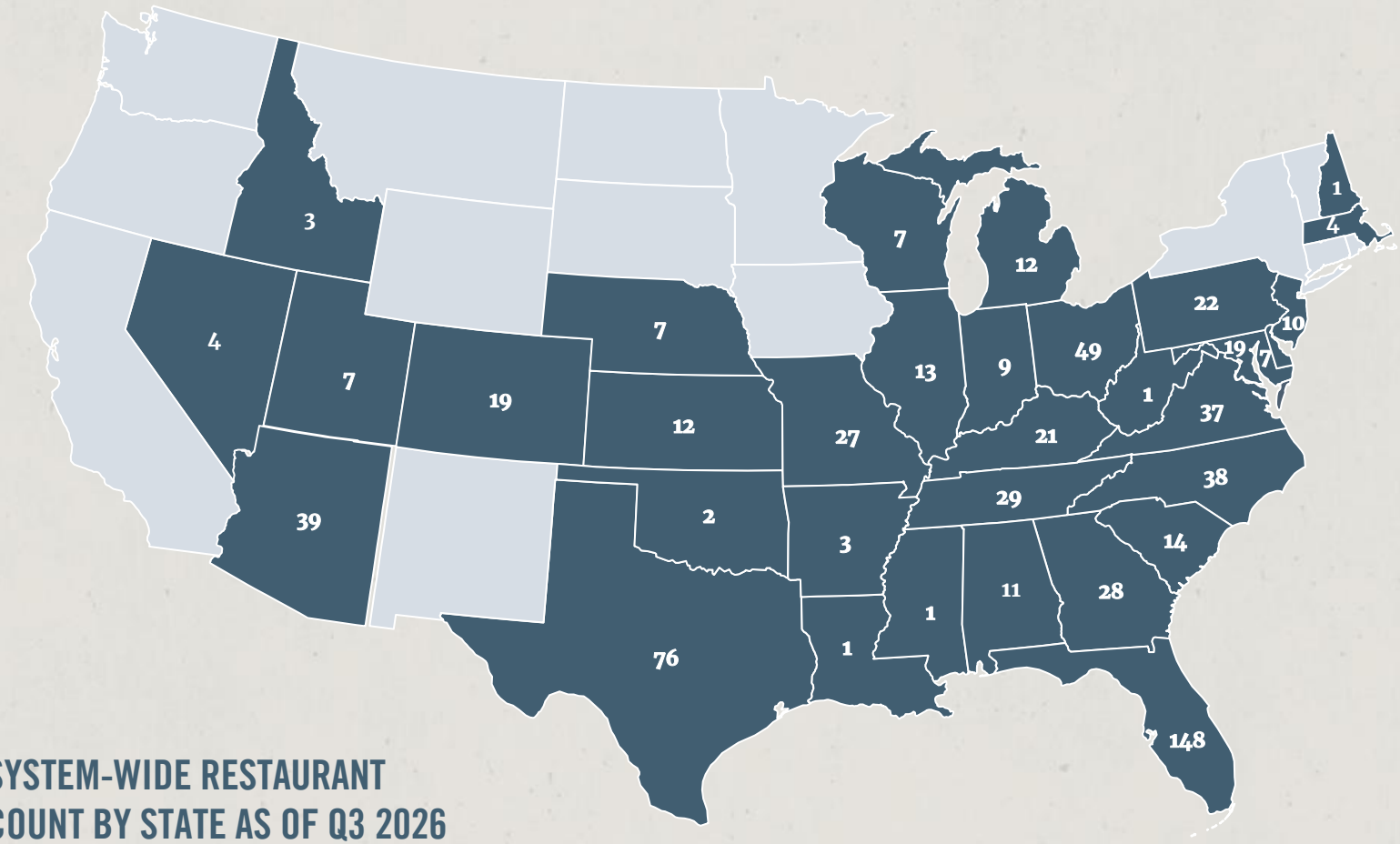
OUR GROWTH OVER THE YEARS



THE ECONOMICS TRAVEL ACROSS MARKETS AND GEOGRAPHIES

TOP DECILE
SPANS 16 STATES
AND 27 DMAs

681
U.S. LOCATIONS
AS OF Q3 2026



SYSTEM-WIDE RESTAURANT
COUNT BY STATE AS OF Q3 2026

AUV BY STATE

FLORIDA - $2.4M
148

TEXAS - $2.3M
76

OHIO - $2.3M
49

ARIZONA - $2.4M
39

VIRGINIA - $2.7M
37

GEORGIA - $2.4M
28

MISSOURI - $2.3M
27

OUR RECENT VINTAGES SHOW OUTPERFORMANCE

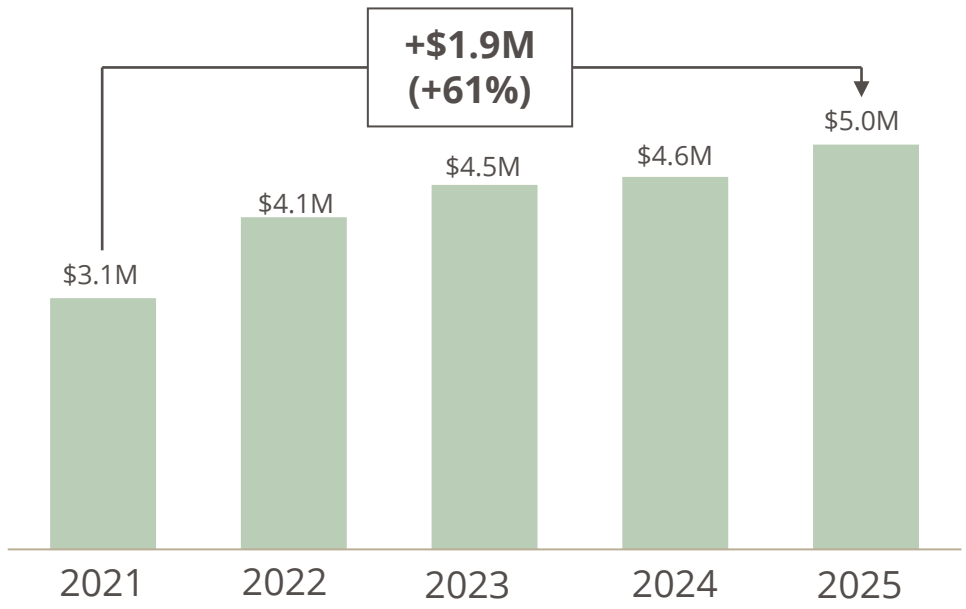
NRO AUV PERFORMANCE VS. COMP GROUP



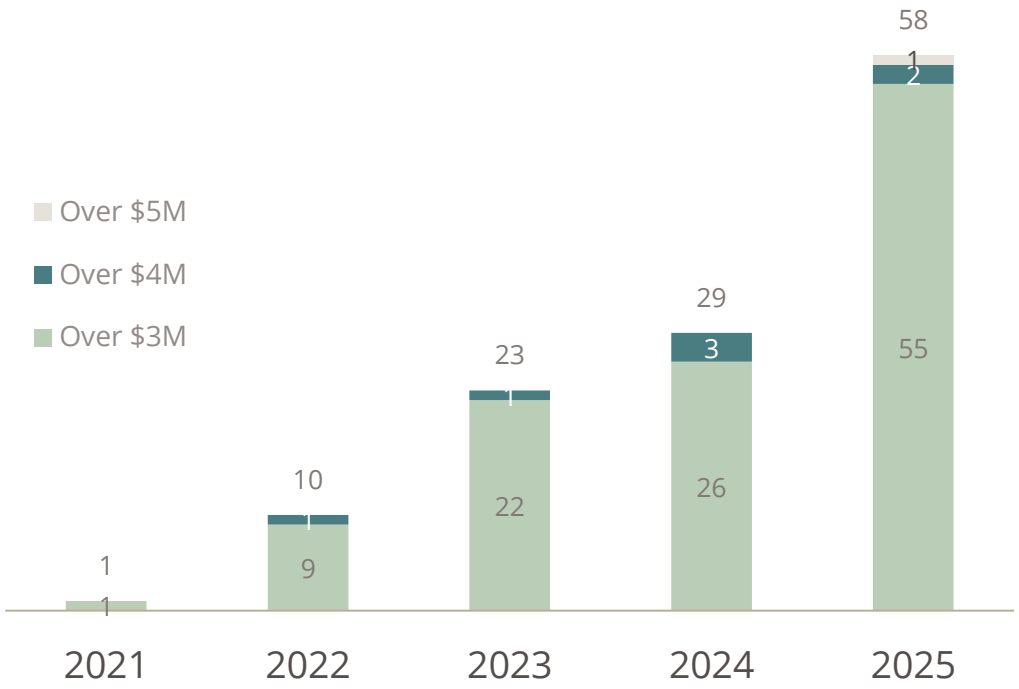
AUV = Average Unit Volume.

