

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q**

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 30, 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-41069

SWEETGREEN, INC.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

3102 36th Street Los Angeles, CA

(Address of Principal Executive Offices)

27-1159215

(I.R.S. Employer Identification No.)

90018

(Zip Code)

(323) 990-7040

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock	SG	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had 105,788,297 shares of Class A common stock and 11,893,558 shares of Class B common stock outstanding as of May 5, 2025.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q ("Quarterly Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 about us and our industry that involve substantial risks and uncertainties. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 27A of the Securities Act of 1933, as amended (the "Securities Act"). All statements other than statements of historical facts contained in this Quarterly Report are forward-looking statements, including statements regarding our expectations regarding our revenue, restaurant operating costs, operating expenses, and other results of operations, as well as our key performance metrics; our liquidity and the sufficiency of our capital resources; our plans to open new restaurants and incorporate additional Infinite Kitchen units into our fleet; our expectations regarding financial and macroeconomic trends; the impacts of tariffs and our ability to mitigate such impacts; the impacts of seasonality or extreme weather events; our plans regarding innovation, including the Infinite Kitchen, and the resulting potential benefit to our business; our ability to achieve or maintain profitability; and management's plans, priorities, initiatives and strategies. In some cases, you can identify forward-looking statements because they contain words or phrases such as "anticipate," "are confident that," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would" or the negative of these words or other similar terms or expressions.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks and uncertainties, many of which involve factors or circumstances that are beyond our control, that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Quarterly Report may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties include our ability to compete effectively, uncertainties regarding changes in economic conditions and geopolitical events, and the customer behavior trends they drive, our ability to open new restaurants, our ability to effectively identify and secure appropriate sites for new restaurants, our ability to expand into new markets and the risks such expansion presents, the impact of severe weather conditions or natural disasters on our restaurant sales and results of operations, the profitability of new restaurants we may open, and the impact of any such openings on sales at our existing restaurants, our ability to build, deploy, and maintain our proprietary kitchen automation technology, known as the Infinite Kitchen, in a timely and cost-effective manner, our ability to preserve the value of our brand, food safety and foodborne illness concerns, the effect on our business of increases in labor costs, labor shortages, and difficulties in hiring, training, rewarding and retaining a qualified workforce, the impact of pandemics or disease outbreaks, our ability to achieve profitability in the future, our ability to identify, complete, and integrate acquisitions, the effect on our business of governmental regulations, including but not limited to any future regulations that impose taxes, tariffs, or duties on food products, supplies or other items that we purchase, changes in employment laws, the effect on our business of expenses and potential management distraction associated with litigation, potential privacy and cybersecurity incidents, the effect on our business of restrictions and costs imposed by privacy, data protection, and data security laws, regulations, and industry standards, and our ability to enforce our rights in our intellectual property. Additional information regarding these and other risks and uncertainties that could cause actual results to differ materially from our expectations is included in Part I, Item 1A in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024, and elsewhere in this Quarterly Report.

New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that contain "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Quarterly Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report to reflect events or circumstances after the date of this Quarterly Report or to reflect new information or the

occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments.

GLOSSARY

General

Comparable Restaurant Base. Comparable Restaurant Base for any measurement period is defined as all restaurants that have operated for at least twelve full months as of the end of such measurement period, other than any restaurants that had a material, temporary closure during the relevant measurement period. A restaurant is considered to have had a material, temporary closure if it had no operations for a consecutive period of at least 30 days. One restaurant was excluded from the Comparable Restaurant Base for the thirteen weeks ended March 30, 2025. Such adjustment did not result in a material change to our key performance metrics. No restaurants were excluded from our Comparable Restaurant Base for the thirteen weeks ended March 31, 2024.

Channels

We have five main sales channels: In-Store, Marketplace, Native Delivery, Outpost and Catering, and Pick-Up. We own and operate all of these channels other than our Marketplace Channel, which is operated by various third-party delivery marketplaces.

In-Store Channel. In-Store Channel refers to sales to customers who make in-store purchases in our restaurants, whether they pay by cash, credit card, or digital scan-to-redeem associated with our SG Rewards loyalty program. Purchases made in our In-Store Channel via cash or credit card are referred to as “Non-Digital” transactions, and purchases made in our In-Store Channel via digital scan-to-redeem are included as part of our Owned Digital Channels (defined below).

Marketplace Channel. Marketplace Channel refers to sales to customers for delivery or pick-up made through third-party delivery marketplaces, including Caviar, DoorDash, Grubhub, Postmates, Uber Eats, ezCater, Sharebite, and others.

Native Delivery Channel. Native Delivery Channel refers to sales to customers for delivery made through the Sweetgreen website or mobile app.

Outpost and Catering Channel. Outpost and Catering Channel refers to sales to customers for delivery made through the Sweetgreen website or mobile app to our Outposts, which are our designated offsite drop-off points at offices, residential buildings, and hospitals. In addition, our Outpost and Catering Channel includes our catering offerings, which refer to sales to customers made through our catering website for pickup at one of our restaurants or delivery to a customer-specified address.

Owned Digital Channels. Owned Digital Channels encompasses our Pick-Up Channel, Native Delivery Channel, and Outpost and Catering Channel, and purchases made in our In-Store Channel via digital scan-to-earn and scan-to-redeem associated with our SG Rewards loyalty program.

Pick-Up Channel. Pick-Up Channel refers to sales to customers made for pick-up at one of our restaurants through the Sweetgreen website or mobile app.

Total Digital Channels. Total Digital Channels consist of our Owned Digital Channels and our Marketplace Channel, and include our revenues from all of our channels except those from Non-Digital transactions made through our In-Store Channel.

Key Performance Metrics and Non-GAAP Financial Measures

For definitions of our key performance metrics, Net New Restaurant Openings, Average Unit Volume (“AUV”), Same-Store Sales Change, Total Digital Revenue Percentage, and Owned Digital Revenue Percentage, as well as definitions of our Non-GAAP Financial Measures, Restaurant-Level Profit, Restaurant-Level Profit Margin, Adjusted EBITDA, and Adjusted EBITDA Margin, see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Metrics and Non-GAAP Financial Measures.”

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Restaurant-Level Profit, Restaurant-Level Profit Margin, Adjusted EBITDA, and Adjusted EBITDA Margin are financial measures that are not calculated in accordance with accounting principles generally accepted in the United States of America ("GAAP"). See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures" for more information, including the limitations of such measures, and a reconciliation of each of these measures to the most directly comparable financial measures stated in accordance with GAAP.

PART I FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
SWEETGREEN, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands, except share and per share amounts)

	As of March 30, 2025	As of December 29, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 183,893	\$ 214,789
Accounts receivable	7,912	5,034
Inventory	2,119	1,987
Prepaid expenses	7,293	7,844
Current portion of lease acquisition costs	93	93
Other current assets	4,856	4,790
Total current assets	<u>206,166</u>	<u>234,537</u>
Operating lease assets	262,357	257,496
Property and equipment, net	298,234	296,485
Goodwill	35,970	35,970
Intangible assets, net	23,652	24,040
Security deposits	1,319	1,419
Lease acquisition costs, net	310	333
Restricted cash	2,703	2,640
Other assets	3,609	3,838
Total assets	<u>\$ 834,320</u>	<u>\$ 856,758</u>
LIABILITIES, AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of operating lease liabilities	\$ 37,703	\$ 41,773
Accounts payable	18,365	18,698
Accrued expenses	25,998	26,564
Accrued payroll	9,194	14,716
Gift cards and loyalty liability	4,704	4,413
Other current liabilities	8,858	9,663
Total current liabilities	<u>104,822</u>	<u>115,827</u>
Operating lease liabilities, net of current portion	291,695	288,941
Contingent consideration liability	4,431	5,311
Other non-current liabilities	167	173
Deferred income tax liabilities	451	361
Total liabilities	<u>\$ 401,566</u>	<u>\$ 410,613</u>
COMMITMENTS AND CONTINGENCIES (Note 14)		
Stockholders' equity:		
Common stock, \$0.001 par value per share, 2,000,000,000 Class A shares authorized, 105,764,926 and 105,200,553 Class A shares issued and outstanding as of March 30, 2025 and December 29, 2024, respectively; 300,000,000 Class B shares authorized, 11,893,558 and 11,915,758 Class B shares issued and outstanding as of March 30, 2025 and December 29, 2024, respectively	118	117
Additional paid-in capital	1,333,033	1,321,386
Accumulated deficit	<u>(900,397)</u>	<u>(875,358)</u>
Total stockholders' equity	<u>432,754</u>	<u>446,145</u>
Total liabilities and stockholders' equity	<u>\$ 834,320</u>	<u>\$ 856,758</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

SWEETGREEN, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(in thousands, except share and per share amounts)

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Revenue	\$ 166,304	\$ 157,850
Restaurant operating costs (exclusive of depreciation and amortization presented separately below):		
Food, beverage, and packaging	43,992	43,718
Labor and related expenses	48,071	45,766
Occupancy and related expenses	15,674	14,448
Other restaurant operating costs	28,880	25,381
Total restaurant operating costs	136,617	129,313
Operating expenses:		
General and administrative	38,337	36,865
Depreciation and amortization	17,106	16,427
Pre-opening costs	1,696	1,432
Impairment and closure costs	94	157
Loss on disposal of property and equipment	86	66
Restructuring charges	905	505
Total operating expenses	58,224	55,452
Loss from operations	(28,537)	(26,915)
Interest income	(1,903)	(3,016)
Interest expense	—	19
Other expense (Income)	(1,685)	2,059
Net loss before income taxes	(24,949)	(25,977)
Income tax expense	90	90
Net loss	\$ (25,039)	\$ (26,067)
Earnings per share:		
Net loss per share basic and diluted	\$ (0.21)	\$ (0.23)
Weighted average shares used in computing net loss per share basic and diluted	117,307,189	112,772,776

The accompanying notes are an integral part of these condensed consolidated financial statements.

SWEETGREEN, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY
(UNAUDITED)
(in thousands, except share amounts)

	For the thirteen weeks ended March 30, 2025 and March 31, 2024				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balances at December 31, 2023	112,639,146	\$ 113	\$ 1,267,469	\$ (784,985)	\$ 482,597
Net loss	—	—	—	(26,067)	(26,067)
Exercise of stock options	257,201	—	1,990	—	1,990
Issuance of common stock related to Spyce milestone achievement	208,042	—	2,132	—	2,132
Issuance of common stock related to restricted shares	105,371	—	—	—	—
Stock-based compensation expense	—	—	9,626	—	9,626
Balances at March 31, 2024	<u>113,209,760</u>	<u>\$ 113</u>	<u>\$ 1,281,217</u>	<u>\$ (811,052)</u>	<u>\$ 470,278</u>
Balances at December 29, 2024	117,116,311	\$ 117	\$ 1,321,386	\$ (875,358)	\$ 446,145
Net loss	—	—	—	(25,039)	(25,039)
Exercise of stock options	210,708	1	1,682	—	1,683
Issuance of common stock related to performance stock units	—	—	—	—	—
Issuance of common stock related to restricted shares	341,116	—	—	—	—
Shares repurchased for employee tax withholding	(9,651)	—	(256)	—	(256)
Stock-based compensation expense	—	—	10,221	—	10,221
Balances at March 30, 2025	<u>117,658,484</u>	<u>\$ 118</u>	<u>\$ 1,333,033</u>	<u>\$ (900,397)</u>	<u>\$ 432,754</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

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SWEETGREEN, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Cash flows from operating activities:		
Net loss	\$ (25,039)	\$ (26,067)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	17,106	16,427
Amortization of lease acquisition	23	23
Amortization of loan origination fees	—	19
Amortization of cloud computing arrangements	242	226
Non-cash operating lease cost	8,341	7,547
Loss on fixed asset disposal	86	66
Stock-based compensation	10,221	9,626
Non-cash impairment and closure costs	26	24
Non-cash restructuring charges	221	175
Deferred income tax expense	90	90
Change in fair value of contingent consideration liability	(1,685)	2,027
Changes in operating assets and liabilities:		
Accounts receivable	(2,878)	(2,088)
Inventory	(131)	215
Prepaid expenses and other assets	473	775
Operating lease liabilities	(14,764)	(5,820)
Accounts payable	(948)	1,884
Accrued payroll and benefits	(5,522)	(3,009)
Accrued expenses	725	966
Gift card and loyalty liability	291	340
Other non-current liabilities	(6)	(20)
Net cash (used in) provided by operating activities	(13,128)	3,426
Cash flows from investing activities:		
Purchase of property and equipment	(16,732)	(13,410)
Purchase of intangible assets	(2,500)	(1,612)
Security and landlord deposits	100	—
Net cash used in investing activities	(19,132)	(15,022)
Cash flows from financing activities:		
Proceeds from stock option exercise	1,683	1,990
Payment of contingent consideration	—	(3,868)
Payment associated to shares repurchased for tax withholding	(256)	—
Net cash provided by (used in) financing activities	1,427	(1,878)
Net decrease in cash and cash equivalents and restricted cash	(30,833)	(13,474)
Cash and cash equivalents and restricted cash—beginning of year	217,429	257,355
Cash and cash equivalents and restricted cash—end of period	\$ 186,596	\$ 243,881
Supplemental disclosure of cash flow information		
Non-cash investing and financing activities		
Purchase of property and equipment accrued in accounts payable and accrued expenses	\$ 9,112	\$ 7,474
Non-cash issuance of common stock associated with Spyce milestone achievement	\$ —	\$ 2,132

The accompanying notes are an integral part of these condensed consolidated financial statements.

SWEETGREEN, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sweetgreen, Inc., a Delaware corporation, together with its wholly owned subsidiaries (the "Company"), is a mission-driven, next generation restaurant and lifestyle brand that serves healthy food at scale. The Company's bold vision is to be as ubiquitous as traditional fast food, but with the transparency and quality that consumers increasingly expect. As of March 30, 2025, the Company owned and operated 251 restaurants in 22 states and Washington, D.C. During the thirteen weeks ended March 30, 2025, the Company had 5 Net New Restaurant Openings.

The Company was founded in November 2006 and incorporated in the state of Delaware in October 2009 and currently is headquartered in Los Angeles, California. The Company's operations are conducted as one operating segment and one reportable segment. Additional details on the nature of the Company's business and their reportable operating segment is included in Note 15, "Reportable Segment".

The Company has prepared the accompanying unaudited condensed consolidated financial statements in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial statements and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments consisting of normal recurring adjustments necessary for a fair presentation of the Company's financial position and results of operations. Interim results of operations are not necessarily indicative of the results that may be achieved for the full year. The financial statements and related notes do not include all information and footnotes required by GAAP for annual reports and should be read in conjunction with the consolidated financial statements for the fiscal year ended December 29, 2024.

Principles of Consolidation—The accompanying condensed consolidated financial statements include the accounts of the Company. All intercompany balances and transactions have been eliminated in consolidation.

Fiscal Year—The Company's fiscal year is a 52- or 53-week period that ends on the Sunday closest to the last day of December. Fiscal year 2025 is a 52-week period that ends December 28, 2025 and fiscal year 2024 was a 52-week period that ended December 29, 2024. In a 52-week fiscal year, each quarter includes 13 weeks of operations. In a 53-week fiscal year, the first, second and third quarters each include 13 weeks of operations, and the fourth quarter includes 14 weeks of operations.

Management's Use of Estimates—The condensed consolidated financial statements have been prepared by the Company in accordance with GAAP and the rules and regulations of the SEC. The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant accounting estimates made by the Company include the income tax valuation allowance, impairment of long-lived assets and right-of-use assets, legal liabilities, valuation of the contingent consideration liability, lease accounting matters, and stock-based compensation. These estimates are based on information available as of the date of the condensed consolidated financial statements; therefore, actual results could differ from those estimates.

Cash and Cash Equivalents—The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. Amounts receivable from credit card processors are converted to cash shortly after the related sales transaction and are considered to be cash equivalents because they are both short-term and highly liquid in nature. Amounts receivable from sales transactions as of March 30, 2025 and December 29, 2024, were \$5.6 million and \$2.3 million, respectively.

Restricted Cash—The Company's restricted cash balance relates to certificates of deposit that are collateral for letters of credit to lease agreements entered into by the Company and letters of credit associated with the Company's workers' compensation insurance policy.

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The reconciliation of cash and cash equivalents and restricted cash presented in the Company's accompanying condensed consolidated balance sheets to the total amount shown in its condensed consolidated statements of cash flows is as follows:

(dollar amounts in thousands)	As of March 30, 2025	As of December 29, 2024
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 183,893	\$ 214,789
Restricted cash, noncurrent	2,703	2,640
Total cash, cash equivalents and restricted cash shown on statement of cash flows	<u>\$ 186,596</u>	<u>\$ 217,429</u>

Approximately \$2.5 million of the restricted cash balance as of March 30, 2025 was associated with letters of credit required by the Company's workers' compensation insurance policy. The remaining balance was associated with letters of credit from lease agreements.

Recently Issued Accounting Pronouncements Not Yet Adopted— In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The ASU includes amendments requiring enhanced income tax disclosures, primarily related to standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The guidance is effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company is currently evaluating the impact of adopting this ASU on its disclosures.

In November 2024, the FASB issued ASU No. 2024-03, "Disaggregation of Income Statement Expenses (Subtopic 220-40)." The ASU requires public entities to disaggregate, in a tabular presentation, certain income statement expenses into different categories, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The guidance is effective for fiscal years beginning after December 15, 2026, with early adoption permitted, and may be applied retrospectively. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and related disclosures.

The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact to the condensed consolidated financial statements.

2. REVENUE RECOGNITION

The following table presents the Company's revenue for the thirteen weeks ended March 30, 2025 and March 31, 2024 disaggregated by significant revenue channel:

(dollar amounts in thousands)	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Owned Digital Channels	\$ 52,984	\$ 51,812
In-Store Channel (Non-Digital component)	66,706	64,927
Marketplace Channel	46,614	41,111
Total Revenue	<u>\$ 166,304</u>	<u>\$ 157,850</u>

Gift Cards

Gift card liability included in gift card and loyalty liability within the accompanying condensed consolidated balance sheet was as follows:

(dollar amounts in thousands)	As of March 30, 2025	As of December 29, 2024
Gift Card Liability	<u>\$ 4,624</u>	<u>\$ 4,385</u>

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Revenue recognized from the redemption of gift cards that was included in gift card and loyalty liability at the beginning of the year was as follows:

(dollar amounts in thousands)	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Revenue recognized from gift card liability balance at the beginning of the year	\$ 411	\$ 664

3. FAIR VALUE

The following tables present information about the Company's financial liabilities measured at fair value on a recurring basis:

(dollar amounts in thousands)	Fair Value Measurements as of March 30, 2025				Fair Value Measurements as of December 29, 2024			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Contingent consideration	13,289	—	—	13,289	14,974	—	—	14,974

The fair value of the contingent consideration was determined based on significant inputs not observable in the market.

In connection with the Company's acquisition of Spyce on September 7, 2021, the former equity holders of Spyce may receive up to \$20 million (in the form of up to 714,285 additional shares of Class A common stock, calculated based on the initial offering price of the Company's Class A common stock of \$28.00 per share sold in the Company's initial public offering ("IPO") (the "Reference Price")), contingent on the achievement of certain performance milestones between the closing date of the acquisition and June 30, 2026.

Additionally, as of the date of the achievement of any of the three milestones, if the Volume-Weighted Average Price of the Company's Class A common stock as of such milestone achievement date ("VWAP Price") is less than the Reference Price, then the Company shall pay to each former equity holder of Spyce, in respect of each share of Class A Common stock issued to such holder upon the achievement of such milestone, an amount in cash equal to the delta between the Reference Price and the VWAP Price. The contingent consideration payable upon the achievement of the three milestones, was valued using the Monte Carlo method. The analysis considered, among other items, the equity value, the contractual terms of the Spyce merger agreement, potential liquidity event scenarios (prior to the IPO), the Company's credit-adjusted discount rate, equity volatility, risk-free rate, and the probability that milestone targets required for issuance of shares under the contingent consideration will be achieved. During the fourth quarter of fiscal 2023, the first milestone was achieved, which resulted in former equity holders of Spyce being eligible to receive \$6.0 million, which was paid during the thirteen weeks ended March 31, 2024. Of this \$6.0 million, based on a VWAP Price of \$10.20, \$2.1 million was issued in the form of Class A common stock, and \$3.9 million was paid in cash to the former Spyce equity holders.

The fair value of the liability as of March 30, 2025 was \$13.3 million, of which \$8.9 million was included in other current liabilities and \$4.4 million was included in contingent consideration liability within the condensed consolidated balance sheets. Contingent consideration as of December 29, 2024 was \$15.0 million of which \$9.7 million is included in other current liabilities and \$5.3 million is included in contingent consideration within the consolidated balance sheets.

The following table provides a roll forward of the aggregate fair values of the Company's contingent consideration, for which fair value is determined using Level 3 inputs.

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(dollar amounts in thousands)	Contingent Consideration
Balance—December 29, 2024	\$ 14,974
Change in fair value	(1,685)
Balance—March 30, 2025	\$ 13,289

During the thirteen weeks ended March 30, 2025 and March 31, 2024, the Company did not recognize any impairment charges.

4. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or estimated useful life. A summary of property and equipment is as follows:

(dollar amounts in thousands)	As of March 30, 2025	As of December 29, 2024
Leasehold improvements	\$ 307,765	\$ 303,035
Kitchen equipment	115,231	107,475
Computers and other equipment	45,736	44,295
Furniture and fixtures	44,006	43,045
Assets not yet placed in service	39,874	38,047
Total property and equipment	552,612	535,897
Less: accumulated depreciation	(254,378)	(239,412)
Property and equipment, net	\$ 298,234	\$ 296,485

Depreciation expense for the thirteen weeks ended March 30, 2025 and March 31, 2024 was \$14.4 million and \$13.7 million, respectively.

As of March 30, 2025, the Company had 9 facilities under construction due to open during fiscal year 2025. As of December 29, 2024, the Company had 9 facilities under construction, 5 of which opened in fiscal year 2025 to date, and the remaining 4 due to open during fiscal year 2025. Depreciation commences after a store opens and the related assets are placed in service.

5. GOODWILL AND INTANGIBLE ASSETS, NET

During the thirteen weeks ended March 30, 2025, there were no changes in the carrying amount of goodwill of \$36.0 million.

The following table presents the Company's intangible assets, net balances:

(dollar amounts in thousands)	As of March 30, 2025	As of December 29, 2024
Internal use software	\$ 48,252	\$ 45,933
Developed technology	20,050	20,050
Total intangible assets	68,302	65,983
Accumulated amortization	(44,650)	(41,943)
Intangible assets, net	\$ 23,652	\$ 24,040

Developed technology intangible assets were recognized in conjunction with the Company's acquisition of Spyce on September 7, 2021. The estimated useful life of developed technology is five years.

Amortization expense for intangible assets was \$2.7 million and \$2.8 million for the thirteen weeks ended March 30, 2025 and March 31, 2024, respectively.

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Estimated future amortization of internal use software and developed technology is as follows:

(dollar amounts in thousands)

2025	\$	7,689
2026		8,437
2027		6,092
2028		1,434
Total	\$	<u>23,652</u>

6. ACCRUED EXPENSES

Accrued expenses consist of the following:

(dollar amounts in thousands)

	As of March 30, 2025	As of December 29, 2024
Accrued general and sales tax	6,288	4,625
Fixed asset accrual	\$ 4,689	\$ 5,983
Accrued settlements and legal fees	1,869	3,529
Rent deferrals and accrued rent	1,057	1,220
Accrued delivery fee	1,103	970
Other accrued expenses	10,992	10,237
Total accrued expenses	\$ <u>25,998</u>	\$ <u>26,564</u>

7. DEBT

Credit Facility—During fiscal year 2024, the Company was party to a First Amended and Restated Revolving Credit, Delayed Draw Term Loan and Security Agreement (as amended, the “Credit Facility”) with EagleBank. The Credit Facility allowed the Company to borrow up to \$45.0 million in the aggregate principal amount under a revolving facility, including the issuance of letters of credit up to \$3.5 million. The Company did not renew the Credit Facility in 2024 and it expired pursuant to its terms on December 13, 2024.

8. LEASES

The Company leases restaurants and corporate office space under various non-cancelable lease agreements that expire on various dates through 2038. Lease terms for restaurants generally include a base term of 10 years, with options to extend these leases for additional periods of 5 to 15 years.

The components of lease cost for the thirteen weeks ended March 30, 2025 and March 31, 2024 were as follows:

(dollar amounts in thousands)	Classification	Thirteen weeks ended	
		March 30, 2025	March 31, 2024
Operating lease cost	Occupancy and related expense General and administrative expense Pre-opening costs	\$ 13,724	\$ 12,382
Variable lease cost	Occupancy and related expense General and administrative expense	3,138	2,947
Short term lease cost	Occupancy and related expense General and administrative expense	79	114
Total lease cost		\$ <u>16,941</u>	\$ <u>15,443</u>

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As of March 30, 2025, future minimum lease payments for operating leases consisted of the following:

(dollar amounts in thousands)

2025	\$	40,614
2026		63,345
2027		60,136
2028		54,256
2029		52,347
Thereafter		157,421
Total	\$	428,119
Less: imputed interest		98,721
Total lease liabilities	\$	329,398

As of March 30, 2025 and December 29, 2024 the Company had additional operating lease commitments of \$22.1 million and \$27.5 million, respectively, for non-cancelable leases without a possession date, which the Company anticipates will commence in the near future. The nature of such lease commitments is consistent with the nature of the leases that the Company has executed thus far.

A summary of lease terms and discount rates for operating leases as of March 30, 2025 and December 29, 2024 is as follows:

	March 30, 2025	December 29, 2024
Weighted average remaining lease term (years):		
Operating Leases	7.28	7.32
Weighted average discount rate:		
Operating Leases	6.79 %	6.75 %

Supplemental cash flow information related to leases for the thirteen weeks ended March 30, 2025 and March 31, 2024:

	March 30, 2025	March 31, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases, net of lease incentives	\$ 19,994	\$ 10,610
Right of use assets obtained in exchange for lease obligations:		
Operating leases	\$ 13,448	\$ 7,357

9. COMMON STOCK

As of March 30, 2025 and December 29, 2024, the Company had reserved shares of common stock for issuance in connection with the following:

	As of March 30, 2025	As of December 29, 2024
Options outstanding under the 2009 Stock Plan, 2019 Equity Incentive Plan, Spyce Food Co. 2016 Stock Option Plan and Grant Plan and 2021 Equity Incentive Plan	14,099,610	13,169,869
Shares reserved for achievement of Spyce milestones	500,000	500,000
Shares reserved for employee stock purchase plan	4,111,331	4,111,331
RSUs and PSUs outstanding under the 2019 Equity Incentive Plan and 2021 Equity Incentive Plan	5,237,201	5,410,024
Shares available for future issuance under the 2021 Equity Incentive Plan	7,209,966	8,516,216
Total reserved shares of common stock	31,158,108	31,707,440

10. STOCK-BASED COMPENSATION

2021 Equity Incentive Plan

During the fiscal year ended December 26, 2021, the Company adopted the 2021 Equity Incentive Plan (the “2021 Plan”), which allows for issuance of stock options (including incentive stock options and non-qualified stock options), restricted stock units (“RSUs”), including performance-based awards, and other types of awards. The maximum number of shares of common stock that may be issued under the 2021 Plan is 35,166,753, which is the sum of (i) 11,500,000 new shares, plus (ii) an additional number of shares consisting of (a) shares that were available for the issuance of awards under any prior equity incentive plans in place (which shall include the Prior Stock Plans (as defined below)) prior to the time the Company’s 2021 Plan became effective and (b) any shares of the Company’s common stock subject to outstanding stock options or other stock awards granted under the Prior Stock Plans that on or after the Company’s 2021 Plan became effective, terminate or expire prior to the exercise or settlement; are not issued because the award is settled in cash; are forfeited because of the failure to vest; or are reacquired or withheld (or not issued) to satisfy a tax withholding obligation or the purchase or exercise price. Options granted during, or prior to, the thirteen weeks ended March 30, 2025 generally have vesting terms between twelve months and four years and have a contractual life of 10 years.

The Company issues shares of Class A common stock upon the vesting and settlement of RSUs and upon the exercises of stock options under the 2021 Plan. The 2021 Plan is administered by the Company’s board of directors (the “Board”), or a duly authorized committee of the Board. Options granted to members of the Board generally vest immediately.

2009 Stock Plan and 2019 Equity Incentive Plan

Prior to the Company’s IPO, the Company granted stock options, RSUs and performance-based restricted stock awards (“PSUs”) to its employees, as well as non-employees (including directors and others who provide substantial services to the Company) under the Company’s 2009 Stock Plan and 2019 Equity Incentive Plan (collectively, the “Prior Stock Plans”). Under the Prior Stock Plans, the Company was permitted to grant incentive stock options to the Company’s employees and non-qualified stock options to the Company’s employees and non-employees, as well as stock appreciation rights, restricted stock awards, RSUs (including PSUs), and other forms of stock awards to the Company’s employees, directors and consultants and any of the Company’s affiliated employees and consultants.