GROWTH IS RAISING THE QUALITY AND PRODUCTIVITY OF THE PORTFOLIO

HIGHEST NET AUV RESTAURANT



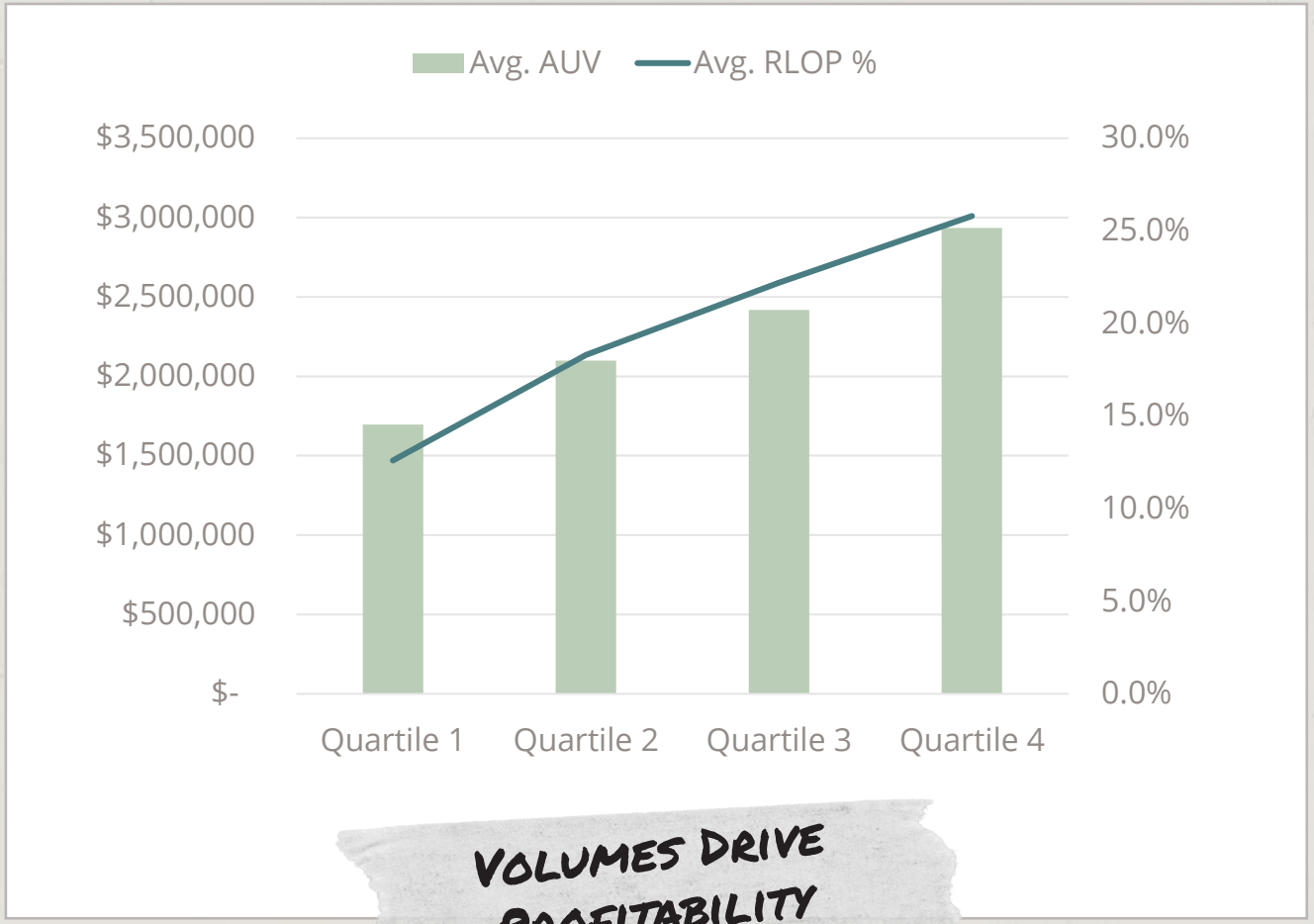
COUNT OF RESTAURANTS OVER $3M NET AUV



Data includes annualized volumes for NROs opening that year.

HIGHER VOLUMES TRANSLATE INTO STRONGER RESTAURANT-LEVEL RETURNS

- Higher volume restaurants generate meaningfully stronger RLOP
- Recent NRO performance increases the earnings potential of the portfolio
- Disciplined development drives both growth **and** restaurant level profitability



18%+ IRR – UNDERWRITING TARGETS REMAIN UNCHANGED



	2021 – IPO	2026 – TODAY	
AVERAGE NET BUILD-OUT COST	~$1.0M	~$1.8M	+$800K paid out ONCE
YEAR-3 AVERAGE UNIT VOLUME	~$1.9M	~$2.8M	+$900K higher ANNUAL volumes

18%+

TARGETED IRR

Average net build-out cost, year-3 average unit volume, and IRR per underwriting. 2021 figures reflect the IPO-era vintage. IRR assumes average net build-out cost actuals equal estimates for locations not yet closed out.

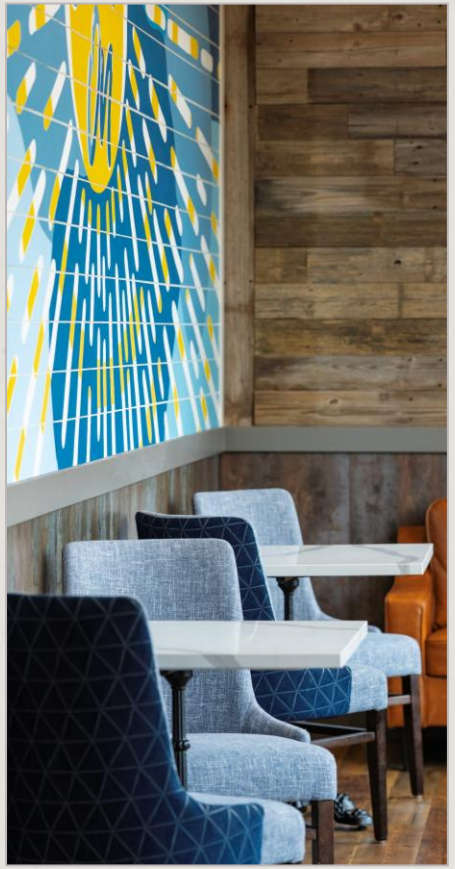
MARKET-FIRST MODEL CREATES PREDICTABLE GROWTH RUNWAY

MARKET-FIRST
Define the market opportunity before pursuing individual sites

HIGH-QUALITY SITES
Select locations that meet rigorous strategic and operating criteria with reduced sales transfer going forward

PRIORITIZED TRADE AREAS
Target the highest potential growth corridors within each market

DISCIPLINED UNDERWRITING
Require Year-3 AUV at or above Comp AUV, occupancy below 10% and IRR above 18%



PREMIER LOCATIONS SUPPORT LONG-TERM MARKET LEADERSHIP



TRAFFIC & ACCESS

Target 25,000+ daily trips, convenient ingress and egress, and strong roadway visibility

COMPLEMENTARY CO-TENANCY

Prioritize high-performing retailers that attract the target customer

ATTRACTIVE DEMOGRAPHICS

Typically seek 35,000+ residents within three to four miles, household income above $80,000, and strong daytime demand

HIGH VISIBILITY

Favor prominent frontage and patio presence

STRATEGIC POSITIONING

Maximize customer access and support performance over a 20-plus-year lease horizon

DISCIPLINED SPACING

Generally maintain approximately five miles between restaurants while balancing market opportunity and sales transfer

DATA AND FIELD EXPERTISE IMPROVE SITE DECISION QUALITY



First Watch Located Among Best-In-Class Retailers –
One of many predictors of traffic



STRATEGIC SALES TRANSFER FORTRESSES MARKETS

WHAT IT IS

- New restaurants can shift traffic from nearby existing restaurants, reducing reported same-restaurant traffic.
- Sales transfer is built into our underwriting; new restaurants must earn attractive returns while covering transferred profit.

WHY EMBRACE IT

- Strategic competitive positioning (including precluding competition from out-positioning First Watch in the market's sub-region)
- Taking advantage of shifts in the market to support strategic positioning
- Relief to a restaurant that is at capacity or demand exceeds location constraints

HOW WE MANAGE IT

- Moderate NRO density near existing restaurants
- Incorporate expected transfer into site-level underwriting
- Optimize placement to protect system economics



EVERY OPENING MAKES THE DEVELOPMENT ENGINE SMARTER



CONTINUOUS IMPROVEMENT LOOP:

SMARTER SITE SELECTION > INCREASED PREDICTABILITY > IMPROVED RETURNS







THE NEXT PHASE OF GROWTH ALREADY IN MOTION







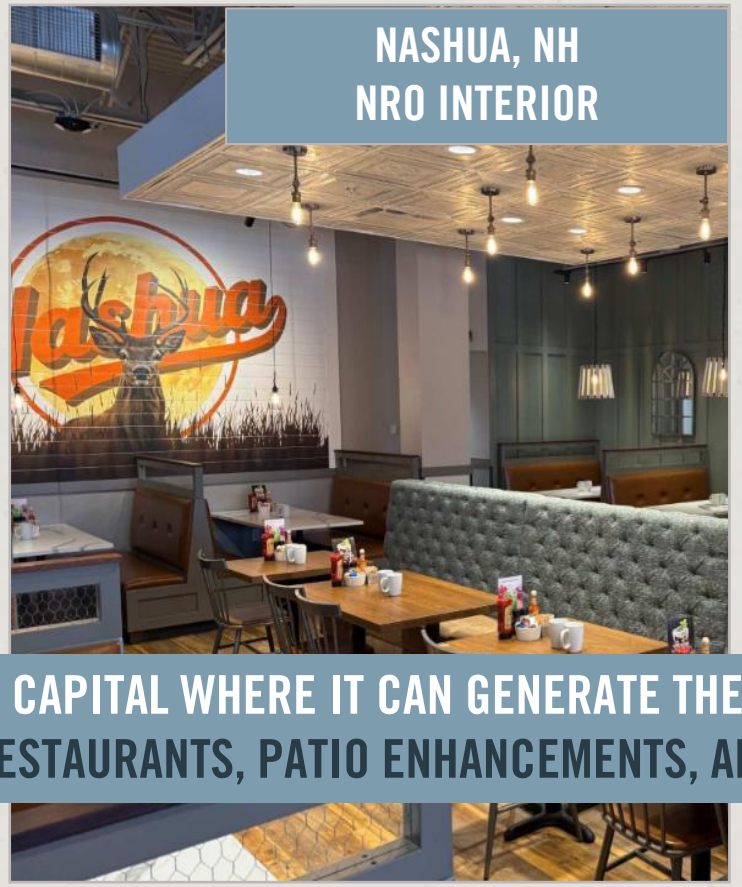


WE HAVE A ROBUST PIPELINE TO OPEN ~55 NEW SYSTEM-WIDE NROS IN 2027 AND CURRENTLY APPROVING SITES FOR 2028.