Options granted in the fiscal year ended December 26, 2021 and prior generally have vesting terms between one year and four years and have a contractual life of 10 years. No further stock awards will be granted under the Prior Stock Plans now that the 2021 Plan is effective; however, awards outstanding under the Prior Stock Plans continue to be governed by their existing terms.

Spyce Acquisition

In conjunction with the Spyce acquisition, the Company issued shares of restricted stock that were issued to certain Spyce employees. As the value is fixed, the grant date fair value of these shares represents the fair value of the shares on the acquisition date.

2021 Employee Stock Purchase Plan

In conjunction with the IPO, the Board adopted, and the Company’s stockholders approved, the Company’s 2021 employee stock purchase plan (the “ESPP”). The Company’s ESPP authorizes the issuance of 3,000,000 shares of common stock under purchase rights granted to the Company’s employees or to the employees of any of its designated affiliates. The number of shares of the Company’s common stock reserved for issuance will automatically increase on January 1 of each year for a period of 10 years, which began on January 1, 2023, by the lesser of (i) 1% of the total number of shares of the Company’s common stock outstanding on December 31 of the immediately preceding year; and (ii) 4,300,000 shares, except before the date of any such increase, the Board may determine that such increase will be less than the amount set forth in clauses (i) and (ii). On January 1, 2023, the ESPP authorized shares to be increased by 1,111,331 to 4,111,331 in accordance with the above. The Board delegated the authority to manage the ESPP to the

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Compensation Committee of the Board, which determined that there would be no increase in the share reserve under the ESPP in 2024 or 2025.

As of March 30, 2025, there had been no offering period or purchase period under the ESPP, and no such period will begin unless and until determined by the administrator.

Stock Options

The Company grants stock options to its employees, as well as nonemployees (including directors and others who provide substantial services to the Company) under the 2021 Plan.

The following table summarizes the Company's stock option activity for the thirteen weeks ended March 30, 2025 and March 31, 2024:

(dollar amounts in thousands except per share amounts)	Number of Shares	Weighted Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Balance—December 29, 2024	13,169,869	\$ 9.88	6.04	\$ 297,037
Options granted	1,218,048	23.80		
Options exercised	(210,708)	8.03		
Options forfeited	(58,903)	21.31		
Options expired	(18,696)	14.10		
Balance—March 30, 2025	14,099,610	\$ 11.06	6.16	\$ 207,895
Exercisable—March 30, 2025	10,171,502	\$ 7.95	5.05	\$ 179,084
Vested and expected to vest—March 30, 2025	14,099,610	\$ 11.06	6.16	\$ 207,895
(dollar amounts in thousands except per share amounts)	Number of Shares	Weighted Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Balance—December 31, 2023	13,219,388	\$ 7.77	5.97	\$ 53,758
Options granted	1,720,782	15.52		
Options exercised	(257,201)	7.74		
Options forfeited	(80,989)	13.51		
Options expired	(32,840)	18.97		
Balance—March 31, 2024	14,569,140	\$ 8.63	6.26	\$ 242,599
Exercisable—March 31, 2024	10,419,232	\$ 6.92	5.19	\$ 191,264
Vested and expected to vest—March 31, 2024	14,569,140	\$ 8.63	6.26	\$ 242,599

The weighted-average fair value of options granted during the thirteen weeks ended March 30, 2025 and March 31, 2024 was \$11.99 and \$7.58, respectively.

The fair value of each option granted has been estimated as of the date of the grant using the Black-Scholes option-pricing model. The Company has elected to account for forfeitures as they occur.

As of March 30, 2025, there was \$33.0 million in unrecognized compensation expense related to unvested stock-based compensation arrangements and is expected to be recognized over a weighted average period 2.25 years.

Restricted Stock Units and Performance Stock Units

Restricted stock units

The following table summarizes the Company's RSU activity for the thirteen weeks ended March 30, 2025 and March 31, 2024:

(dollar amounts in thousands except per share amounts)	Number of Shares	Weighted-Average Grant Date Fair Value
Balance—December 29, 2024	910,024	\$ 17.72
Granted	181,377	23.59
Released	(341,116)	20.56
Forfeited	(13,084)	20.24
Balance—March 30, 2025	737,201	17.81

(dollar amounts in thousands except per share amounts)	Number of Shares	Weighted-Average Grant Date Fair Value
Balance—December 31, 2023	951,517	\$ 17.41
Granted	369,031	16.83
Released	(116,649)	18.41
Forfeited	(25,988)	17.47
Balance—March 31, 2024	1,177,911	\$ 17.13

As of March 30, 2025, unrecognized compensation expense related to RSUs was \$8.9 million and is expected to be recognized over a weighted average period of 1.71 years. The fair value of shares released as of the vesting date during the thirteen weeks ended March 30, 2025 was \$8.6 million.

Performance stock units

As of December 29, 2024, there were 4,500,000 performance stock units outstanding with a weighted-average grant date fair value of \$15.62. There was no PSU activity during the thirteen weeks ended March 30, 2025.

In October 2021, the Company granted 2,100,000 PSUs to each founder (the "founder PSUs") for a total of 6,300,000 PSUs, under the 2019 Equity Incentive Plan. The founder PSUs vest upon the satisfaction of a service condition and the achievement of certain stock price goals. As of March 30, 2025, unrecognized compensation expense related to the founder PSUs was \$6.4 million and is expected to be recognized over a weighted average period of 0.66 years.

Subsequent to the Company's IPO, the Company issued 321,428 PSUs to the Spyce founders ("Spyce PSUs") based on three separate performance-based milestone targets. During the thirteen weeks ended March 31, 2024, the Company modified the number of shares underlying these grants and the vesting terms to remove the performance-based component, resulting in the total number of shares decreasing to 85,395, all of which vested on March 15, 2025. The expense related to these RSUs is included within the RSU section above.

There were no PSU grants during the thirteen weeks ended March 31, 2024.

A summary of stock-based compensation expense recognized during the thirteen weeks ended March 30, 2025 and March 31, 2024 is as follows:

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
(dollar amounts in thousands)		
Stock-options	\$ 2,618	\$ 2,336
Restricted stock units	4,208	1,648
Performance stock units	3,395	5,642
Total stock-based compensation	\$ 10,221	\$ 9,626

11. INCOME TAXES

The Company's entire pretax loss for the thirteen weeks ended March 30, 2025 and March 31, 2024 was from its U.S domestic operations. The Company's tax provision for interim periods is determined using an estimate of its annual effective tax rate, adjusted for discrete items arising during interim periods. For both the thirteen weeks ended March 30, 2025 and March 31, 2024, there were no significant discrete items recorded and the Company recorded \$0.1 million in income tax expense.

On March 27, 2020, President Trump signed into law the CARES Act (as defined below). Intended to provide economic relief to those impacted by the COVID-19 pandemic, the CARES Act includes provisions, among others, to enhance business' liquidity and provide for refundable employee retention tax credits ("ERC"), which could be used to offset payroll tax liabilities. On March 11, 2021, President Biden signed the American Rescue Plan Act ("ARPA"). The ARPA includes several provisions, such as measures that extend and expand the ERC, previously enacted under the CARES Act, through September 30, 2021. As there is no authoritative guidance under U.S. GAAP on accounting for government assistance to for-profit business entities, the Company accounts for the ERC by analogy to International Accounting Standard ("IAS") 20, Accounting for Government Grants and Disclosure of Government Assistance. As of March 30, 2025 and December 29, 2024, the Company has received \$3.4 million in cash payments, reducing the ERC receivable within other current assets on the Condensed Consolidated Balance Sheet to \$3.6 million. No additional cash payments have been received as of March 30, 2025.

12. NET LOSS PER SHARE

During the thirteen weeks ended March 30, 2025 and March 31, 2024, the rights, including the liquidation and dividend rights, of the holders of Class A and Class B common stock were identical, except with respect to voting. As the liquidation and dividend rights were identical, the undistributed earnings were allocated on a proportionate basis and the resulting net loss per share attributable to common stockholders were, therefore, the same for both Class A and Class B common stock on an individual or combined basis.

The following table sets forth the computation of net loss per common share:

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
(dollar amounts in thousands)		
Numerator:		
Net loss	\$ (25,039)	\$ (26,067)
Denominator:		
Weighted-average common shares outstanding—basic and diluted	117,307,189	112,772,776
Earnings per share—basic and diluted	\$ (0.21)	\$ (0.23)

The Company's potentially dilutive securities, which include time-based vesting restricted stock units, performance stock units, contingently issuable stock and options to purchase common stock, have been excluded from the computation of diluted net loss per share as the effect would be antidilutive. Therefore, the weighted-average number of common shares outstanding used to calculate both basic and diluted net loss per share is the same. The Company excluded the following potential common shares, presented based on

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amounts outstanding at each period end, from the computation of diluted net loss per share for the periods indicated because including them would have had an anti-dilutive effect:

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Options to purchase common stock	14,099,610	14,569,140
Time-based vesting restricted stock units	737,201	1,177,911
Performance stock units	4,500,000	6,300,000
Contingently issuable stock	500,000	506,243
Total common stock equivalents	19,836,811	22,553,294

13. RELATED-PARTY TRANSACTIONS

The Company's founders and Chief Financial Officer each hold indirect minority passive interests in Luzzatto Opportunity Fund II, LLC, an entity which holds indirect equity interests in Welcome to the Dairy, LLC, which is the owner of the properties leased by the Company for the Company's principal corporate headquarters. For the thirteen weeks ended March 30, 2025 and March 31, 2024, total payments to Welcome to the Dairy, LLC, totaled \$1.5 million and \$1.0 million, respectively.

14. COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Company is obligated under various operating leases related to its office facilities, restaurant locations, and certain equipment under non-cancelable operating leases that expire on various dates. Under certain of these leases, the Company is liable for contingent rent based on a percentage of sales in excess of specified thresholds and typically responsible for its proportionate share of real estate taxes, common area maintenance charges and other occupancy costs. Refer to Note 8, Leases, for additional information.

Purchase Obligations

Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on us and that specify all significant terms. The majority of the Company's purchase obligations relate to amounts owed for supplies within its restaurants and are due within the next twelve months.

Legal Contingencies

The Company is subject to various claims, lawsuits, governmental investigations and administrative proceedings that arise in the ordinary course of business. The Company does not believe that the ultimate resolution of any of these matters will have a material effect on the Company's financial position, results of operations, liquidity, or capital resources. However, an increase in the number of these claims, or one or more successful claims under which the Company incurs greater liabilities than the Company currently anticipates, could materially and adversely affect the Company's business, financial position, results of operations, and cash flows.

15. REPORTABLE SEGMENT

The Company's operations are conducted as one operating segment and one reportable segment via revenue derived from retail sales of food and beverages by company-owned restaurants within the United States. The Company's chief operating decision maker ("CODM") is the chief executive officer. Segment information is prepared and managed on the same basis as described in the Company's Annual Report on Form 10-K for the year ended December 29, 2024. The Company's assets are managed centrally and are reported internally in the same manner as the condensed consolidated financial statements, and thus, no additional information is disclosed herein.

Other than certain disaggregated expense information provided in relation to General and Administrative expense ("G&A"), significant expenses regularly provided to the CODM is presented on the face of the

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statement of operations. The CODM is also regularly provided disaggregated expense information for G&A, which is disaggregated between operating support center cost, stock-based compensation, all of which was included within G&A (see note 10), and other expenses, as shown below:

	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
General and administrative		
Operating support center cost ⁽¹⁾	\$ 27,706	\$ 26,992
Stock-based compensation	10,221	9,626
Other expenses ⁽²⁾	410	247
Total General and administrative	\$ 38,337	\$ 36,865

(1) Operating support center costs consist primarily of operations, technology, finance, legal, human resources, administrative personnel, and other personnel costs that support restaurant development and operations, as well as brand-related marketing.

(2) Other expense typically includes expenses recorded for accruals related to legal settlements, one-time costs incurred to acquire Spyce, and amortization costs associated with the implementation of our Enterprise Risk Management system.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the condensed consolidated financial statements and related notes included elsewhere in this report. This discussion contains forward-looking statements based upon current plans, expectations and beliefs that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in the section titled "Risk Factors" included under Part I, Item 1A in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024. See the section titled "Special Note Regarding Forward-Looking Statements" in this Quarterly Report. Unless the context otherwise requires, all references in this section to "we," "us," "our," the "Company," or "Sweetgreen" refer to Sweetgreen, Inc. and its subsidiaries.

Overview

We are a mission-driven, next generation restaurant and lifestyle brand that serves healthy food at scale. Our bold vision is to be as ubiquitous as traditional fast food, but with the transparency and quality that consumers increasingly expect. As of March 30, 2025, we owned and operated 251 restaurants in 22 states and Washington, D.C.

Factors Affecting Our Business

Expanding Restaurant Footprint

Opening new restaurants, including those with Infinite Kitchen technology, is an important driver of our revenue growth. During the thirteen weeks ended March 30, 2025 and March 31, 2024, we had 5 and 6 Net New Restaurant Openings, respectively, bringing our total count as of March 30, 2025 to 251 restaurants in 22 states and Washington, D.C.

We are still in the very nascent stages of our journey, and one of our greatest immediate opportunities is to grow our footprint in both existing and new U.S. markets and, over time, internationally. In fiscal year 2025, we expect to open at least 40 new restaurants, and expect to add at least 20 new Infinite Kitchen units to our fleet.

Real Estate Selection

We utilize a rigorous, data-driven real estate selection process to identify the location and timing of opening new restaurants, both in new and existing U.S. markets and in urban and suburban areas, with high anticipated foot or vehicle traffic and proximity to workplaces, residences and other restaurant and retail businesses that support our multi-channel approach, including our Native Delivery, Marketplace, Delivery and Outpost and Catering Channels.

Macroeconomic Conditions, Inflation, and Supply Chain Constraints

Consumer spending on food outside the home fluctuates with macroeconomic conditions. Consumers tend to allocate higher spending to food outside the home when macroeconomic conditions are stronger, and reduce spending on food outside the home during weaker economies. Our customers have in the past demonstrated a willingness to pay a premium for a craveable, convenient, and healthier alternative to traditional fast-food and fast-casual offerings. However, as a premium offering in the fast-casual industry, we are exposed both to consumers trading the convenience of food away from home for the cost benefit of cooking, and to consumers selecting less expensive fast-casual alternatives during weaker economic periods.

While we have historically been able to partially offset inflation and other increases in the costs of core operating resources, such as wage increases and increases in cost of goods sold, by gradually increasing menu prices or other customer fees, such as service fees and delivery fees, coupled with more efficient purchasing practices, productivity improvements, and greater economies of scale, there can be no assurance that we will be able to continue to do so in the current macroeconomic environment or regulatory environment or in the future. In particular, current and future macroeconomic conditions could cause additional menu price increases to negatively impact our Same Store Sales Growth. There can be no assurance that any future cost increases, including as a result of

inflation, can be offset by increased menu prices or that our current or future menu prices will be fully absorbed by our customers without any resulting change to their demand for our products.

In fiscal year 2023, we experienced supply chain disruptions for our bowls and plates, which resulted in the use of alternative packaging solutions. Also, our bowls and plates are produced outside the United States, and may be subject to new or increased taxes, tariffs, or duties in connection with the importation of those items into the United States. Any such new or increased taxes, tariffs, or duties may significantly increase the price that we must pay for such items.

The tariffs implemented by the U.S. government in April 2025 impact certain areas of our business. While our core ingredients remain predominantly sourced from domestic suppliers, our current exposure within the supply chain primarily relates to packaging sourced from China. For the second quarter, we project a tariff impact from our food, beverage and packaging supply chain of approximately 75 basis points. The company began transitioning packaging production to alternative geographies in late 2024 and therefore expects tariff impacts to decline to roughly 40 basis points in the second half of the year. These current estimates assume we are not able to mitigate these impacts through ongoing sourcing and cost-optimization strategies.

In terms of new restaurant development, the Company foresees a potential increase of up to 10% on the \$1.4-\$1.5 million average unit cost. Due to strategic advance purchasing of key components, this impact is not anticipated to take effect until late in 2025. For Infinite Kitchen units, which typically range from \$450,000 to \$550,000, the Company estimates a potential 15% increase under current tariff and sourcing conditions. Importantly, the Company has 10 units already on hand that are fully insulated from tariffs.

Across both restaurant build-outs and Infinite Kitchen equipment, the Company's leadership team remains focused on minimizing any impact through ongoing sourcing and cost-optimization strategies. These numbers are unmitigated numbers and management is fully committed to working to target minimal impact from the tariffs with both its restaurant build-out costs and Infinite Kitchen equipment costs.

We continue to see variability in our customer traffic patterns, including as a result of fluctuations in return to office as a result of many workplaces adopting remote or hybrid models and we expect this variability to continue for the foreseeable future. Our transactions have been and may continue to be impacted by a slowdown in consumer spending, periods of inclement weather across the country, and the lingering impacts of the Los Angeles wildfires.

Seasonality

Our revenue fluctuates as a result of seasonal factors and weather conditions. Historically, our revenue has been lower in the first and fourth fiscal quarters of the year due, in part, to the holiday season and the fact that fewer people eat out during periods of inclement weather (generally the winter months, though inclement weather conditions may occur in certain markets at any time of the year) than during periods of mild to warm weather (the spring, summer, and fall months). In addition, a core part of our menu, salads, has proven to be more popular among consumers in the warmer months. In recent years, as consumer behavior trends have changed, due in part to the emergence of hybrid or remote work environments, the seasonality in our business has been less predictable than in prior years. We have seen an increase and prolonged negative impact on our revenue around national holidays. Additionally, we have seen extreme weather conditions and natural disasters, such as the wildfires in Los Angeles, cause disruptions to our operations and impact to our first quarter 2025 results.

Sales Channel Mix

Our revenue is derived from sales of food and beverage to customers through our five sales channels: In-Store Channel, Pick-Up Channel, Native Delivery Channel, Marketplace Channel, and Outpost and Catering Channel. There have been historical fluctuations in the mix of sales between our various channels. Due to the fact that our Native Delivery, Outpost and Catering, and Marketplace Channels require the payment of third-party fees in order to fulfill deliveries, sales through these channels have historically negatively impacted our margins. Additionally, historically, orders on our Native Delivery, Outpost and Catering and Marketplace Channels have resulted in a higher rate of refunds and credits than our In-Store and Pick-Up Channels, which has a negative impact on revenue from these channels. We have also historically prioritized promotions and discounts on our Owned Digital Channels, which also reduces revenue from these channels. If we see a shift in sales to Native Delivery, Outpost and Catering, and Marketplace channels, our margins may decrease. However, over time, we expect that our margins will improve on our Native Delivery, Outpost and Catering, and Marketplace Channels as we scale each of these channels.

Key Performance Metrics and Non-GAAP Financial Measures

We track the following key performance metrics and non-GAAP financial measures to evaluate our performance, identify trends, formulate financial projections, and make strategic decisions. We believe that these key performance metrics, which include certain non-GAAP financial measures, provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These key performance metrics and non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled metrics or measures presented by other companies.

(dollar amounts in thousands.)	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Net New Restaurant Openings	5	6
Average Unit Volume (as adjusted) ⁽¹⁾	\$2,907	\$2,889
Same-Store Sales Change (%) (as adjusted) ⁽²⁾	(3.1)%	5.0 %
Total Digital Revenue Percentage	59.9 %	58.9 %
Owned Digital Revenue Percentage	31.9 %	32.8 %

(1) One restaurant was excluded from the Comparable Restaurant Base for the thirteen weeks ended March 30, 2025. Such adjustment did not result in a material change to AUV. No restaurants were excluded from the Comparable Restaurant Base for the thirteen weeks ended March 31, 2024.

(2) Our results for the thirteen weeks ended March 30, 2025 have been adjusted to reflect the temporary closures of seven restaurants, which were excluded from the calculation of Same-Store Sales Change. Our results for the thirteen weeks ended March 31, 2024 have been adjusted to reflect the temporary closures of three restaurants, which were excluded from the calculation of Same-Store Sales Change. Such adjustments did not result in a material change to Same-Store Sales Change for either period.

Net New Restaurant Openings

Net New Restaurant Openings reflect the number of new Sweetgreen restaurant openings during a given reporting period, net of any permanent Sweetgreen restaurant closures during the same given period. Before we open new restaurants, we incur pre-opening costs, as further described below. During fiscal year 2025, we plan to integrate our Infinite Kitchen technology into approximately half of our new restaurants.

Average Unit Volume

AUV is defined as the average trailing revenue for the prior four fiscal quarters for all restaurants in the Comparable Restaurant Base. The measure of AUV allows us to assess changes in guest traffic and per transaction patterns at our restaurants. Comparable Restaurant Base for any measurement period is defined as all restaurants that have operated for at least twelve full months as of the end of such measurement period, other than any restaurants that had a material, temporary closure during the relevant measurement period. For the thirteen weeks ended March 30, 2025, one restaurant was excluded from the Comparable Restaurant Base. Such adjustment did not result in a material change to AUV. For the thirteen weeks ended March 31, 2024, no restaurants were excluded from the Comparable Restaurant Base.

Same-Store Sales Change

Same-Store Sales Change reflects the percentage change in year-over-year revenue for the relevant fiscal period for all restaurants that have operated for at least 13 full fiscal months as of the end of such fiscal period; provided, that for any restaurant that has had a temporary closure (which historically has been defined as a closure of at least five days during which the restaurant would have otherwise been open) during any prior or current fiscal month, such fiscal month, as well as the corresponding fiscal month for the prior or current fiscal year, as applicable, will be excluded when calculating Same-Store Sales Change for that restaurant. During the thirteen weeks ended March 30, 2025, seven restaurants were excluded from the calculation of Same-Store Sales Change. During the thirteen weeks ended March 31, 2024, three restaurants were excluded from the calculation of Same-Store Sales Change. Such adjustments did not result in a material change to Same-Store Sales Change for either period. This measure highlights the performance of existing restaurants, while excluding the impact of new restaurant openings and closures.

Total Digital Revenue Percentage and Owned Digital Revenue Percentage

Our Total Digital Revenue Percentage is the percentage of our revenue attributed to purchases made through our Total Digital Channels. Our Owned Digital Revenue Percentage is the percentage of our revenue attributed to purchases made through our Owned Digital Channels. In recent years, we have experienced a reduction in our Owned Digital Revenue Percentage and our Total Digital Revenue percentage, which we believe is due to the continuing recovery of our In-Store Channel and growth in third party marketplace. With the introduction of our new loyalty program in the second quarter of 2025, we anticipate an increase in Owned Digital sales.

Non-GAAP Financial Measures

In addition to our consolidated financial statements, which are presented in accordance with GAAP, we present certain non-GAAP financial measures, including Restaurant-Level Profit, Restaurant-Level Profit Margin, Adjusted EBITDA, and Adjusted EBITDA Margin. We believe these measures are useful to investors and others in evaluating our performance because these measures:

- facilitate operating performance comparisons from period to period by isolating the effects of some items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies. These potential differences may be caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of changes in effective tax rates or NOL), and the age and book depreciation of facilities and equipment (affecting relative depreciation expense);
- are widely used by analysts, investors, and competitors to measure a company's operating performance; are used by our management and board of directors for various purposes, including as measures of performance, and as a basis for strategic planning and forecasting; and
- are used internally for a number of benchmarks, including to compare our performance to that of our competitors.

Restaurant-Level Profit, Restaurant-Level Profit Margin, Adjusted EBITDA, and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. In particular, Restaurant-Level Profit and Adjusted EBITDA should not be viewed as substitutes for, or superior to, loss from operations or net loss prepared in accordance with GAAP as a measure of profitability. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Restaurant-Level Profit and Adjusted EBITDA do not reflect all cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Restaurant-Level Profit and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- Restaurant-Level Profit and Adjusted EBITDA do not reflect the impact of the recording or release of valuation allowances or tax payments that may represent a reduction in cash available to us;
- Restaurant-Level Profit and Adjusted EBITDA do not consider the potentially dilutive impact of stock-based compensation;
- Restaurant-Level Profit is not indicative of overall results of the Company and does not accrue directly to the benefit of stockholders, as corporate-level expenses are excluded;
- Adjusted EBITDA does not take into account any income or costs that management determines are not indicative of ongoing operating performance, such as stock-based compensation; loss on disposal of property and equipment; other (income) expense; restructuring charges; enterprise resource planning system ("ERP") implementation and related costs; and legal settlements; and
- other companies, including those in our industry, may calculate Restaurant-Level Profit and Adjusted EBITDA differently, which reduces their usefulness as comparative measures.

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Because of these limitations, you should consider Restaurant-Level Profit, Restaurant-Level Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin alongside other financial performance measures, loss from operations, net loss, and our other GAAP results.

Restaurant-Level Profit and Restaurant-Level Profit Margin

We define Restaurant-Level Profit as loss from operations adjusted to exclude general and administrative expense, depreciation and amortization, pre-opening costs, loss on disposal of property and equipment, and, in certain periods, impairment and closure costs and restructuring charges. Restaurant-Level Profit Margin is Restaurant-Level Profit as a percentage of revenue.

As it excludes general and administrative expense, which is primarily attributable to our corporate headquarters, which we refer to as our Sweetgreen Support Center, we evaluate Restaurant-Level Profit and Restaurant-Level Profit Margin as a measure of profitability of our restaurants.

The following table sets forth a reconciliation of our loss from operations to Restaurant-Level Profit, as well as the calculation of loss from operations margin and Restaurant-Level Profit Margin for each of the periods indicated:

(dollar amounts in thousands)	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Loss from operations	\$ (28,537)	\$ (26,915)
Add back:		
General and administrative	38,337	36,865
Depreciation and amortization	17,106	16,427
Pre-opening costs	1,696	1,432
Impairment and closure costs	94	157
Loss on disposal of property and equipment ⁽¹⁾	86	66
Restructuring charges ⁽²⁾	905	505
Restaurant-Level Profit	\$ 29,687	\$ 28,537
Loss from operations margin	(17.2)%	(17.1)%
Restaurant-Level Profit Margin	17.9 %	18.1 %

(1) Loss on disposal of property and equipment includes the loss on disposal of assets related to retirements and replacement or write-off of leasehold improvements or equipment.

(2) Restructuring charges are expenses that are paid in connection with reorganization of our operations. These costs primarily include lease and related costs associated with our vacated former Sweetgreen Support Center, including the impairment and the amortization of the operating lease asset, and costs related to our vacated former New York office, including severance and related benefits from workforce reduction as part of this change.

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Adjusted EBITDA and Adjusted EBITDA Margin

We define Adjusted EBITDA as net loss adjusted to exclude income tax expense, interest income, interest expense, depreciation and amortization, stock-based compensation expense, loss on disposal of property and equipment, other (income) expense, Spyce acquisition costs, ERP implementation and related costs, legal settlements, and certain other expenses during the period that management determines are not indicative of ongoing operating performance and, in certain periods, impairment and closure costs, and restructuring charges. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue.

The following table sets forth a reconciliation of our net loss to Adjusted EBITDA, as well as the calculation of net loss margin and Adjusted EBITDA Margin for each of the periods indicated:

(dollar amounts in thousands)	Thirteen weeks ended	
	March 30, 2025	March 31, 2024
Net loss	\$ (25,039)	\$ (26,067)
Non-GAAP adjustments:		
Income tax expense	90	90
Interest income	(1,903)	(3,016)
Interest expense	—	19
Depreciation and amortization	17,106	16,427
Stock-based compensation ⁽¹⁾	10,221	9,626
Loss on disposal of property and equipment ⁽²⁾	86	66
Impairment and closure costs ⁽³⁾	94	157
Other expense ⁽⁴⁾	(1,685)	2,059
Restructuring charges ⁽⁵⁾	905	505
ERP implementation and related costs ⁽⁶⁾	242	226
Legal settlements ⁽⁷⁾	168	21
Adjusted EBITDA	\$ 285	\$ 113
Net loss margin	(15.1)%	(16.5)%
Adjusted EBITDA Margin	0.2 %	0.1 %

(1) Includes non-cash, stock-based compensation.

(2) Loss on disposal of property and equipment includes the loss on disposal of assets related to retirements and replacement or write-off of leasehold improvements or equipment.

(3) Includes costs related to impairment of long-lived assets and store closures.

(4) Other expense includes the change in fair value of the contingent consideration issued as part of the Spyce acquisition. See Note 3 to our condensed consolidated financial statements included elsewhere in this Quarterly Report.

(5) Restructuring charges are expenses that are paid in connection with the reorganization of our operations. These costs primarily include lease and related non-cash expenses associated with our vacated former Sweetgreen Support Center, including the impairment and the amortization of the operating lease asset, and costs related to our vacated former New York office, including severance and related benefits from workforce reduction as part of this change.

(6) Represents the amortization costs associated with the implementation of our cloud computing arrangements in relation to our ERP system.

(7) Expenses recorded for accruals related to the settlements of legal matters.