CAPITAL ALLOCATION THROUGH A DEVELOPMENT LENS



DAWSONVILLE, GA
PATIO



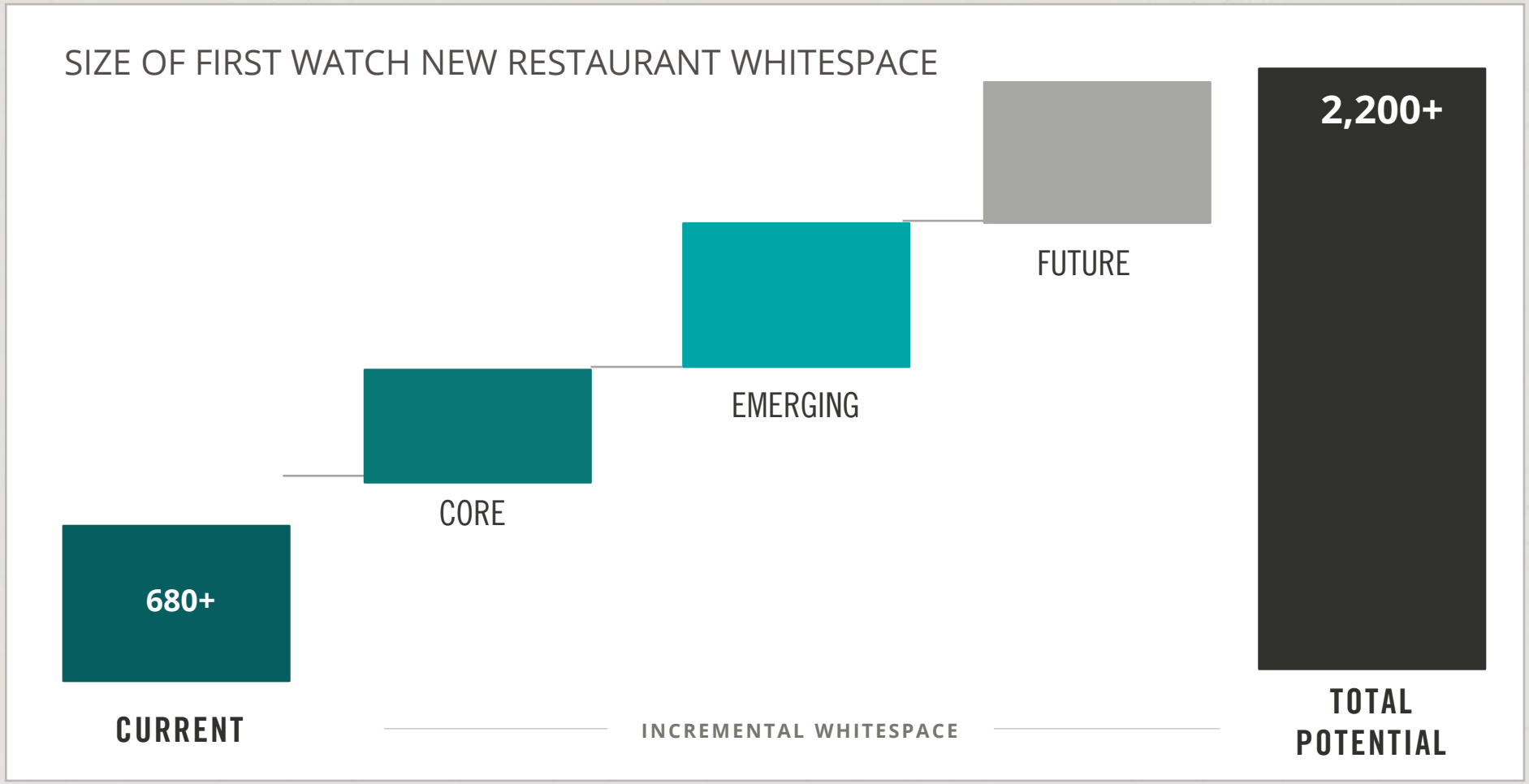
NASHUA, NH
NRO INTERIOR



KIRKWOOD, MO
INTERIOR RENOVATION

WE ARE FOCUSED ON DEPLOYING CAPITAL WHERE IT CAN GENERATE THE HIGHEST LONG-TERM RETURNS, INCLUDING NEW RESTAURANTS, PATIO ENHANCEMENTS, AND RENOVATIONS.

SIGNIFICANT WHITESPACE OPPORTUNITY





DISCIPLINED GROWTH. SUPERIOR RESTAURANTS. STRONG RETURNS.



AIKEN, SC





PINE FOREST, FL

We believe development has become a meaningful competitive advantage for First Watch to **OWN THE MORNING**, and we've built an organization that becomes smarter and more capable with every restaurant we open.

COMPOUNDING THE VALUE

ASHLEE WEISSER

Chief Financial Officer



OWN THE MORNING



CREATE DEMAND

ENSURE RELEVANCE

DELIVER THE EXPERIENCE

SCALE THE MODEL

COMPOUND THE VALUE



A STRONGER PLATFORM. A MORE PRODUCTIVE FINANCIAL FRAMEWORK.

WHAT IS NOT CHANGING:

- Our culture, our people, and our obsession with the customer experience
- Our operating excellence
- Our destination of 2,200+ restaurants

WHAT IS EVOLVING:

- A more balanced growth algorithm
- Increasing free cash flow
- Greater capital-allocation flexibility

WE DELIVERED OUR TARGETS AT IPO AND BUILT A STRONGER PLATFORM

2022 - 2025	LONG-TERM ANNUAL GROWTH TARGET	DELIVERED
REVENUE GROWTH	Mid-teens %	+18.7% CAGR *$730M → $1.2B*
SAME-RESTAURANT SALES[1]	+3.5%	+3.5% average *+7.6% → +3.6%*
RESTAURANT COUNT	~+10% / year	+10.1% CAGR *474 → 633*
ADJUSTED EBITDA	Mid-teens %	+20.4% CAGR *$69.3M → $120.9M*
G&A LEVERAGE	Leverage	110 bps leverage *11.6% → 10.5%*



[1] *Reflective of 2023-2025 SRS Growth.*

THE DESTINATION HASN'T CHANGED. THE BEST ROUTE FORWARD HAS EVOLVED.

THE ROUTE THAT BUILT THE PLATFORM

- BUILD SCALE
- PROVE PORTABILITY
- INVEST AHEAD OF GROWTH
- OPERATING CASH FLOW REINVESTED INTO GROWTH

2,200+ LOCATIONS

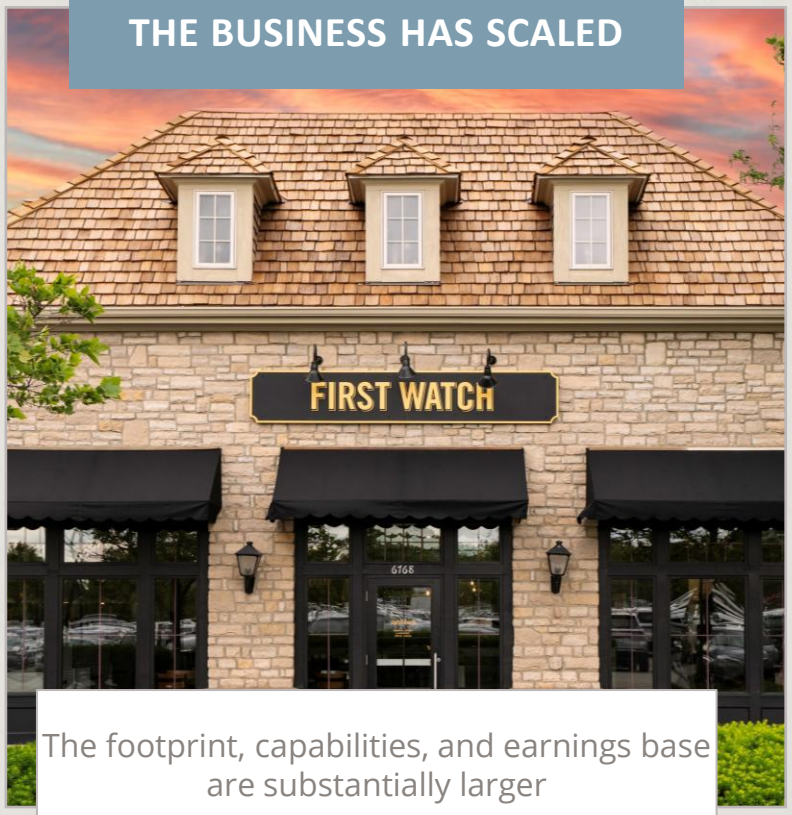


THE ROUTE THAT COMPOUNDS VALUE

- SUSTAIN MEANINGFUL GROWTH
- DRIVE GREATER OPERATING LEVERAGE
- GENERATE INCREASING FREE CASH FLOW
- EXPAND CAPITAL ALLOCATION FLEXIBILITY

WHY THE ROUTE HAS EVOLVED

THE BUSINESS HAS SCALED



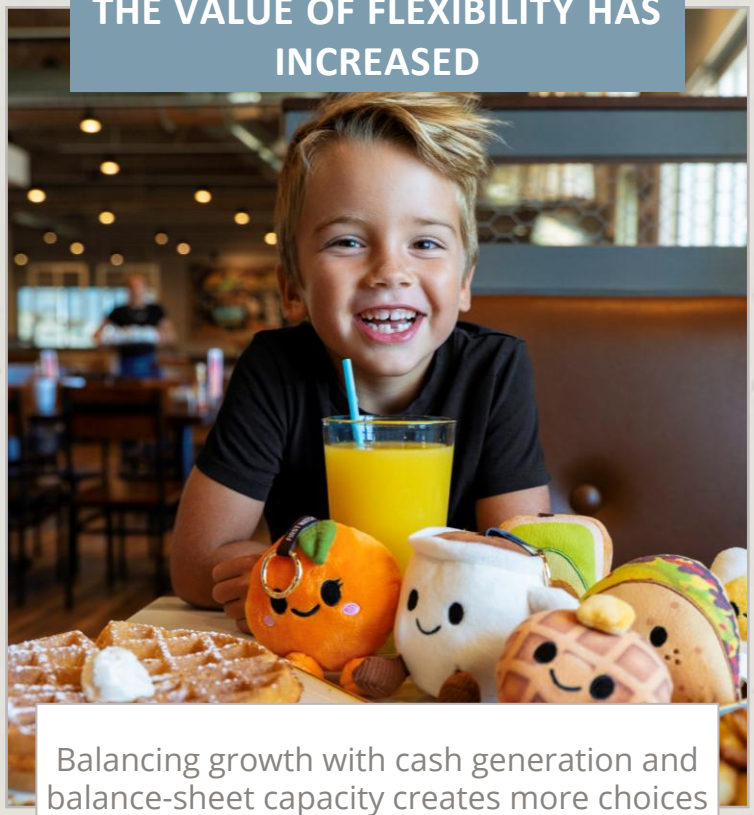
The footprint, capabilities, and earnings base are substantially larger

THE OPPORTUNITY SET HAS BROADENED



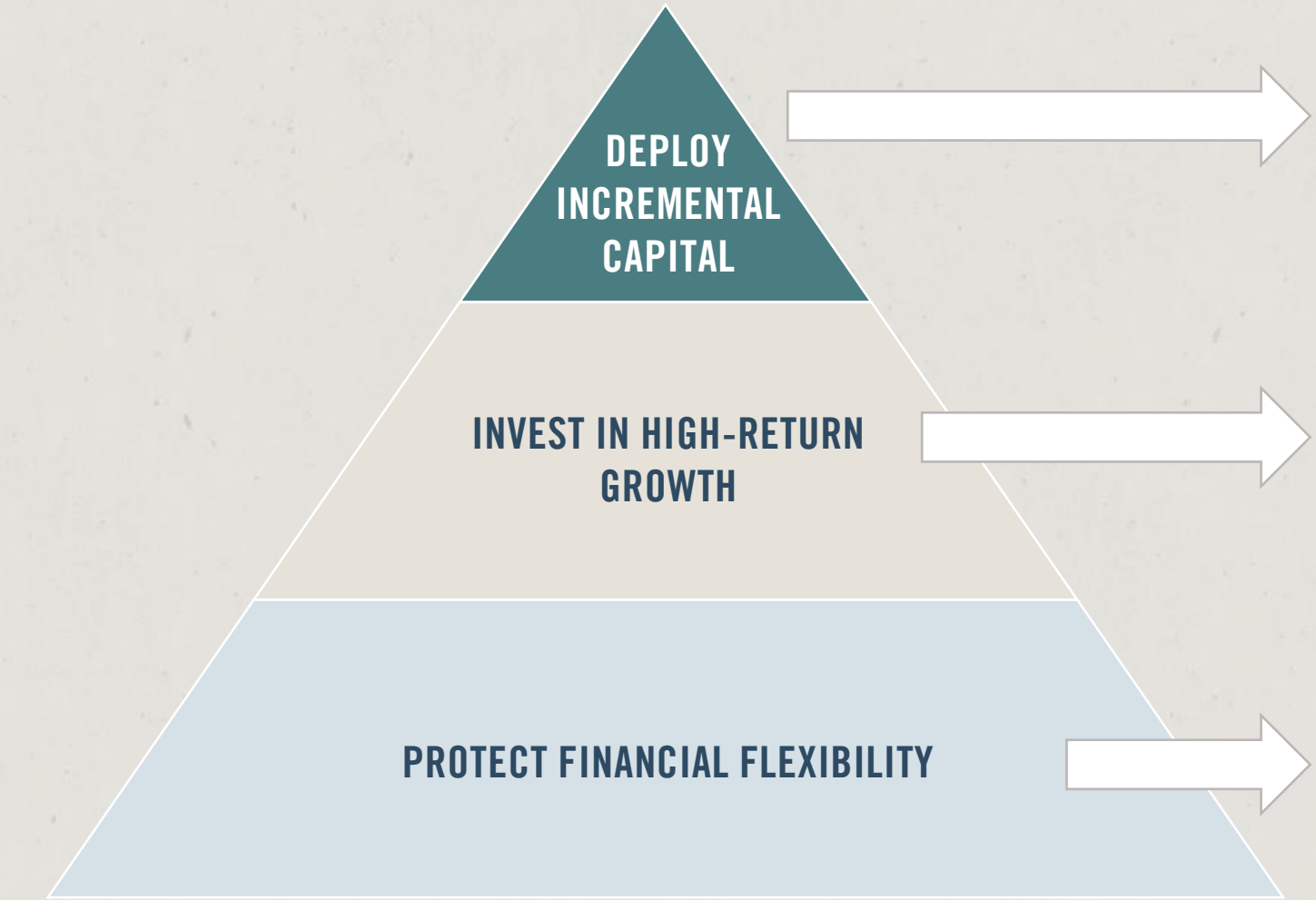
Value creation now comes from unit growth, traffic, restaurant productivity, enterprise leverage, and capital deployment

THE VALUE OF FLEXIBILITY HAS INCREASED



Balancing growth with cash generation and balance-sheet capacity creates more choices

OUR CAPITAL ALLOCATION PRIORITIES GUIDE THE ROUTE



Incremental growth opportunities
Shareholder return opportunities

Existing restaurant productivity
High-return new restaurant development

Strong balance sheet
Cyclical resilience
Appropriate liquidity

DURABLE ALGORITHM FOR GROWTH, MARGIN, AND CASH FLOW





G&A

Expense growth lower than Total revenue growth

2-4% *Same-Restaurant Sales Growth*

Includes positive underlying same-restaurant traffic, net of planned sales transfer from new restaurant growth

10-13% *Total Revenue Growth*

15%+ *Adjusted EBITDA Growth*

POSITIVE FREE CASH FLOW(1)

Beginning in 2027 and increasing each year

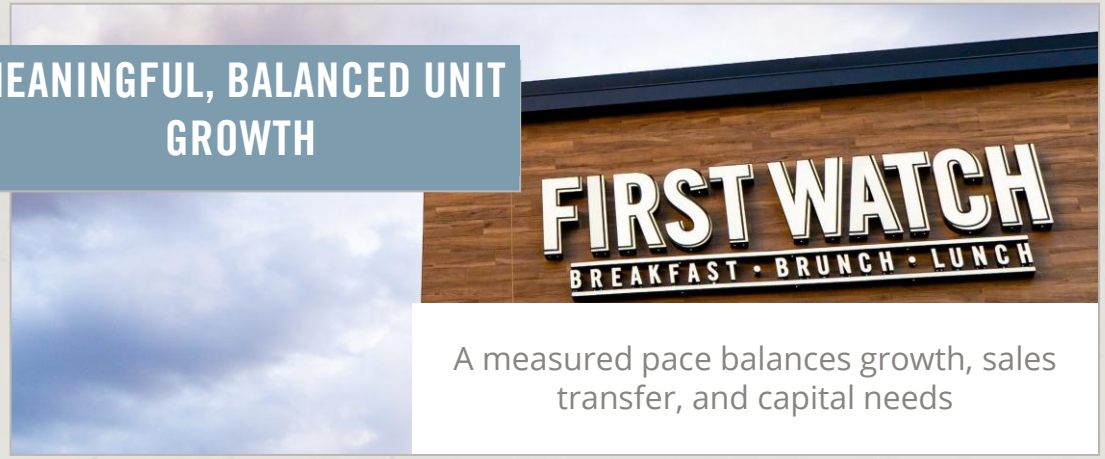


FIRST WATCH

(1) *Free Cash Flow is defined as Cash Flow from Operations minus capital expenditures.*

FOUR LEVERS CREATE A MORE BALANCED ROUTE TO VALUE

MEANINGFUL, BALANCED UNIT GROWTH



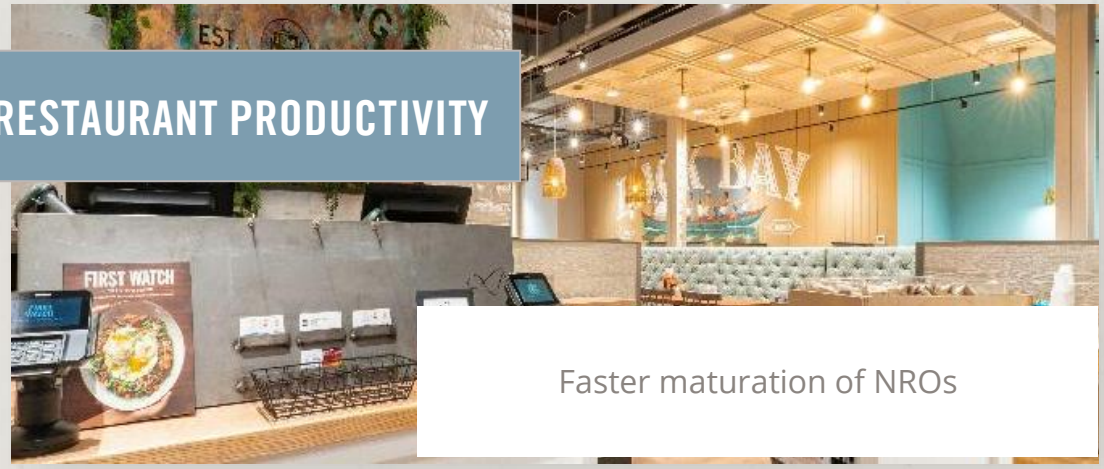
A measured pace balances growth, sales transfer, and capital needs

POSITIVE TRAFFIC



Demand-building initiatives, measured pricing, and lower transfer

RESTAURANT PRODUCTIVITY



Faster maturation of NROs

G&A DISCIPLINE



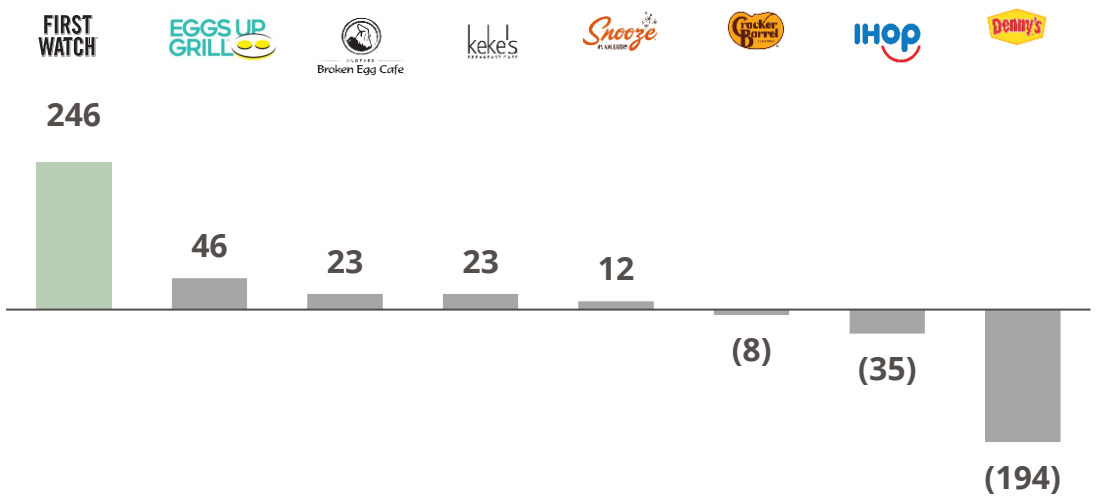
Overhead growth below revenue growth to create leverage

15%+ ADJUSTED EBITDA GROWTH AND POSITIVE AND INCREASING FREE CASH FLOW

WE ARE NOW IDEALLY POSITIONED TO SCALE AND SELF-FUND

WHAT WE BUILT

CUMULATIVE NET UNIT GROWTH – 2021 THROUGH 2026*



HOW THE ROUTE EVOLVES

2027:

~55

2028+:

MEANINGFUL UNIT GROWTH WITH FLEXIBILITY AROUND PACE

- Significant domestic whitespace remains
- Attractive returns remain the threshold
- Pace balanced with accelerated free cash flow and capital allocation priorities

MEANINGFUL GROWTH + LOWER CAPITAL INTENSITY + GREATER SELF-FUNDING

** Source: Placer ai for competitor set in US Domestic. | Locations with recorded visitation on 12.31 for 2021-2025 and on 9.27 for 2026.*

A MORE BALANCED PACE REDUCES TRANSFER, IMPROVING CAPITAL EFFICIENCY

WHAT IT IS

- New restaurants may shift visits from nearby restaurants
- Transfer is reflected in our underwriting and return requirements

WHAT CHANGES

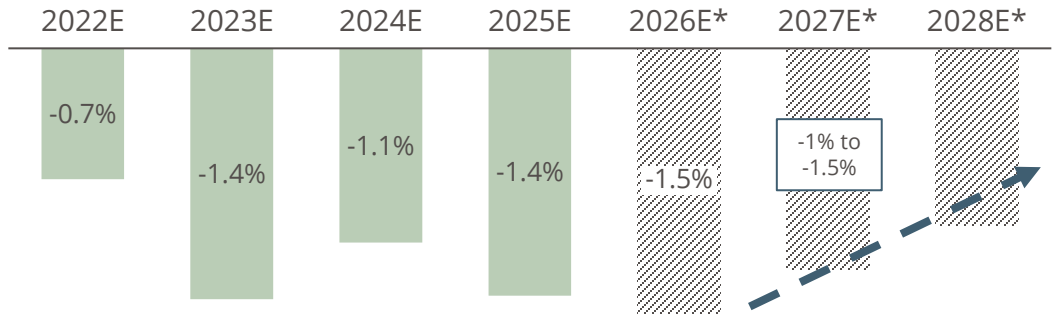
- A more balanced pace reduces the aggregate transfer burden
- Refined placement can further mitigate transfer

WHAT IT MEANS

- Lower transfer allows reported traffic to better reflect underlying demand
- Capital continues to be deployed with visibility into total economic returns