Components of Results of Operations

Revenue

We recognize food and beverage revenue, net of discounts and incentives, when payment is tendered at the point of sale as the performance obligation has been satisfied, through our three disaggregated revenue channels: Owned Digital Channels, In-Store-Channel (Non-Digital component), and Marketplace Channel. Provisions for discounts are provided for in the same period the related sales are recorded. Sales taxes and other taxes collected from customers and remitted to governmental authorities are presented on a net basis, and as such, are excluded from revenue. To drive future revenue growth, we are focusing on opening additional restaurants, diversifying and expanding our menu, and investing in marketing initiatives, including our new loyalty program designed to attract new customers and increase order frequency from our existing customers.

Gift Cards

We also sell gift cards that do not have an expiration date. Upon sale, gift cards are recorded as unearned revenue and included within gift card liability in the accompanying condensed consolidated balance sheets. The revenue from gift cards is recognized when redeemed by customers. Because we do not track addresses of gift card purchasers, the relevant jurisdiction related to the requirement for escheatment, the legal obligation to remit unclaimed assets to the state, is our state of incorporation, which is Delaware. The state of Delaware requires escheatment after five years from issuance. We do not recognize breakage income because of our requirements to escheat unredeemed gift card balances.

Delivery

The majority of our restaurant locations offer a delivery option. Delivery services are fulfilled by third-party service providers whether delivery is ordered through our Native Delivery Channel or Marketplace Channel. With respect to Native Delivery Channel sales, we control the delivery services and recognize revenue, including delivery revenue, when the delivery partner transfers food or beverage to the customer. For these sales, we receive payment directly from the customer at the time of sale. With respect to Marketplace Channel sales, we recognize revenue, excluding delivery fees collected by the delivery partner as we do not control the delivery service, when control of the food or beverage is delivered to the end customer. We receive payment from the delivery partner subsequent to the transfer of food and the payment terms are short-term in nature. For all delivery sales, we are considered the principal and recognize the revenue on a gross basis. For a more detailed discussion of our third-party delivery fees and our expectations regarding our margins, see the section titled “—Sales Channel Mix” above.

Restaurant Operating Costs, Exclusive of Depreciation and Amortization

Food, Beverage, and Packaging

Food, beverage, and packaging costs include the direct costs associated with food, beverage, and packaging of our menu items. We anticipate food, beverage and packaging costs on an absolute dollar basis will increase for the foreseeable future to the extent we experience additional customer orders, as we open additional restaurants, and as a result our revenue grows. Food, beverage, and packaging costs as a percentage of revenue may vary, as these costs are impacted by menu mix and fluctuations in commodity costs, inflation, and availability, as well as geographic scale and proximity. We will continue to innovate in key areas, including menu, which could lead to increases in commodity costs as we add items such as beef to our menu.

Labor and Related Expenses

Labor and related expenses include salaries, bonuses, benefits, payroll taxes, workers compensation expenses, and other expenses related to our restaurant employees. As with other variable expense items, we expect labor costs to grow as our revenue grows. Other factors that influence labor costs include each jurisdiction’s minimum wage and payroll tax legislation, inflation, the strength of the labor market for hourly employees, benefit costs, health care costs, and the size and location of our restaurants.

Occupancy and Related Expenses

Occupancy and related expenses consist of restaurant-level occupancy expenses (including rent, common area maintenance (“CAM”) expenses, and real estate taxes), and exclude occupancy expenses associated with unopened restaurants, which are recorded separately in pre-opening costs. We anticipate occupancy and related expenses on an absolute dollar basis will increase for the foreseeable future to the extent we continue to open new restaurants and revenue grows. Occupancy and related expenses as a percentage of revenue are impacted by geographic location, type of restaurant build, and amount of revenue.

Other Restaurant Operating Costs

Other restaurant operating costs include other operating expenses incidental to operating our restaurants, such as repairs and maintenance, utilities, certain local taxes, third-party delivery fees, non-perishable supplies, restaurant-level marketing, credit card fees, and property insurance. We expect that other restaurant operating costs will increase on an absolute dollar basis for the foreseeable future to the extent we continue to open new restaurants

and our revenue grows. Other restaurant operating costs as a percentage of revenue are expected to increase in line with growth in our Native Delivery, Outpost and Catering, and Marketplace Channels, as these channels require us to pay third-party delivery fees. However, as revenue increases, we expect that other restaurant operating costs, such as repairs and maintenance and property insurance, as a percentage of revenue will decline.

Operating Expenses

General and Administrative

General and administrative expenses consist primarily of operations, technology, finance, legal, human resources, administrative personnel, and other personnel costs that support restaurant development and operations, as well as stock-based compensation expense and brand-related marketing. As a percentage of revenue, we expect our general and administrative expenses to vary from period to period and to decrease over time.

Depreciation and Amortization

Depreciation and amortization include the depreciation of fixed assets, including leasehold improvements and equipment, amortization of external costs, certain internal costs directly associated with developing computer software applications for internal use, and developed technology acquired as part of our Spyce acquisition. We expect that depreciation and amortization expenses will increase on an absolute dollar basis as we continue to build new restaurants and make investments in our digital platform.

Pre-Opening Costs

Pre-opening costs primarily consist of rent, wages, travel for training and restaurant opening teams, food, marketing, and other restaurant costs that we incur prior to the opening or during the major renovation of a restaurant. These expenses will increase in proportion to the increase of our new restaurant openings and major renovations. These costs are expensed as incurred. Pre-opening costs depend on the number of new restaurants and major restaurant renovations we open during each period or are planning to open during future periods. As a result, while we expect that pre-opening costs on an absolute dollar basis will fluctuate from period to period, we expect pre-opening costs to begin to increase in fiscal year 2025 in connection with the acceleration of our new restaurant growth as described above.

Impairment and Closure Costs

Impairment includes impairment charges related to our long-lived assets, which include property and equipment and operating lease assets.

Closure costs include lease and related costs associated with closed restaurants, including the amortization of the operating lease asset, and expenses associated with CAM and real estate taxes for previously impaired stores.

Loss on Disposal of Property and Equipment

Loss on disposal of property and equipment includes the net book value of assets that have been retired and consists primarily of furniture, equipment, and fixtures that were replaced in the normal course of business.

Restructuring Charges

Restructuring charges are expenses that are paid in connection with the reorganization of our operations. These costs primarily include operating lease asset impairment costs related to our vacated former Sweetgreen Support Center, as well as the amortization of the underlying operating lease asset and related real estate and CAM charges, severance and related benefits from workforce reductions at our Sweetgreen Support Center, and costs related to abandoning certain potential future restaurant sites, which are a result of our efforts to streamline our future new restaurant openings, and other related expenses. During the thirteen weeks ended March 30, 2025, we vacated our former New York office space, recognizing costs including severance and related benefits from workforce reduction as part of this change. We continue to evaluate our organizational structure and may implement additional changes to lower our administrative headcount.

Interest Income and Interest Expense

Interest income consists of interest earned on our cash and cash equivalents. Interest expense includes mainly amortization of deferred financing costs from our debt origination and commitment fees.

Other Expense (Income)

Other expense (income) consists primarily of changes in the fair value of our contingent consideration liability in connection with the Spyce acquisition. We will continue to remeasure the liability associated with our contingent consideration liability until the underlying service conditions are met, or the performance period expires.

Income Tax Expense

Income tax expense consists of federal and state tax expense on our operating activity, and changes to our deferred tax asset and deferred tax liability. For additional information, see Note 11 to our condensed consolidated financial statements included elsewhere in this Quarterly Report.

Results of Operations

Comparison of the thirteen weeks ended March 30, 2025 and March 31, 2024

The following table summarizes our results of operations for the thirteen weeks ended March 30, 2025 and March 31, 2024:

(dollar amounts in thousands)	Thirteen weeks ended		Dollar Change	Percentage Change
	March 30, 2025	March 31, 2024		
Revenue	\$ 166,304	\$ 157,850	\$ 8,454	5.4 %
Restaurant operating costs (exclusive of depreciation and amortization presented separately below):				
Food, beverage, and packaging	43,992	43,718	274	0.6 %
Labor and related expenses	48,071	45,766	2,305	5.0 %
Occupancy and related expenses	15,674	14,448	1,226	8.5 %
Other restaurant operating costs	28,880	25,381	3,499	13.8 %
Total cost of restaurant operations	136,617	129,313	7,304	5.6 %
Operating expenses:				
General and administrative	38,337	36,865	1,472	4.0 %
Depreciation and amortization	17,106	16,427	679	4.1 %
Pre-opening costs	1,696	1,432	264	18.4 %
Impairment and closure costs	94	157	(63)	(40.1 %)
Loss on disposal of property and equipment	86	66	20	30.3 %
Restructuring charges	905	505	400	79.2 %
Total operating expenses	58,224	55,452	2,772	5.0 %
Loss from operations	(28,537)	(26,915)	(1,622)	6.0 %
Interest income	(1,903)	(3,016)	1,113	(36.9 %)
Interest expense	—	19	(19)	(100.0 %)
Other expense (income)	(1,685)	2,059	(3,744)	(181.8 %)
Net loss before income taxes	(24,949)	(25,977)	1,028	(4.0 %)
Income tax expense	90	90	—	— %
Net loss	\$ (25,039)	\$ (26,067)	\$ 1,028	(3.9 %)

Revenue

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Revenue	166,304	157,850	5.4 %
Average Unit Volume	\$2,907	2,889	0.6 %
Same-Store Sales Change	(3.1)%	5.0 %	(8.1 %)

The increase in revenue for the thirteen weeks ended March 30, 2025 was primarily due to an increase of \$13.7 million of incremental revenue associated with 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024. The increase in revenue was partially offset by a decrease in Comparable Restaurant Base revenue of \$4.9 million, resulting in a negative Same-Store Sales Change of 3.1%, reflecting a 6.5% decrease in traffic and product mix, partially offset by a 3.4% benefit from menu price increases that were implemented subsequent to the thirteen weeks ended March 31, 2024.

Restaurant Operating Costs

Food, Beverage, and Packaging

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Food, beverage, and packaging	43,992	43,718	0.6 %
As a percentage of total revenue	26.5 %	27.7 %	(1.2 %)

The increase in food, beverage, and packaging costs for the thirteen weeks ended March 30, 2025 was primarily due to the 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024, as well as higher protein cost.

As a percentage of revenue, food, beverage, and packaging costs for the thirteen weeks ended March 30, 2025 decreased compared to the thirteen weeks ended March 31, 2024, primarily due to improvements in ingredient management and menu price increases.

Labor and Related Expenses

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Labor and related expenses	48,071	45,766	5.0 %
As a percentage of total revenue	28.9 %	29.0 %	(0.1 %)

The increase in labor and related expenses for the thirteen weeks ended March 30, 2025 was primarily due to the 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024. The increase was also driven by higher staffing expenses associated with increases in prevailing wage rates in many of our markets, partially offset by improved labor optimization.

As a percentage of revenue, labor and related expenses remained relatively consistent for the thirteen weeks ended March 30, 2025 compared to the thirteen weeks ended March 31, 2024, primarily due to higher revenue and improvement in labor optimization, partially offset by wage rate increases, as discussed above.

Occupancy and Related Expenses

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Occupancy and related expenses	15,674	14,448	8.5 %
As a percentage of total revenue	9.4 %	9.2 %	0.3 %

The increase in occupancy and related expenses for the thirteen weeks ended March 30, 2025 was primarily due to the 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024, partially offset by reduced occupancy rates across recently opened stores.

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As a percentage of revenue, occupancy and related expenses for the thirteen weeks ended March 30, 2025 was slightly higher than the thirteen weeks ended March 31, 2024, primarily related to the Same-Store Sales change of (3.1%), slightly offset by reduced occupancy rates at recently opened stores, as discussed above.

Other Restaurant Operating Costs

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Other restaurant operating costs	28,880	25,381	13.8%
As a percentage of total revenue	17.4 %	16.1 %	1.3%

The increase in other restaurant operating costs for the thirteen weeks ended March 30, 2025 was primarily due to the 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024. This includes increases in restaurant-level advertising spend, utilities related to the increased store count, delivery fees, primarily related to the increase in revenue through our Marketplace Channel, and increased credit card and online processing fees related to the increase in revenue.

As a percentage of revenue, other restaurant operating costs for the thirteen weeks ended March 30, 2025 increased compared to the thirteen weeks ended March 31, 2024, primarily due to the increases noted above.

Operating Expenses

General and Administrative

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
General and administrative	38,337	36,865	4.0 %
As a percentage of total revenue	23.1 %	23.4 %	(0.3 %)

The increase in general and administrative expenses for the thirteen weeks ended March 30, 2025 was primarily due to an increase in our investment in marketing and advertising and spend across the Sweetgreen Support Center to support our restaurant growth. These costs were partially offset by decreases in management salary and bonus expense.

As a percentage of revenue, the slight decrease in general and administrative expenses for the thirteen weeks ended March 30, 2025 was primarily due to the comparatively higher revenue in the current period, partially offset by the net effect of the fluctuations noted above.

Depreciation and Amortization

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Depreciation and amortization	17,106	16,427	4.1 %
As a percentage of total revenue	10.3 %	10.4 %	(0.1 %)

The increase in depreciation and amortization for the thirteen weeks ended March 30, 2025 was primarily due to the 30 Net New Restaurant Openings during or subsequent to the thirteen weeks ended March 31, 2024.

As a percentage of revenue, depreciation and amortization for the thirteen weeks ended March 30, 2025 remained relatively consistent compared to the thirteen weeks ended March 31, 2024.

Pre-Opening Costs

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Pre-opening costs	1,696	1,432	18.4 %
As a percentage of total revenue	1.0 %	0.9 %	0.1 %

The increase in pre-opening costs for the thirteen weeks ended March 30, 2025 was primarily due to our acceleration of new restaurant growth in fiscal year 2025.

As a percentage of revenue, pre-opening costs in the thirteen weeks ended March 30, 2025 remained relatively consistent compared to the thirteen weeks ended March 31, 2024, due to the acceleration of growth noted above as well as comparatively higher revenue in the current period.

Impairment and Closure Costs

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Impairment and closure costs	94	157	(40.1 %)
As a percentage of total revenue	0.1 %	0.1 %	— %

During the thirteen weeks ended March 30, 2025 and March 31, 2024, we recorded closure costs of \$0.1 million and \$0.2 million, respectively, related to lease and related costs associated with previously closed restaurants, including the amortization of operating lease assets, and expenses associated with CAM and real estate taxes.

Restructuring Charges

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Restructuring charges	905	505	79.2 %
As a percentage of total revenue	0.5 %	0.3 %	0.2 %

The restructuring charges for both the thirteen weeks ended March 30, 2025 and March 31, 2024 are primarily related to our former Sweetgreen Support Center, which we vacated in fiscal year 2022, including continued amortization of the operating lease asset and related real estate and CAM charges. Additionally, in efforts to continue to reduce our real estate footprint, we vacated our former New York office space during the thirteen weeks ended March 30, 2025, recognizing costs including severance and related benefits from workforce reduction as part of this change. We continue to evaluate our organizational structure and may implement additional changes to lower our administrative headcount.

As a percentage of revenue, restructuring charges slightly increased in the thirteen weeks ended March 30, 2025 compared to the thirteen weeks ended March 31, 2024, due to comparatively higher revenue in the current period, partially offset by the increases noted above.

Loss on Disposal of Property and Equipment

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Loss on disposal of property and equipment	86	66	30.3 %
As a percentage of total revenue	0.1 %	— %	0.1 %

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The increase in loss on disposal of property and equipment was due to timing of furniture, equipment and fixture replacements at multiple restaurants for the thirteen weeks ended March 30, 2025 compared to the prior year period.

Interest Income and Interest Expense

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Interest income	(1,903)	(3,016)	(36.9 %)
Interest expense	—	19	(100.0 %)
Total interest income, net	\$ (1,903)	\$ (2,997)	(36.5 %)
As a percentage of total revenue	(1.1)%	(1.9)%	0.8 %

The decrease in interest income, net, was primarily due to a lower cash balance and lower interest rate in our money market accounts during the thirteen weeks ended March 30, 2025 compared to the prior year periods.

Other Expense (Income)

(dollar amounts in thousands)	Thirteen weeks ended		Percentage Change
	March 30, 2025	March 31, 2024	
Other expense (Income)	(1,685)	2,059	(181.8 %)
As a percentage of total revenue	(1.0)%	1.3 %	(2.3) %

The increase in other income for the thirteen weeks ended March 30, 2025 was primarily due to a change in the fair value of our contingent consideration compared to the prior year periods, which was issued as part of the Spyce acquisition in the third quarter of fiscal year 2021.

As a percentage of revenue, other income increased during the thirteen weeks ended March 30, 2025 compared to the thirteen weeks ended March 31, 2024, due to the variances noted above.

Liquidity and Capital Resources

Sources and Material Cash Requirements

To date, we have funded our operations through proceeds received from previous common stock and preferred stock issuances, our ability to obtain lending commitments and through cash flow from operations. As of March 30, 2025 and December 29, 2024, we had \$183.9 million and \$214.8 million in cash and cash equivalents, respectively. Based on our current operating plan, we believe our existing cash and cash equivalents, will be sufficient to fund our operating lease obligations, capital expenditures, and working capital needs for at least the next 12 months. We believe we will meet longer-term expected future cash requirements and obligations through a combination of cash flows from operating activities and available cash balances. If we are unable to generate positive operating cash flows, additional debt and equity financings may be necessary to sustain future operations, and there can be no assurance that such financing will be available to us on commercially reasonable terms, or at all.

Our primary liquidity and capital requirements are for new restaurant development, including related to deployment of our Infinite Kitchen, initiatives to improve the customer experience in our restaurants, marketing-related costs, working capital and general corporate needs. We have not required significant working capital because customers generally pay using cash or credit and debit cards and, as a result, our operations do not require significant receivables. Additionally, our operations do not require significant inventories due, in part, to our use of numerous fresh ingredients. Further, we are able to sell most of our inventory items before payment is due to the supplier of such items.

Material Cash Requirements

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Our material cash requirements primarily consist of operating lease obligations and purchase obligations and capital expenditures. The timing and nature of these commitments are expected to have an impact on our liquidity and capital requirements in future periods. Refer to Note 8, Leases, in the accompanying condensed consolidated financial statements included in Part I, Item 1 for additional information relating to our operating leases.

Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on us and that specify all significant terms. The majority of our purchase obligations relate to amounts owed for supplies within our restaurants and are due within the next twelve months.

During the thirteen weeks ended March 30, 2025, we incurred approximately \$16.7 million in capital expenditures, a portion of which was used to pre-purchase key materials. We expect capital expenditures to increase in 2025, primarily related to new store openings and Infinite Kitchens.

As noted below, we did not renew our prior credit facility and currently have no outstanding debt. If we decide to incur debt in the future, we will need cash to service any interest and principal payments for such debt.

Prior Credit Facility

During fiscal year 2024, we were party to a First Amended and Restated Revolving Credit, Delayed Draw Term Loan and Security Agreement (as amended, the "Credit Facility") with EagleBank. We did not renew the Credit Facility in 2024 and it expired pursuant to its terms on December 13, 2024.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

(amounts in thousands)	Thirteen weeks ended March 30, 2025	Thirteen weeks ended March 31, 2024
Net cash (used in) provided by operating activities	\$ (13,128)	\$ 3,426
Net cash used in investing activities	(19,132)	(15,022)
Net cash provided by (used in) financing activities	1,427	(1,878)
Net decrease in cash and cash equivalents and restricted cash	<u>\$ (30,833)</u>	<u>\$ (13,474)</u>

Operating Activities

For the thirteen weeks ended March 30, 2025, cash used in operating activities increased by \$16.6 million compared to the thirteen weeks ended March 31, 2024. The increase was primarily due to a \$0.6 million decrease in income after excluding non-cash items and the impact of unfavorable working capital fluctuations of \$16.0 million, which primarily related to the timing of rent expense, payroll, and other payments in the ordinary course of business.

Investing Activities

For the thirteen weeks ended March 30, 2025, cash used in investing activities was \$19.1 million, an increase of \$4.1 million compared to the thirteen weeks ended March 31, 2024. Investing activities for the thirteen weeks ended March 30, 2025 consisted primarily of purchases of property and equipment of \$16.7 million related to the 2025 pipeline of new restaurants (excluding tenant improvement allowances) of which a portion of the purchase occurred in fiscal 2024, renovations, and an prepayments associated with the deployment of our Infinite Kitchen units and other restaurant related equipment. In addition we had cash outflow for the thirteen weeks ended March 30, 2025 of \$2.5 million related to purchases of intangible assets.

Financing Activities

For the thirteen weeks ended March 30, 2025, cash provided by financing activities increased \$3.3 million compared to the thirteen weeks ended March 31, 2024. This was primarily due to a payment associated with the

contingent consideration during the prior year period, partially offset by a decrease in proceeds received from stock option exercises.

Critical Accounting Estimates

The preparation of financial statements in conformity with GAAP requires us to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date, as well as reported amounts of revenue and expenses during the reporting period. Our most significant estimates and judgments involve difficult, subjective, or complex judgements made by management. Actual results may differ from these estimates. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected. There have been no material changes to our critical accounting estimates as described in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024.

Recent Accounting Pronouncements

See Note 1 to our condensed consolidated financial statements included elsewhere in this Quarterly Report for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of the date of this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have operations solely within the United States, and we are exposed to market risks in the ordinary course of our business. The primary risks we face are commodity price risks, interest rate risk, effects of inflation, and macroeconomic risks. There have been no material changes to our exposure to market risks as described in Part II, Item 7A of our Annual Report on Form 10-K for the fiscal year ended December 29, 2024.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of such date. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

Our disclosure controls and procedures are based on assumptions about the likelihood of future events, and even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Because of their inherent limitations, we cannot guarantee that our disclosure controls and procedures will succeed in achieving their stated objectives in all cases, that they will be complied with in all cases, or that they will prevent or detect all misstatements.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting that occurred during the fiscal quarter ended March 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

We are subject to various claims, lawsuits, governmental investigations, and administrative proceedings that arise in the ordinary course of business. We do not believe that the ultimate resolution of any of these matters will have a material effect on our financial position, results of operations, liquidity, or capital resources. However, an increase in the number of these claims, or one or more successful claims under which we incur greater liabilities than we currently anticipate, could materially and adversely affect our business, financial position, results of operations, and cash flows.

ITEM 1A. RISK FACTORS

For a description of risks and uncertainties that could impact our business, including risks and uncertainties related to macroeconomic conditions and changes in consumer discretionary spending and related to U.S. international trade policies, including the imposition of tariffs, and increases in the cost of ingredients and equipment, see Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION**Adoption or Termination of 10b5-1 Trading Plans**

During the fiscal quarter ended March 30, 2025, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as such terms are defined in Item 408(a) of Regulation S-K under the Exchange Act.

ITEM 6. EXHIBITS

The following exhibits are included herein or incorporated herein by reference:

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
3.1	Amended and Restated Certificate of Incorporation of the Registrant	8-K	001-41069	3.1	11/22/2021	
3.2	Amended and Restated Bylaws of the Registrant	8-K	001-41069	3.2	11/22/2021	
10.1	Separation Agreement and Consultant Agreement, effective April 16, 2025, by and between the Registrant and Rossann Williams					X
10.2	Executive Employment Agreement, effective May 5, 2025, by and between the Registrant and Jason Cochran					X

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<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit</u>	<u>Filing Date</u>	<u>Filed Herewith</u>
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1†	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document (embedded within the Inline XBRL document)					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

† The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the SEC and are not to be incorporated by reference into any filing of the Registrant under the Securities Act, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SWEETGREEN, INC.

Date: May 8, 2025

By: /s/ Mitch Reback
Mitch Reback
Chief Financial Officer (Principal Financial Officer,
Principal Accounting Officer, and Duly Authorized
Signatory)

VIA ELECTRONIC MAIL

March 31, 2025

Dear Rossann Williams,

Sweetgreen, Inc. (the "Company") and you have made the decision to mutually terminate your employment. This separation agreement ("Agreement") will confirm the terms of your separation on mutually agreeable terms as set forth below. You and the Company (collectively, the "Parties") agree that this Agreement represents the full and complete agreement concerning your separation with the Company.

1. **Last Day of Employment:** Your last day of employment with the Company, and effective date of separation, will be the date the Consultant Agreement, attached to this Agreement as "Attachment A" is fully executed ("Separation Date").
2. **Consideration:**
 - a. Provided that you (i) comply with your obligations under this Agreement including Paragraphs 6, 14 and 16, and (ii) timely sign and return this Agreement, the Company will provide you with the following "Consideration":
 - i. The Company will contract with you as a Consultant immediately from your employment Separation Date (so there is no separation from service on said date and your existing equity awards continue to vest) through June 1, 2025 ("Consultant Period") in accordance with the terms set forth in the Consultant Agreement, attached to this Agreement as "Attachment A";
 - ii. The Company will also pay you a lump sum payment in the net amount of Twenty Five Thousand Six Hundred Fifty-Four Dollars (\$25,654.08) which will be grossed-up to account for applicable federal and state taxes, so that you may elect COBRA continuation coverage under the Company's group medical insurance plans in which you participated as of the Separation Date, and pay IGOE Administrative Services for your COBRA premium (subject to changes in such plans or coverage that are generally applicable to other employees and to the requirements of such plans and applicable laws) from this payment for a total of twelve (12) months. For the avoidance of doubt, to the extent you elect COBRA continuation coverage, you will be responsible for timely making all payments for such coverage; and
 - iii. The Compensation Committee of the Company's Board of Directors shall extend the time for you to exercise your vested stock options until the earlier of (a) the one year anniversary of your Separation Date and (b) the maximum expiration date of the corresponding stock option. Both Parties agree and acknowledge that there may be tax implications to your vested and unvested stock options that result from subpart (i) and (iii) of this Paragraph 2(a) and the Company recommends you consult with a tax expert regarding said tax consequences. The Company acknowledges and agrees that you remain eligible to vest any equity awards scheduled to be vested during your Consultant Period.
 - b. Provided that you timely execute this Agreement as referenced in Paragraph 2(a), and provided that you timely execute the Supplemental Release Agreement attached as "Attachment B" to this Agreement *after* the Consultant Period but within the time period set forth therein, and do not thereafter revoke that Supplemental Release Agreement, the Company will provide you with the following as additional "Consideration," following your Consultant Period:
 - i. The Company will pay you a lump sum payment in the gross amount of Ten Thousand Dollars (\$10,000) for which it will issue a Form 1099. The Company will make this

payment to you within twenty (20) calendar days following the expiration of the revocation period set forth therein.

- ii. The Company shall forgive your obligation to repay to the Company the Relocation Stipend pursuant to Paragraph 5 of that certain Executive Employment Agreement, dated as of February 5, 2024, between you and the Company.

3. **Withholding on Payments:** Taxes, applicable withholding, and authorized or required deductions will be deducted from payments made to you in Paragraph 2(a)(ii) of this Agreement.
4. **Employee Benefits:** With the exception of Company-paid medical/hospitalization/ dental/vision insurance, any employee benefits, including but not limited to short-term disability insurance coverage, workers' compensation insurance, fitness reimbursement, telephone reimbursement, and 401(k) plan participation, have terminated effective on your Separation Date. If enrolled, Company-paid medical, hospitalization, dental, and/or vision insurance terminated effective the last day of the month in which your Separation Date occurred.
5. **COBRA:** Regardless of whether you sign this Agreement, you may elect to continue medical, dental and vision insurance coverage at your own expense after your Separation Date, pursuant to a federal law known as COBRA. You will receive under separate cover information and enrollment forms regarding continuing insurance coverage pursuant to COBRA. Additionally, you may have other options available to you when you lose group health plan coverage, such as through the Health Insurance Marketplace, through a spouse's plan or under Medicare. You are responsible for your selection of health insurance coverage following your Separation Date, and the Company has no obligation or liability with respect to such coverage.
6. **Reimbursement of Business Expenses:** You agree to submit to the Company's Finance Department, no later than one week after the Separation Date and prior to the Company's requirement to provide the Consideration set forth in Paragraph 2 of this Agreement, appropriate documentation of all authorized business expenses incurred in connection with your performance of duties for the Company prior to the Separation Date, and the Company will reimburse you in accordance with Company policy.
7. **Equity Awards:** Your stock options and/or restricted stock units will be governed by the terms of the Company's 2009 Stock Plan, as amended, the Company's 2019 Equity Incentive Plan, or the Company's 2021 Equity Incentive Plan, as applicable (the "Equity Plans"). Any stock options or restricted stock units which are not vested as of the end of the Consultant Period shall be forfeited. Except as otherwise provided in the applicable Equity Plan(s) and subject to Paragraph 2(a)(iii) of this Agreement, you may exercise vested stock options at any time through the earlier of (a) the date which is three (3) months following the end of your Consultant Period and (b) the expiration date of the corresponding stock option, in accordance with the terms of the applicable Equity Plans and the applicable Notice(s) of Grant of Stock Option. Both Parties acknowledge and agree that your transition from an employee of the Company to a consultant for the Company may impact the tax treatment of your equity awards (including with respect to any incentive stock options that you may have received from the Company), and that the Company has recommended that you consult with a tax professional prior to your execution of this Agreement.
8. **Transition:** After your Separation Date, you agree that you shall be available, upon reasonable notice, and for a reasonable time, to respond to questions and provide assistance to the Company regarding any Company business that occurred prior to your Separation Date.
9. **Acknowledgment:** The Parties expressly understand and agree that absent this Agreement, you would not otherwise be entitled to the Consideration specified in Paragraph 2 of this Agreement.
10. **Release of Unknown Claims:** Both Parties hereby agree that all rights under Section 1542 of the Civil Code of the State of California are hereby waived by you. Section 1542 provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or settlement with the debtor or released party.