ESTIMATED SALES TRANSFER NOW MODERATES

Annual Estimated Sales Transfer Impact to Same-Restaurant Traffic

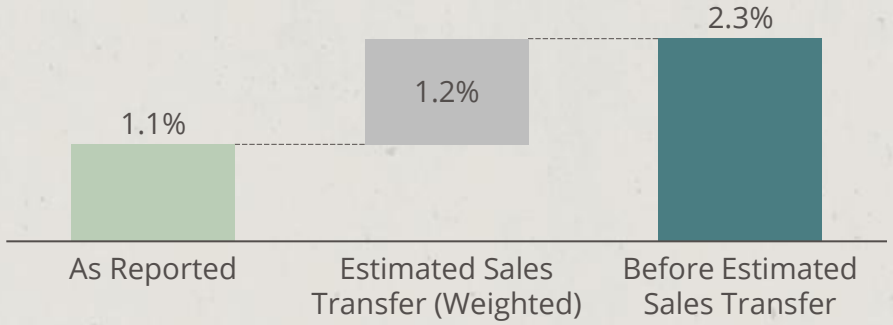


~1.2%

ESTIMATED WEIGHTED AVERAGE SALES TRANSFER 2022 TO 2025

UNDERLYING TRAFFIC IS STRONGER

Same-Restaurant Traffic Before Estimated Sales Transfer (2022-2025 Average)

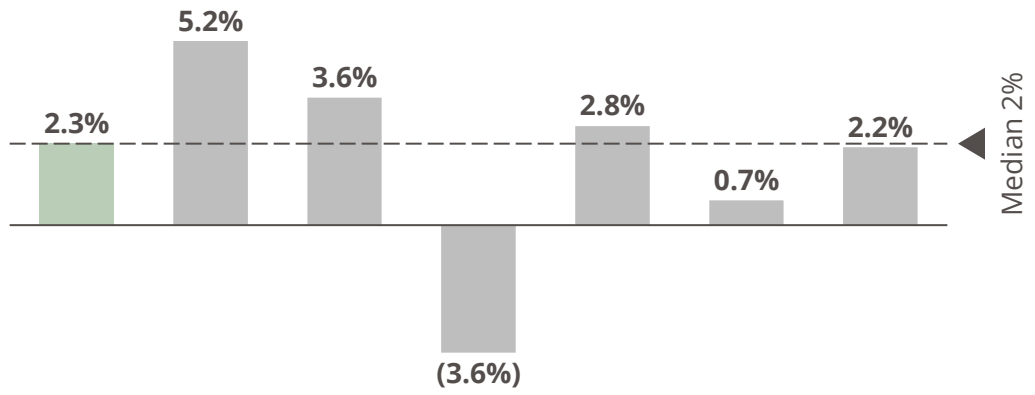


FIRST WATCH

** Reflects estimate for illustrative directional purposes.*

DEMAND-BUILDING INITIATIVES AND REDUCED TRANSFER SUPPORT POSITIVE TRAFFIC

SAME-RESTAURANT TRAFFIC* (2022-2025 AVERAGE)



FIRST WATCH (before estimated sales transfer) | DARDEN | TEXAS ROADHOUSE | BLOOMIN' BRANDS | BRINKER INTERNATIONAL | The Cheesecake Factory | BJ's RESTAURANT BREWHOUSE

2-4% **SAME-RESTAURANT SALES GROWTH**

Includes positive underlying same-restaurant traffic, net of planned sales transfer from new restaurant growth

- Demand building initiatives across channels and dayparts
- Reduced transfer
- Measured pricing
- No assumption of a materially better consumer





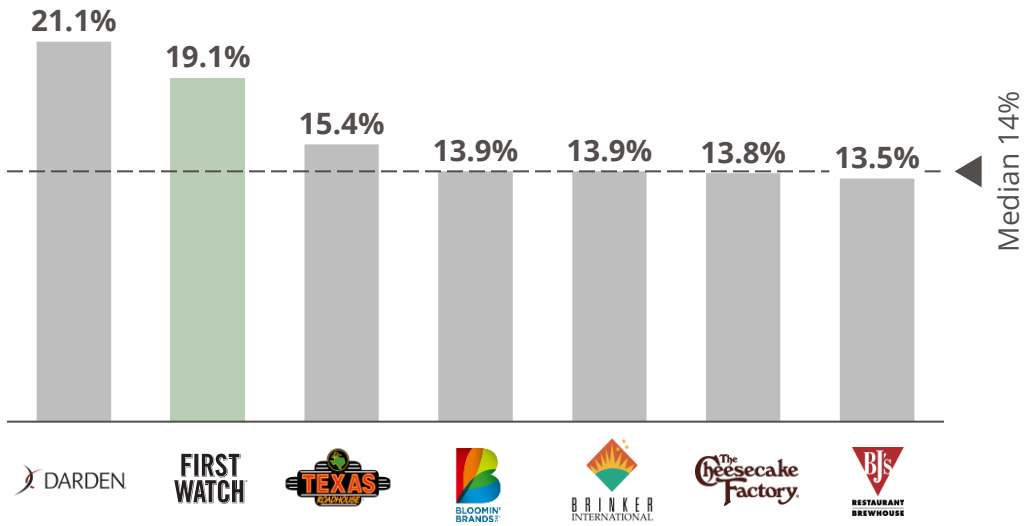


POSITIVE TRAFFIC + MEASURED PRICING + STRONGER RESTAURANT FLOW-THROUGH

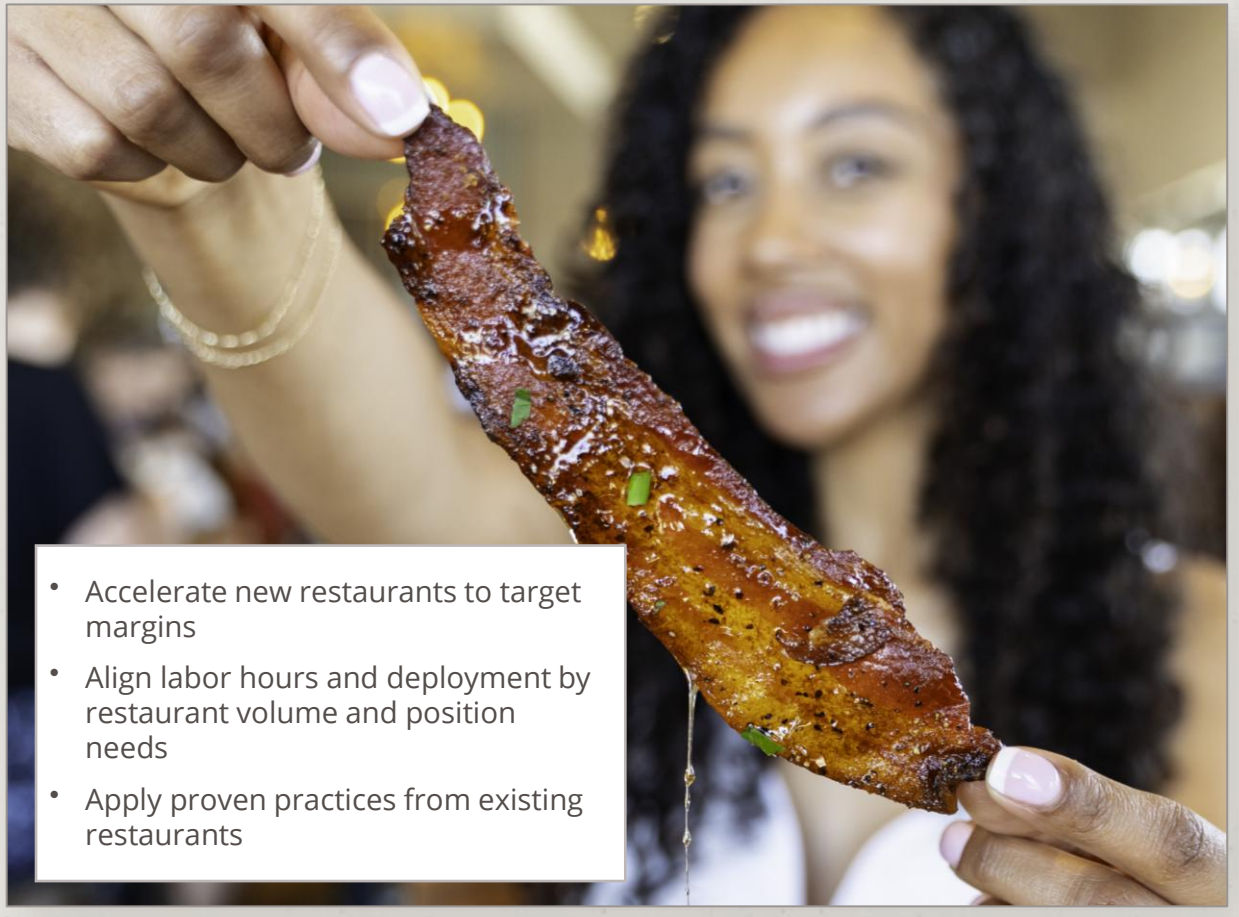
% YOY change in company-reported comparable traffic; each company's own fiscal year; DRI segment comps weighted by segment revenue
First Watch adjusted for estimated sales transfer.

FASTER MATURATION EXPANDS RETURNS FROM A STRONG RESTAURANT MODEL

RESTAURANT-LEVEL OPERATING MARGIN (2022-2025 AVERAGE)*



*See Appendix for Restaurant-Level Operating Margin definition and Non-GAAP financial measures reconciliation.



- Accelerate new restaurants to target margins
- Align labor hours and deployment by restaurant volume and position needs
- Apply proven practices from existing restaurants

FASTER MATURATION + MARGIN EXPANSION + HIGHER CASH RETURNS

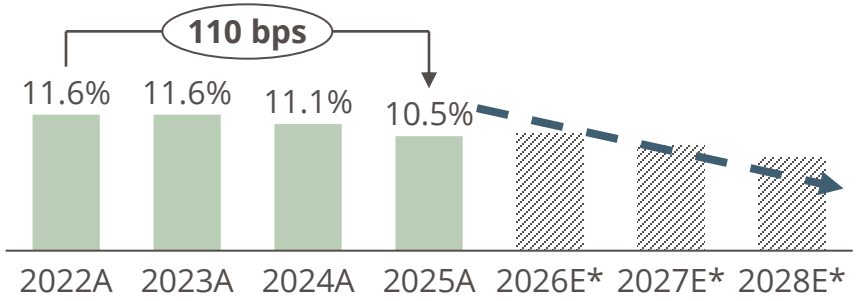
THE PLATFORM IS BUILT. SCALE NOW CREATES ENTERPRISE LEVERAGE.