11. **General Release of All Claims:** Except as otherwise specifically stated in Paragraph 13 of this Agreement:

- a. You, in exchange for the Consideration as set forth in this Agreement, release the Company, and its current and former corporate parents, subsidiaries, affiliates, predecessors, successors and assigns, and its and their officers, directors, trustees, employees, representatives, agents, and trustees of any benefit funds administered on their behalf (hereinafter collectively referred to as "Releasees"), from any and all claims that may legally be waived by private agreement, known or unknown, including but not limited to those related to your employment or otherwise, from the beginning of time through the date that you sign this Agreement.
 - b. Both Parties understand and agree that you are releasing Releasees from any and all claims that may legally be waived by private agreement, including but not limited to claims for breach of contract, retaliation or whistleblowing, personal injury, wages, benefits, defamation, wrongful discharge, and any and all claims based on any oral or written agreements or promises, whether arising under statute (including, but not limited to, claims arising under the Employee Retirement Income Security Act of 1974; the Equal Pay Act; the Family and Medical Leave Act; the Genetic Information Non-Discrimination Act; the Occupational Safety and Health Act; the National Labor Relations Act; the Worker Adjustment and Retraining Notification Act; the Consolidated Omnibus Budget Reconciliation Act; and any other federal, state, local or foreign laws or regulations, all as amended), executive or court order, contract (express or implied), constitutional provision, common law, tort, public policy or otherwise, from the beginning of time through the date that you sign this Agreement.
 - c. Both Parties understand and agree that you are also releasing Releasees from any and all claims that may legally be waived by private agreement, including but not limited to claims for retaliation, discrimination and/or harassment in employment on the basis of race, color, creed, religion, national origin, alienage or citizenship, gender, sexual orientation, disability, genetic information, marital status, veteran's status and any other protected grounds, including, but not limited to, any and all rights and claims you may have arising under Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the California Fair Employment and Housing Act; and any other federal, state, local or foreign laws or regulations, all as amended, from the beginning of time through the date that you sign this Agreement.
 - d. The Company represents and warrants that as of the execution of this Agreement, it has no knowledge of any claims, debts, demands, damages, liabilities, judgments, or cause of action it may possess against you.
12. **No Claims Filed:** Except as otherwise provided in Paragraph 13 of this Agreement, you shall not file any action, suit, charge, complaint, claim, grievance, demand for arbitration or other proceeding against any of Releasees, either individually or as a member of a class in any class or collective action, in any court or other forum with regard to any claim, demand, liability, obligation or matter that have been released by this Agreement. Except as otherwise provided in Paragraph 13 of this Agreement, you hereby represent that no action, suit, charge, complaint, claim, grievance, demand for arbitration or other proceeding is pending against any of Releasees in any court or other forum relating directly or indirectly to your employment with the Company, separation from employment, or otherwise.
13. **No Interference with Rights:** The Parties agree that nothing in this Agreement shall be construed to prohibit you from challenging illegal conduct and/or engaging in protected and/or concerted activity, including without limitation filing a charge or complaint with, and/or participating in any investigation or proceeding conducted by, the National Labor Relations Board, the Equal Employment Opportunity Commission, the Securities and Exchange Commission, the Occupational Safety and Health Administration, and/or any other federal, state or local government agency. Further, the Parties agree that nothing in this Agreement shall be construed or deemed to interfere with any protected right to file a charge or complaint with any applicable federal, state or local governmental administrative agency charged with enforcement of any law, or with any protected right to participate in an investigation or proceeding conducted by such administrative agency, or to recover any award offered by such administrative agency
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associated with such charge or complaint. However, by signing this Agreement you understand that you are waiving your right to receive individual relief (including without limitation back pay, front pay, reinstatement or other legal or equitable relief) based on claims asserted in any such charge or complaint, except where such a waiver is prohibited and except for any right you may have to receive a payment or award from a government agency (and not the Company) for information provided to the government agency. You understand that your release of claims as contained in this Agreement do not extend to any rights you may have under any laws governing the filing of claims for COBRA, unemployment, disability insurance and/or workers' compensation benefits. You further understand that nothing herein shall be construed to prohibit you from: (a) challenging the Company's failure to comply with its promises under this Agreement; (b) asserting your right to any vested benefits to which you are entitled pursuant to the terms of the applicable plans and/or applicable law; and, (c) asserting any claim that cannot lawfully be waived by private agreement, (d) exercising your rights under Section 7 of the National Labor Relations Act to engage in protected, concerted activity with other employees; and/or (e) asserting any claim that may arise after the date this Agreement was signed.

14. Confidential Information and Return of Company Property:

- a. Both Parties agree that you shall remain bound by your obligations and all of the terms under the Employee Confidentiality and Invention Assignment Agreement (the "NDA") which you signed on February 2, 2024, and the terms of which shall continue in full force and effect. Except as otherwise provided in Paragraphs 13 and 14 of this Agreement, you agree that you shall not retain, use and/or disclose any confidential and/or proprietary information you learned or acquired while employed by the Company, including, but not limited to, personnel and compensation information other than your own (including with respect to information about the hiring of recruitment of prospective employment candidates of the Company); financial information and data; technical data and information; programmatic and operational information; client identities and information; marketing and/or expansion plans, data and information; recipes; business information; strategy; research; information related to the Company's computer and/or communications systems; and/or information the nature of which would commonly be reasonably understood to be confidential ("Confidential and Proprietary Information"), except as required by law, including to any of your former employers prior to your employment with the Company. You further promise that you shall not directly or indirectly use, disclose, reproduce, sell, retain, remove from the premises, make available to any other person or entity, or use for your own or for any other person or entity's benefit, any portion of the Confidential and Proprietary Information. You also promise that you shall not use any such Confidential and Proprietary Information to damage the Company, its interests or its clients, or any other person or entity with which the Company does business.
 - b. You certify that within three days following the Consultant Period: (i) you will return to the Company any and all Confidential and Proprietary Information and any and all other materials, documents and/or property belonging to the Company and/or any of its affiliated entities, including the originals and any and all copies thereof, whether in hard copy or electronic form, which were in your possession or under your control, including without limitation files, documents, lists, records, manuals, reports, software and hardware, laptops, printers, computers, cell phone, iPhone, tablet, blackberry or other PDA, keys, equipment, identification cards, access card, corporate credit cards, mailing lists, rolodexes, personnel information, electronic information and files, computer print-outs, and computer disks and tapes, all without any destruction, deletion, alteration or any other type of compromise, whether such data and/or property was in hard copy or electronic form, (ii) after returning such property to the Company, you will not retain any copies of any Confidential and Proprietary Information and/or any other materials, documents and/or property belonging to the Company and/or any of its affiliated entities, either at your home or elsewhere, (iii) you will permanently delete all Confidential and Proprietary Information from your home and/or personal computer drives and from any other personal electronic, digital or magnetic storage devices, and (iv) you will remain in strict compliance with the NDA, as well as your obligations under any applicable Company policies that may lawfully extend post termination of employment, including without limitation those restricting the use of Confidential and Proprietary Information and assigning intellectual property rights.
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- c. Notwithstanding your confidentiality and non-disclosure obligations in this Agreement and otherwise, you understand that as provided by the Federal Defend Trade Secrets Act, you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
 - d. Notwithstanding your confidentiality and non-disclosure obligations in this Agreement and in your NDA, you can provide confidential information to government agencies without risk of being held liable for liquidated damages or other financial penalties.
15. **Confidentiality of Agreement:** You agree that the terms of this Agreement (other than the fact of employment separation) are confidential. Except as otherwise provided in Paragraph 13 of this Agreement, you shall keep the terms of this Agreement strictly confidential and shall not tell anyone, including but not limited to any current, former or future employees and/or clients of the Company, and/or the press or media, about the existence of this Agreement or disclose any information contained herein, whether verbally, in a written publication, and/or electronically. Notwithstanding the foregoing, you may disclose such information to your immediate adult family members, lawyer, accountant, financial advisor, and/or as required by law in connection with a legal proceeding and/or governmental investigation. If you do tell your immediate adult family members, lawyer, and/or financial advisor about this Agreement or its contents, you must immediately instruct the person to whom the disclosure is made that the information disclosed must be kept strictly confidential and you shall be responsible for any breaches of confidentiality by such persons. Nothing herein shall limit or restrict the Company's ability to disclose the terms of this Agreement and/or the terms of the Consultant Agreement as part of, or in connection with, any filing with the U.S. Securities and Exchange Commission, including but not limited to any Current Report on Form 8-K and any Definitive Proxy Statement on Schedule 14A.
16. **No Negative Statements:** Except as otherwise provided in Paragraph 13 of this Agreement, you agree that you shall not make, directly or indirectly, to any person or entity, including but not limited to the Company's present, future, and/or former employees or clients, the Company's Board members, any of your prior or future employers and/or the press or media, any negative or disparaging oral, written and/or electronic statements about Releasees or your employment with and/or separation from employment with the Company, or do anything which damages Releasees or any of its and/or their services, reputation, good will, financial status, or business or client relationships. Nothing in this paragraph shall preclude you from testifying honestly if required by law to testify in a proceeding or from participating fully in a governmental investigation. Nothing in this Agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful. Sweetgreen agrees that it will instruct the following individuals not to make any negative or disparaging oral, written and/or electronic statements about you: Jonathan Neman, Nicolas Jammet, Nathaniel Ru, Mitch Reback and Bradley Singer.
17. **Nonadmission of Wrongdoing:** By entering into this Agreement, neither of the Parties admits, and each specifically denies, any liability, wrongdoing or violation of any law, statute, regulation, agreement or policy, and it is expressly understood and agreed that this Agreement is being entered into solely for the purpose of amicably resolving any and all matters in controversy, disputes, causes of action, claims, contentions and differences of any kind whatsoever between the Parties.
18. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and the Chief Executive Officer of the Company, or his/her designee or successor.
19. **Applicable Law:** This Agreement shall be interpreted, enforced and governed under the laws of the state of California, and, with regard to Paragraph 22 of this Agreement, under the Federal Arbitration Act.
20. **Severability:** The Parties agree that in the event that any provision of this Agreement is declared to be invalid or unenforceable, the Agreement shall be reformed by the court so that it is enforceable to the maximum extent permitted by law, and that nothing shall invalidate or render unenforceable the remaining
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provisions of this Agreement, which shall remain in full force and effect to the fullest extent permitted by law.

21. **Entire Agreement:** This Agreement contains the entire agreement between you and the Company and supersedes and replaces any prior agreements or understandings between you and the Company regarding your separation from the Company. For the avoidance of doubt, the following remain in full force and effect (i) your obligations under the NDA, which shall continue in full force and effect, and shall be incorporated as part of this Agreement and (ii) the parties agreement to arbitrate pursuant to the Mutual Agreement to Arbitrate Disputes signed by you on February 2, 2024.

22. **Arbitration of Disputes:**

- a. Without in any way affecting the terms of Paragraph 11 of this Agreement, you and the Company agree that you hereby waive your right to a trial by a court or jury, and that any of the following types of disagreements, disputes or claims shall be resolved exclusively by binding arbitration by a single arbitrator in or near the city and in the state where you are currently employed or will be last employed by the Company (unless the parties jointly agree otherwise) in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction over the matter:
 - i. those arising out of or relating to the validity of this Agreement or how it is interpreted or implemented, provided that the resolution of any disagreement related to your eligibility for fringe benefits shall be subject to the terms of the benefit plans and the substantive provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").
- b. Both you and the Company agree to bring any dispute covered by this Paragraph 22 in arbitration on an individual basis only, and not on a class or collective basis on behalf of others. There will be no right or authority for any dispute to be brought, heard or arbitrated as a class or collective action, or as a member in any such class or collective proceeding and the and the arbitrator will have no authority to preside over any class and/or collective action ("Class Action Waiver"). The foregoing provisions of this Paragraph 22 shall not be construed to limit the Company's right to obtain relief under the following provisions of this paragraph relating to equitable remedies with respect to any matter or controversy subject to Paragraphs 14, 15, and 16 of this Agreement, and, pending a final determination by the arbitrator with respect to any such matter or controversy, the Company shall be entitled to obtain any such relief by direct application to state, federal, or other applicable court, without being required to first arbitrate such matter or controversy.
 - i. Both Parties agree and acknowledge that the covenants contained in Paragraphs 14, 15, and 16 of this Agreement are reasonable and necessary for the protection of the Company's legitimate business interests, and both Parties\ fully understand and freely enter into these covenants. Both Parties further acknowledge and agree that the Company would be irreparably injured by a violation by you of Paragraphs 14, 15, and/or 16 and both Parties agree that in the event of any such breach or threatened breach, the Company shall, in addition to any other remedies available to it, be entitled to: (i) a temporary restraining order and/or preliminary and/or permanent injunction, or other equivalent relief, restraining you from any actual or threatened breach of Paragraphs 14, 15, and/or 16, and (ii) recover damages from you, plus reasonable attorneys' fees and costs.
 - ii. If any court or other tribunal refuses to enforce any of the covenants contained in Paragraphs 14, 15, and/or 16 of this Agreement, any such covenant shall be deemed amended to the extent (but only to the extent) required by law to permit its enforceability hereunder.

23. **Acknowledgment:** By signing this Agreement, you acknowledge that:
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- a. You have carefully read, and understand, this Agreement;
 - b. By this provision in the Agreement, you have been advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
 - c. You understand that this Agreement is legally binding and, except as otherwise provided in Paragraph 13 of this Agreement, by signing it you give up certain rights, including your right to pursue any claims you had, have or may have had against Releasees;
 - d. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
 - e. You have not relied upon any representation, statement or omission made by any of the Company's agents, attorneys or representatives with regard to the subject matter, basis or effect of this Agreement or otherwise, other than those expressly stated in this Agreement;
 - f. Except as otherwise provided in Paragraph 13 of this Agreement, you have knowingly and voluntarily released Releasees from any and all claims you may have, known or unknown, in exchange for the Consideration you obtained by signing this Agreement, and acknowledge that said Consideration is in addition to any that you would have otherwise received if you did not sign this Agreement;
 - g. This Agreement does not waive any rights or claims that may arise after you sign this Agreement; and,
 - h. You may not sign this Agreement prior to the Separation Date. If you sign this Agreement prior to the Separation Date, this Agreement will immediately be null and void.
24. **Return of Signed Agreement:** You shall have ten (10) calendar days until April 10, 2025 to review and consider the terms herein and consult with an attorney if you so choose. If you do not sign the Agreement on or before April 10, 2025 after your receipt of this Agreement, this Agreement shall be deemed revoked, null, void and of no effect, and you shall have no entitlement to the Consideration as set forth in this Agreement. Any written modifications to the Agreement, material or otherwise, will not restart the ten (10) day total review period.