WE INVESTED FOR GROWTH

KEY CAPABILITY INVESTMENT AREAS:

- DATA AND ANALYTICS
- RESTAURANT OPERATIONS
- DEVELOPMENT AND SITE SELECTION
- SUPPLY CHAIN
- TALENT AND LEARNING
- FINANCIAL INFRASTRUCTURE

G&A AS A PERCENTAGE OF SALES





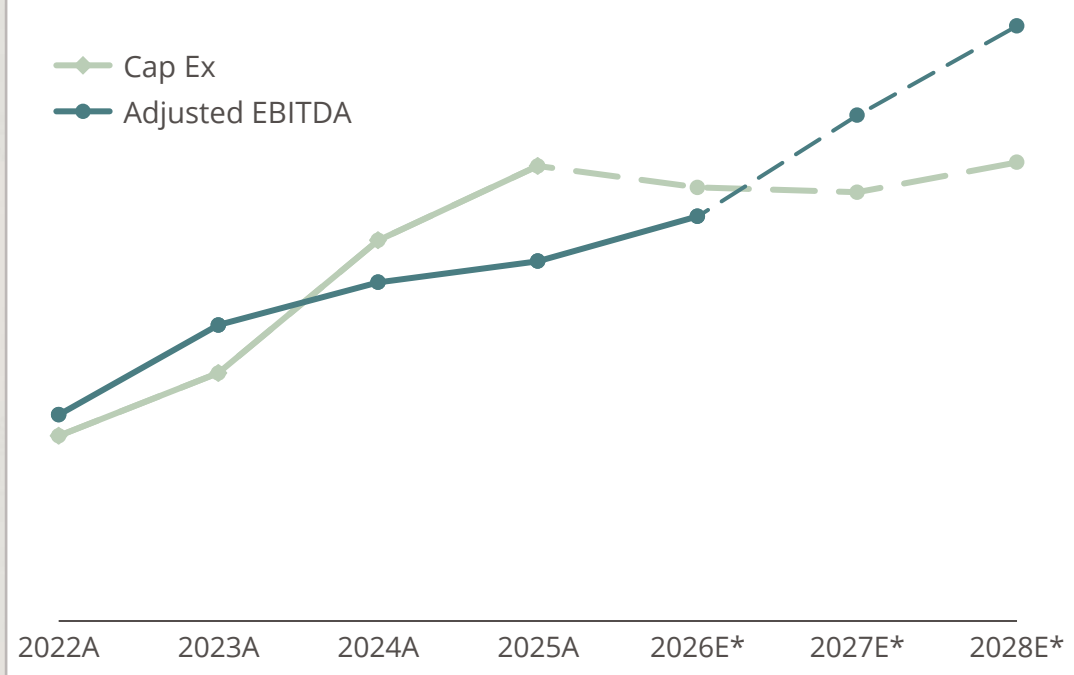
- Hold G&A growth below revenue growth each year
- Leverage systems and infrastructure already in place as the business continues to scale
- Expand margins while continuing to support growth

G&A LEVERAGE + EBITDA GROWTH + GREATER CASH CONVERSION

** Reflects estimate for illustrative directional purposes.*

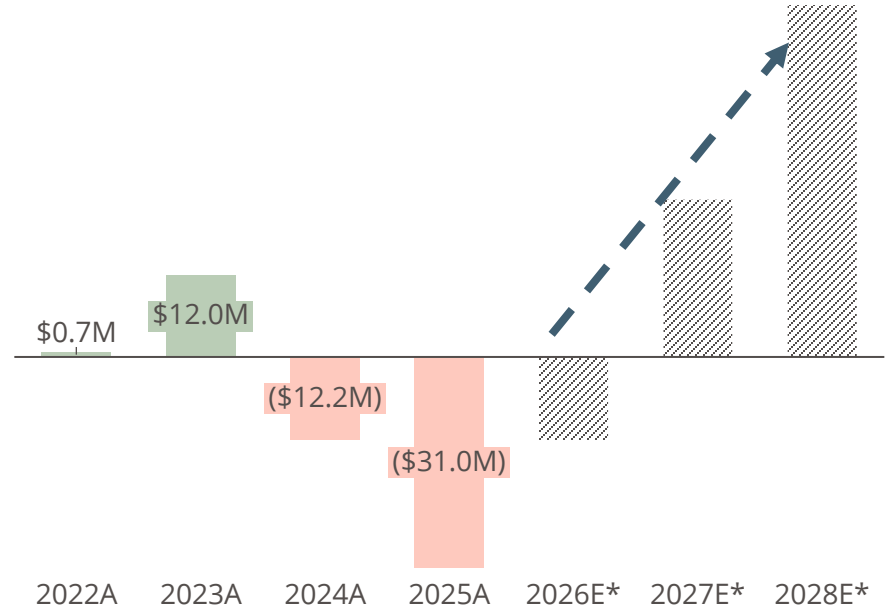
GROWING FREE CASH FLOW EXPANDS STRATEGIC FLEXIBILITY

CAP EX MODERATES WHILE ADJUSTED EBITDA GROWS



See Appendix for Adjusted EBITDA definition and Non-GAAP financial measures reconciliation.

DRIVING POSITIVE FREE CASH FLOW SOONER



See Appendix for Free Cash Flow definition and Non-GAAP financial measures reconciliation.

MORE CASH = STRONGER BALANCE SHEET AND OPTIONALITY

A STRONGER BALANCE SHEET GIVES US FLEXIBILITY

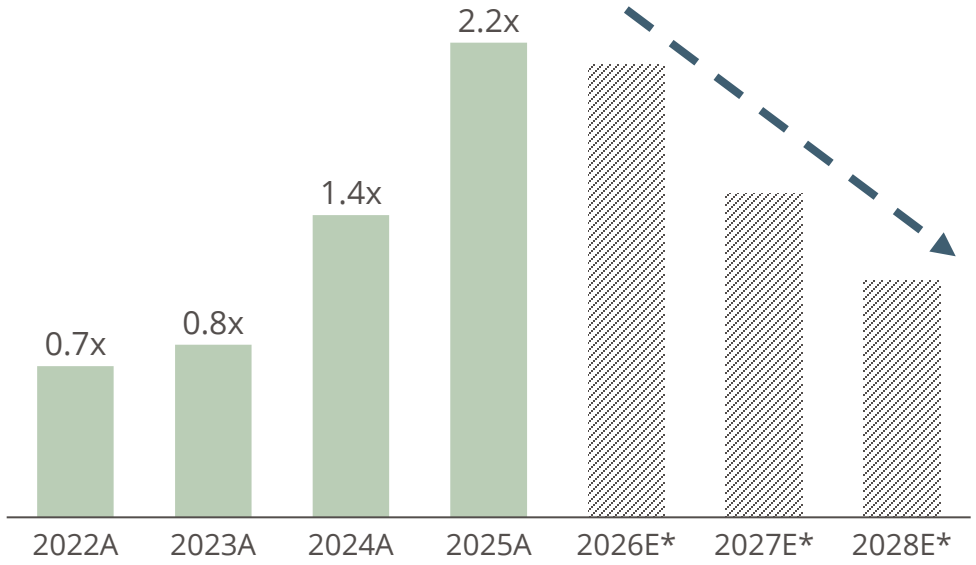
RESILIENCE Protect the ability to execute the long-term plan

LEVERAGE Target net leverage to approximately 1.0x

LIQUIDITY Maintain capacity to invest through cycles



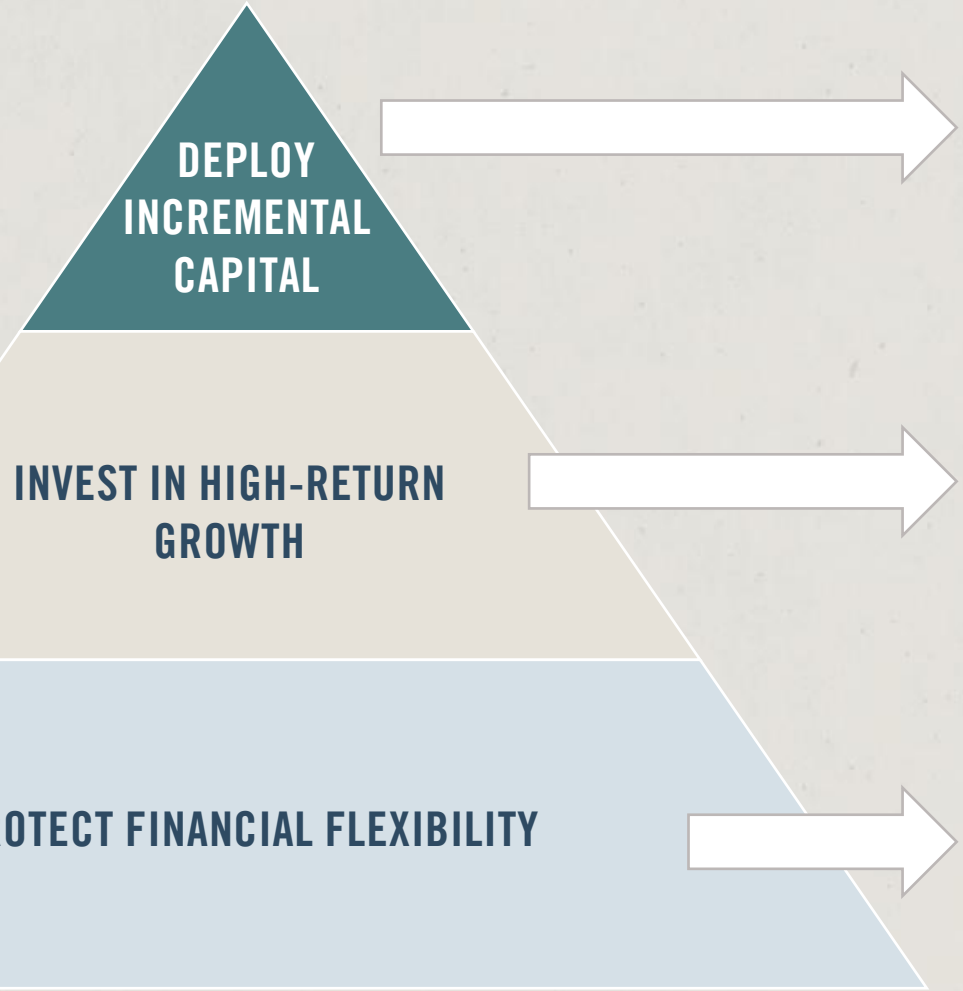
NET LEVERAGE DECLINES AS FREE CASH FLOW GROWS



See Appendix for Net Leverage definition and Non-GAAP financial measures reconciliation.

A STRONG BALANCE SHEET IS NOT SEPARATE FROM THE GROWTH STRATEGY. IT PROTECTS THE ABILITY TO EXECUTE IT.

MORE CASH FLOW EXPANDS THE CHOICES WITHIN OUR CAPITAL ALLOCATION FRAMEWORK



Incremental growth opportunities
Shareholder return opportunities

Existing restaurant productivity
High-return new restaurant development

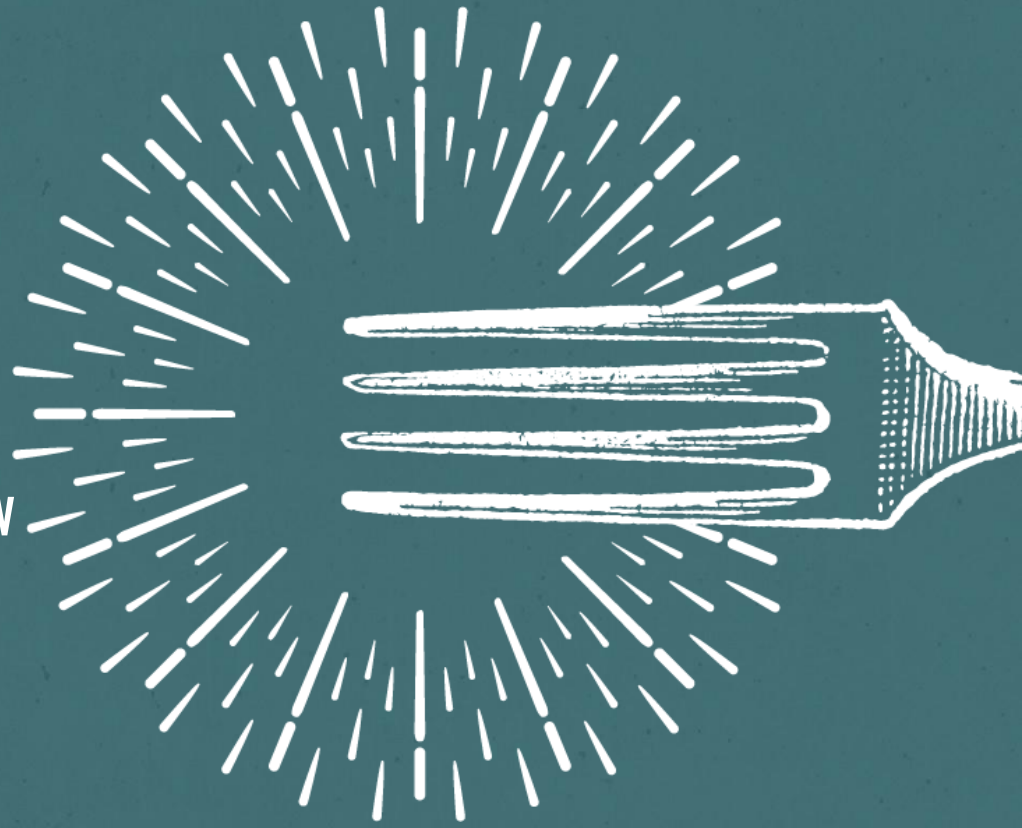
Strong balance sheet
Cyclical resilience
Appropriate liquidity

OUR FRAMEWORK FOR CREATING LONG-TERM SHAREHOLDER VALUE

GROW DURABLE REVENUE AND EARNINGS

GENERATE POSITIVE AND INCREASING FREE CASH FLOW

ALLOCATE CAPITAL WITH DISCIPLINE AND FLEXIBILITY



CHRIS TOMASSO

CEO and President



FIVE PILLARS OF FIRST WATCH. ONE STRONG PLATFORM.



CREATE DEMAND

The brand and the demand we are building



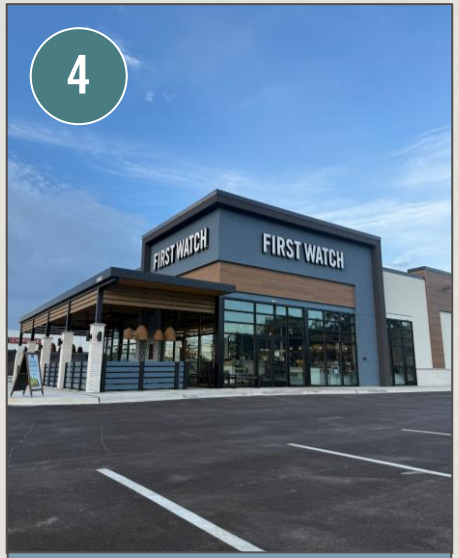
ENSURE RELEVANCE

Innovation that keeps us top of mind



DELIVER THE EXPERIENCE

The team behind every customer experience



SCALE THE MODEL

Marching to over 2,200 locations



COMPOUND THE VALUE

Guides our next phase of growth

SINCE IPO, WE GREW WITH DISCIPLINE AND LED DAYTIME DINING



18.7%
Revenue growth CAGR
vs. mid-teens target

10.1%
Restaurant count CAGR
vs. ~10% per year target

20.4%
Adjusted EBITDA growth CAGR
vs. mid-teens target

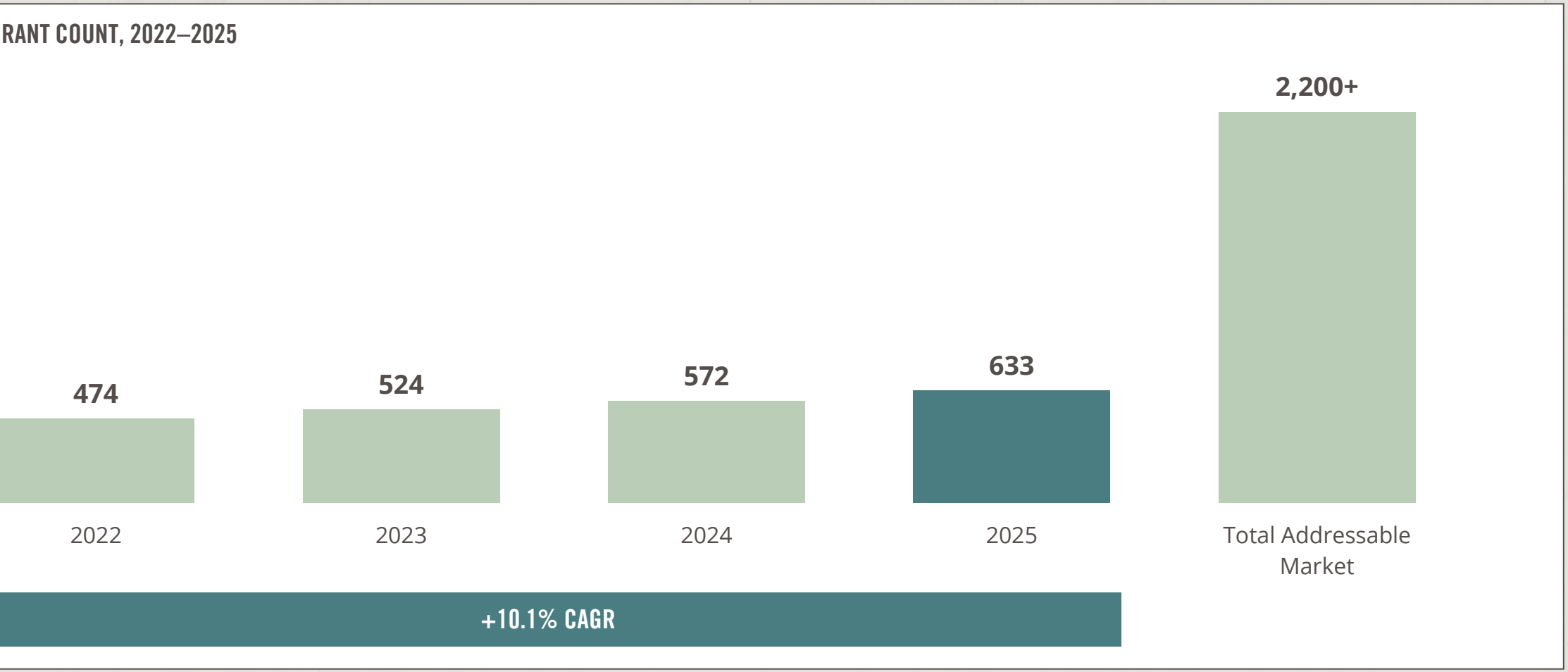
$2.3M
Average unit volume
up from $1.8M in 2021

3.5%
Same-restaurant sales growth
in line with 3.5% target

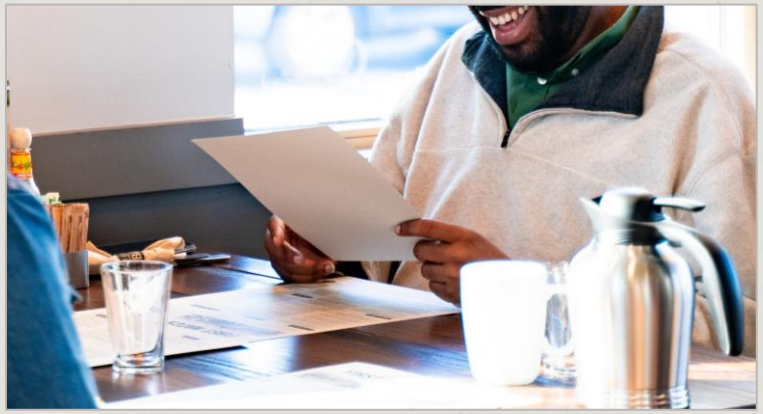
75%+
Daytime Dining share
category five-year CAGR: +9.0%

Compound annual growth rates 2022-2025, and SRS Growth 2023-2025.

EARLY INNINGS: A RUNWAY TO MORE THAN TRIPLE OUR FOOTPRINT



GROWTH ISN'T JUST OPENINGS: MORE REASONS TO CHOOSE US





CULINARY INNOVATION	Seasonal menu mix rose from 12.0% in 2022 to 16.9% in 2026 YTD driving a higher-margin sales mix
DEEPER BRAND INVESTMENT	Paid media, creators and collaborations build awareness and relevance
NEW OCCASIONS AND CHANNELS	Sun on the Run, group ordering and catering drive frequency and traffic
POSITIVE TRAFFIC	Same-restaurant sales growth of 2–4%, with positive traffic beginning in 2027

OUR PEOPLE AND OPERATING MODEL ARE A REAL ADVANTAGE



A focused daytime schedule, a consistent menu and service model, and investment in training and leadership development.

~800K

job applications in 2025

#1

Most Loved Workplace in America for two years; certified Great Place To Work

~16 YRS

average tenure of our Vice Presidents

A FRAMEWORK THAT BALANCES GROWTH WITH CAPITAL DISCIPLINE

ANNUAL TARGETS THROUGH 2028	
10–13%	Total revenue growth
15%+	Adjusted EBITDA growth
2–4%	Same-restaurant sales growth, with positive underlying traffic
G&A	Expense growth lower than total revenue growth
2027	Positive free cash flow[1] begins, increasing each year

MORE CASH. MORE CHOICES. SAME DISCIPLINE: CAPITAL GOES TO ITS HIGHEST-RETURN USE

[1] Free Cash Flow is defined as Cash Flow from Operations minus capital expenditures.

OWN THE MORNING



CREATE DEMAND

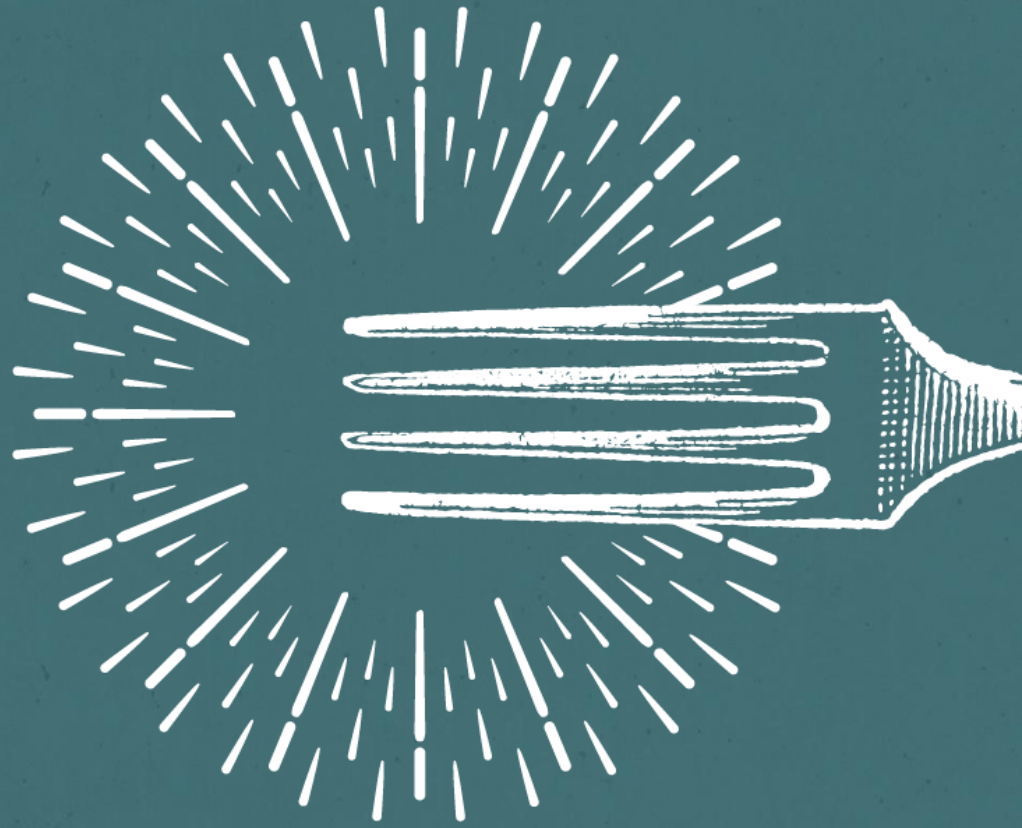
ENSURE RELEVANCE

DELIVER THE EXPERIENCE

SCALE THE MODEL

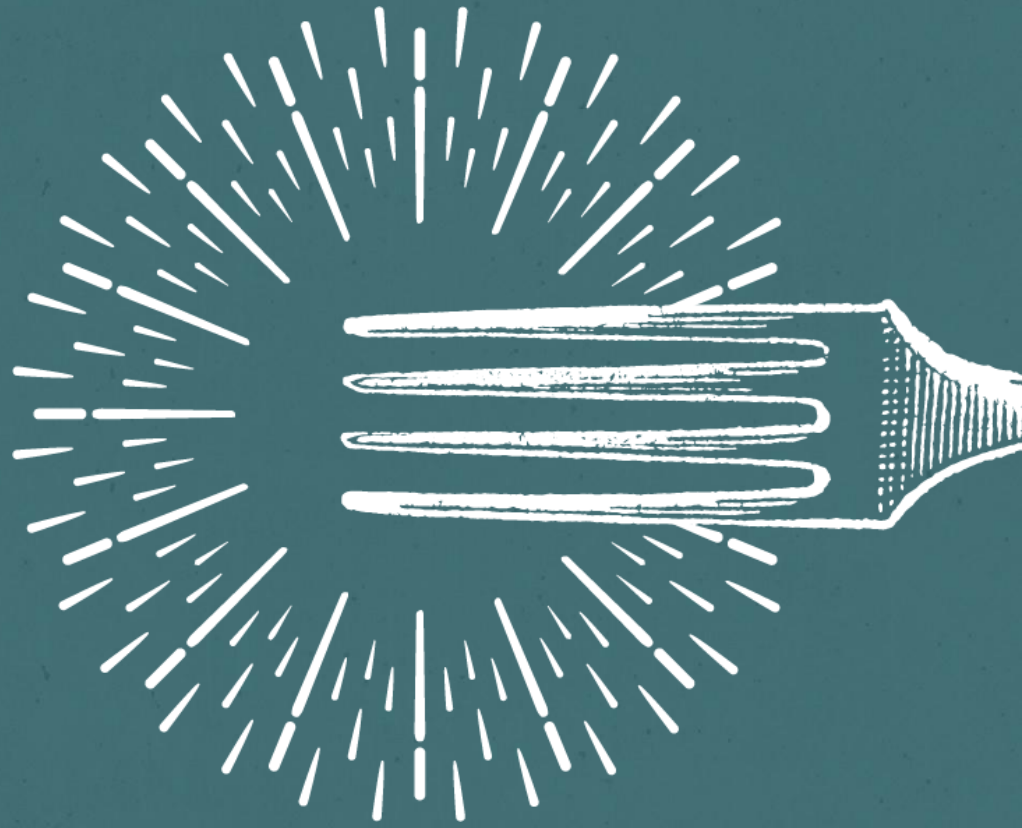
COMPOUND THE VALUE

Q&A




THANK YOU

APPENDIX



NON-GAAP RECONCILIATIONS

FIRST WATCH • INVESTOR DAY •

November 12, 2026

© 2026 First Watch Restaurant Group, Inc. All Rights Reserved.

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.

	Fiscal Year			
(in thousands)	**2022**	**2023**	**2024**	**2025**
Net income	$6,907	$25,385	$18,925	$19,432
Depreciation and amortization	34,230	41,223	57,715	75,011
Interest expense	5,232	8,063	12,640	16,699
Income tax expense (benefit)	5,684	10,690	9,101	(7,299)
EBITDA	**52,053**	**85,361**	**98,381**	**103,843**
Strategic transition costs [1]	2,318	892	1,843	3,279
Loss on extinguishment of debt	-	-	428	-
Stock-based compensation, net of amounts capitalized [2]	10,374	7,604	8,525	10,760
Delaware Voluntary Disclosure Agreement Program [3]	149	1,250	126	55
Transaction and restructuring expenses, net [4]	2,513	3,147	2,587	2,533
Insurance proceeds in connection with natural disasters, net [5]	115	(621)	329	-
Impairments and loss on disposal of assets [6]	920	1,359	525	448
Recruiting and relocation costs [7]	681	465	888	-
Severance costs [8]	155	26	204	-
Adjusted EBITDA	**$69,278**	**$99,483**	**$113,836**	**$120,918**
Total revenues	$730,162	$891,551	$1,015,910	$1,222,501
Net income margin	0.9%	2.8%	1.9%	1.6%
Adjusted EBITDA margin	9.5%	11.2%	11.2%	9.9%

(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, expenses related to debt, revaluations of contingent consideration liability 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.

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS

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.

	Fiscal Year			
(in thousands)	**2022**	**2023**	**2024**	**2025**
Income from operations	$16,913	$41,267	$38,907	$27,511
Less: Franchise revenues	(10,981)	(14,459)	(11,555)	(10,328)
Add:				
General and administrative expenses	84,959	103,121	113,270	128,950
Depreciation and amortization	34,230	41,223	57,715	75,011
Transaction and restructuring expenses, net (1)	2,513	3,147	2,587	2,533
Impairments and loss on disposal of assets (2)	920	1,359	525	448
Costs in connection with natural disasters (3)	382	-	312	-
Restaurant level operating profit	**$128,936**	**$175,658**	**$201,761**	**$224,125**
Restaurant sales	$719,181	$877,092	$1,004,355	$1,212,173
Income from operations margin	2.4%	4.7%	3.9%	2.3%
Restaurant level operating profit margin	17.9%	20.0%	20.1%	18.5%

(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 .

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS

Net Leverage

Net Leverage is a supplemental measures of our financial position. We define Net Debt as total debt, consisting of the current and long-term portions of our term loan, revolving credit facility borrowings, financing lease liabilities and obligations, and unamortized debt discount and deferred issuance costs, less cash and cash equivalents. We define Net Leverage as Net Debt divided by Adjusted EBITDA for the trailing fiscal year. Management tracks these measures to provide a fuller understanding of our capital structure, evaluate our capacity to fund operational investments. We believe Net Leverage provide investors with useful information about our balance sheet strength and our ability to reduce leverage as free cash flow grows.

	Fiscal Year			
(in thousands)	**2022**	**2023**	**2024**	**2025**
Total debt (GAAP Measure)	**$100,925**	**$125,395**	**$198,271**	**$282,380**
Less: Cash and cash equivalents	(49,672)	(49,632)	(33,312)	(21,246)
Net debt	**51,253**	**75,763**	**164,959**	**261,134**
Adjusted EBITDA [(1)]	$69,278	$99,483	$113,836	$120,918
Net leverage	**0.7x**	**0.8x**	**1.4x**	**2.2x**

(1) Adjusted EBITDA is reconciled in the previous slides.

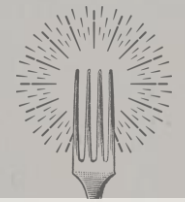
Free Cash Flow

Free Cash Flow is a supplemental measure of liquidity and is not a measure presented in accordance with GAAP. We define Free Cash Flow as net cash provided by operating activities less capital expenditures. Management believes Free Cash Flow is a useful indicator of the cash generated by our operations that is available to support strategic initiatives after reinvesting in our existing restaurant base. Free Cash Flow does not represent residual cash available for discretionary expenditures, because it excludes certain mandatory obligations such as debt service. Our definition of Free Cash Flow may not be comparable to similarly titled measures used by other companies.

The adjacent table reconciles net cash provided by operating activities, the most directly comparable GAAP financial measure, to Free Cash Flow for the periods indicated.

	Fiscal Year			
(in thousands)	**2022**	**2023**	**2024**	**2025**
Net cash provided by operating activities	**$62,937**	**$95,338**	**$115,673**	**$125,912**
Capital expenditures (cash outflow)	(62,219)	(83,329)	(127,915)	(156,906)
Free cash flow	**$718**	**$12,009**	**($12,242)**	**($30,994)**

DEFINITIONS USED IN PRESENTATION



Adjusted EBITDA: represents Net income 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.

Free Cash Flow: represents net cash provided by operating activities less capital expenditures. See Non-GAAP Financial Measure Reconciliations above for a reconciliation to net cash provided by operating activities, the most directly comparable GAAP measure.

Net Debt: represents total debt, consisting of the current and long-term portions of our term loan, revolving credit facility borrowings, financing lease liabilities and obligations, and unamortized debt discount and deferred issuance costs, less cash and cash equivalents. See Non-GAAP Financial Measure Reconciliations above for a reconciliation to Total debt, the most directly comparable GAAP measure.

Net Leverage: represents Net Debt divided by Adjusted EBITDA for the trailing fiscal year. See Non-GAAP Financial Measure Reconciliations above for a reconciliation to Total debt, the most directly comparable GAAP measure.

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.