Sweetgreen, Inc.

By: _____
 Name: Jonathan Neman Date _____
 Title: Chief Executive Officer

 Rossann Williams Date _____

ATTACHMENT A

CONSULTANT AGREEMENT

This Consultant Agreement (the “Agreement”) is made by and between Sweetgreen, Inc. (“Company”) and ROSSANN WILLIAMS (“you” or “Contractor”), effective as of the later of the two dates set forth on the signature page of this Agreement (the “Effective Date”).

Company desires to benefit from your expertise and experience by retaining you as a contractor, and you wish to perform consulting services for Company, as provided for below. Accordingly, Company and you agree as follows:

1. **Engagement of Services.** Subject to the terms of this Agreement, you agree to provide consulting services to Company as described in **Exhibit 1** hereto (collectively, the “Services”) during the term of this Agreement. You agree to exercise diligence and the highest degree of professionalism in providing Services under this Agreement. You may not subcontract or otherwise delegate your obligations under this Agreement without Company's prior written consent. You shall perform all Services in compliance with all applicable laws.
 2. **Compensation.** As sole compensation for the performance of the Services, Company will pay to you the amounts and on the schedule specified in **Exhibit 1**.
 3. **Independent Contractor Relationship.** Your relationship with Company is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship with Company and you. You are not authorized to make any representation, contract or commitment on behalf of Company unless specifically requested or authorized to do so by an executive officer of Company. You are not entitled to and will be excluded from participating in any of Company's fringe benefit plans or programs as a result of the performance of the Services (and Contractor waives the right to receive any such benefits). You are solely responsible for all tax returns, payments, or reports required to be filed with or made to any federal, state, local, or other applicable tax authority with respect to your performance of Services and receipt of fees under this Agreement, and shall indemnify and hold the Company harmless for any fees, penalties, interest, or other amounts incurred by the Company as a result of your failure to properly report or pay any applicable taxes. No part of your compensation will be subject to withholding by Company for the payment of any social security, federal, state or any other employee payroll taxes.
 4. **Non-Disclosure of Proprietary Information.** You recognize that you will be exposed to, have access to and be engaged in the development of information (including tangible and intangible manifestations) regarding the trade secrets, technology, strategic sales/marketing plans, intellectual property, and confidential business activities of the Company and/or the Affiliated Parties. At all times during your engagement and thereafter, you will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with this consulting relationship or services for the Company, or unless an officer of the Company expressly authorizes such in writing, or unless otherwise permitted or required by law. “**Proprietary Information**” includes (a) trade secrets, inventions, mask works, ideas, samples, procedures and formulations for producing any such samples, media and/or processes, data, formulae, methods, software, source and object codes, programs, other works of authorship, know-how, improvements, discoveries, developments, developmental or experimental work, designs, and techniques; (b) information regarding the operation of the Company, including its products, services, marketing and business plans, budgets, accounts, financial statements, licenses, licensors, licensees, contracts, prices and costs, suppliers, and current or potential customers; (c) information regarding the skills, tasks and compensation of employees, contractors, and any other service providers of the Company; (d) the existence of any business discussions, negotiations, or agreements between any third party and the Company; and (e) and all other information that would reasonably be deemed as confidential. You also agree to hold in strictest confidence and not disclose any confidential information or trade secrets of any third-party obtained by you while providing services to the Company. Pursuant to the Defend Trade Secrets Act of 2016, Contractor understands that an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a
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complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

During your engagement by the Company, you will not improperly use or disclose confidential information or trade secrets, if any, of any former employer, entity, or any other person to whom you have an obligation of confidentiality, and you will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer, entity, or any other person to whom you have an obligation of confidentiality unless consented to in writing by that former employer, entity, or person.

5. Assignment of Work Product. Contractor hereby assigns to the Company any and all right, title, and interest in and to any and all Work Product (and all intellectual property rights with respect thereto) made, conceived, reduced to practice, or learned by Contractor, either alone or with others, during the period of Contractor's engagement by the Company, to the fullest extent permitted by law. You will execute such documents and perform such other acts as Company may reasonably request for use in applying for, assigning, obtaining, perfecting, evidencing, sustaining, and enforcing such Work Product. As used in this Agreement, the term "**Work Product**" means any trade secrets, ideas, inventions (whether patentable or unpatentable), mask works, processes, procedures, formulations, formulas, software source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques, trademarks, manufacturing techniques, or other copyrightable or patentable works. Any assignment of Work Product (and all Intellectual Property rights with respect thereto) hereunder includes an assignment of all Moral Rights. You agree to disclose promptly in writing to Company, or any person designated by Company, all Work Product that is solely or jointly conceived, made, reduced to practice, or learned by you in the course of any work or Services performed for Company. You will assist the Company in every proper way to obtain, and from time to time enforce, United States and foreign Intellectual Property rights and Moral Rights relating to the Work Product in any and all countries.

6. No Conflict of Interest. You agree during the term of this Agreement not to accept work or enter into a contract or accept an obligation inconsistent or incompatible with your obligations under this Agreement or the scope of services rendered for Company. In addition, you agree that, during the term of this Agreement, you will not perform, or agree to perform, any services for any third party that engages, or plans to engage, in any business or activity competitive with that of Company. You warrant that to the best of your knowledge, there is no other existing contract or duty on your part inconsistent with this Agreement. Nothing herein prohibits you from accepting employment that will begin after the termination of this Agreement or that can be performed without compromising the duties required of you under this Agreement.

7. Post-Engagement Restrictions. You agree that during the period of your engagement, and for the one year period after the date your engagement ends for any reason, you will not, as an officer, director, contractor, consultant, owner, partner, or in any other capacity, either directly or through others, except as authorized by the Company, solicit, induce, encourage, or participate in soliciting, inducing or encouraging any person known to you to be an employee, consultant, or independent contractor of Company to terminate his or her relationship with Company. Both parties agree that your breach of any of the promises or agreements contained in this Agreement will result in irreparable and continuing damage to Company for which there may be no adequate remedy at law, and Company is therefore entitled to seek injunctive relief as well as such other and further relief as may be appropriate.

8. Term and Termination. The term of this Agreement will begin as of the Effective Date and will automatically terminate on June 1, 2025, unless the length of the term of this Agreement is extended in a writing signed by both parties. Company may terminate this Agreement immediately upon your material breach of this Agreement. You may terminate this Agreement at any time upon 10 days' prior written notice to Company. Upon termination by the Company only, the Company remains bound to pay the consideration set forth in Paragraph 2(b) of the Separation Agreement dated March 31, 2025. Upon termination by either party, the Company shall pay you the prorated compensation set forth in Exhibit 1 of this Agreement.

9. Return of Company Property. Unless otherwise authorized by Company, upon termination of the Agreement or earlier as requested by Company, you will deliver to Company any Company property in your possession, and any other documents or material containing or disclosing any Company Work Product.

10. Arbitration. To ensure the timely and economical resolution of disputes that may arise in connection with your engagement with the Company, you and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, your engagement, services to the Company, or the termination of your engagement, including but not limited to statutory claims, will be resolved to the fullest extent permitted by law by final, in accordance with the Arbitration Agreement signed by you and the Company on February 2, 2024.

11. Company Policies. Contractor agrees to comply with the Company's Code of Business Conduct and Ethics, the Insider Trading Policy, and the Anti-Corruption Policy. A breach of any of these policies may be deemed a material breach of this Agreement.

12. Conduct Requirements. Contractor agrees to comply with the Company's Anti-Harassment Policy. To the extent Contractor wishes to report harassment or any other conduct, they should report it to the People Team by submitting a ticket via the SG Support tile or by submitting a report via the All Voices tile, both tiles can be found on the Contractor's Team Resources home page.

13. General Provisions.

13.1 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the state of California. The parties further agree that, as permitted by Section 10, any action or proceeding arising out of or related to this Agreement, or the transaction it contemplates, shall be brought in the state and federal courts located in Los Angeles, California, and consent to the sole and exclusive jurisdiction of such court.

13.2 Survival. The following provisions shall survive termination of this Agreement: Section 4, Section 5, Section 7, Section 8, Section 9, Section 10, Section 11, and Section 13.

13.3 Severability; No Assignment. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions of this Agreement. If moreover, any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity, or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear. This Agreement may not be assigned by you without Company's consent, and any such attempted assignment shall be void and of no effect.

13.4 Waiver. No waiver by Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by Company of any right under this Agreement shall be construed as a waiver of any other right.

13.5 Entire Agreement. This Agreement is the final, complete, and exclusive agreement of the parties with respect to the subject matter hereof. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by you and the chief executive officer of Company.

In Witness Whereof, the parties have caused this Consulting Agreement to be executed by their duly authorized representative.

SWEETGREEN, INC.

By: _____

(Printed Name)

Title:

Address: 3102 W 36th St., Los Angeles, CA 90018

Date:

ROSSANN WILLIAMS (“CONTRACTOR”)

By: _____

Address: 561 Capella Court, Palm Springs, CA 92264

Date:

EXHIBIT 1

SERVICES

Nature of Work:

Contractor will, at the discretion of the Company, perform up to 10 hours per month of Services for the Company, which Services will be focused on the following:

- successfully transition the job duties and responsibilities of the Chief Operating Officer; and
- otherwise make yourself available with reasonable advance notice to attend meetings and calls, as requested by the Company.

Compensation:

A. Fees. During the term of the Agreement, you shall be compensated at a flat fee rate of \$5,000 per month (including the partial month of April 2025) for Services hereunder (for a total of \$10,000 for the duration of the Consultant Period). You shall provide the Company with a Form W-9 prior to receiving any payment from the Company.

B. Invoices. You shall invoice the Company via email to the Company's accounts payable department (accounts@sweetgreen.com) within five (5) days after the close of each month during the term of this Agreement, for Services rendered during that month. Such invoices shall list the dates covered by the invoice. Company shall pay net 20 calendar days from receipt of the invoice. If Contractor fails to provide an invoice to Company as required herein within thirty (30) days of the close of each month, Company shall not be liable for any such fee and/or amount.

C. Expenses. Company shall reimburse Contractor for, any expenses which have been preapproved in writing by the Company CEO.

ATTACHMENT B

[Omitted]

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the “**Agreement**”), made between Sweetgreen, Inc. (the “**Company**”) and Jason Cochran (“**Executive**”) (collectively, the “**Parties**”).

Whereas, the Company desires for Executive to be employed by the Company, and wishes to provide Executive with certain compensation and benefits in return for such employment services;

Whereas, Executive wishes to be employed by the Company and to provide employment services to the Company in return for certain compensation and benefits; and

Now, Therefore, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Employment by the Company.

1.1 Position. This Agreement and the Executive’s employment under the terms hereunder shall take effect on May 5, 2025 (the “**Effective Date**”). Executive shall serve as the Company’s Chief Operating Officer. This is an exempt position, and during Executive’s employment with the Company, Executive will devote Executive’s best efforts and substantially all of Executive’s business time and attention to the business of the Company, except for approved vacation periods and reasonable periods of illness or other incapacities permitted by the Company’s general employment policies and any outside activities approved in accordance with the Company’s applicable policies.

1.2 Duties and Location. Executive shall perform such duties as are required by the Company’s Chief Executive Officer, to whom Executive will report. Executive’s primary office location shall be the Company’s office located in Los Angeles, California. The Company reserves the right to reasonably require Executive to perform Executive’s duties at places other than Executive’s primary office location on occasion from time to time, and to require reasonable business travel. The Company may modify Executive’s job title and duties as it deems necessary and appropriate in light of the Company’s needs and interests from time to time. Section 1.1 and this Section 1.2 are subject to Sections 6 and 9.5 below.

1.3 Policies and Procedures. The employment relationship between the Parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

2. Compensation.

2.1 Base Salary. For services to be rendered hereunder, Executive shall receive an initial base salary at the rate of \$500,000 per calendar year (the “**Base Salary**”), subject to standard payroll deductions and withholdings and payable in accordance with the Company’s regular payroll schedule.

2.2 Annual Bonus. Executive will be eligible to earn an annual bonus (the “**Annual Bonus**”) at the target amount (currently 75% of Executive’s Base Salary) and pursuant to the then-current terms and conditions of the Sweetgreen Support Center Bonus Plan (the “**Bonus Plan**”). Whether Executive receives an Annual Bonus, and the amount of any such Annual Bonus, will be determined by the Board of Directors of the Company (the “**Board**”), or the Compensation Committee thereof, in its sole discretion based upon the achievement of corporate and/or individual objectives and milestones set forth

in the Bonus Plan. Executive must remain an active employee in good standing through the time the Annual Bonus is paid in order to earn the Annual Bonus, and any Annual Bonus shall be pro-rated based upon the number of days in the applicable measurement period that Executive is employed by the Company. The Annual Bonus will be paid prior to March 31st of the year following such measurement period. Except as expressly set forth in this Agreement, Executive will not be eligible for, and will not earn, any Annual Bonus if Executive's employment terminates for any reason before the Annual Bonus is to be paid.

3. Standard Company Benefits. Executive shall be entitled to participate in all employee benefit programs for which Executive is eligible under the terms and conditions of the benefit plans that may be in effect from time to time and provided by the Company to its employees. The Company reserves the right to cancel or change the benefit plans or programs it offers to its employees at any time.

4. Equity. Subject to approval by the Board or the Compensation Committee thereof in its sole discretion, Executive shall be granted (i) an option to purchase 250,000 shares of Class A Common Stock of the Company at the fair market value on the date of grant (the "**Option**"), and (ii) an award of restricted stock units covering 100,000 shares of Class A Common Stock of the Company (the "**RSUs**"), and together with the Option, the "**Equity Awards**"). Any such Equity Awards shall be governed in all respects by the terms of the Company's 2021 Equity Incentive Plan and other applicable agreements between Executive and the Company, which Executive will be required to execute as a condition of receiving the Equity Awards. Any such Equity Awards shall be subject to vesting over a four-year period, subject to the Executive's continuous service with the Company, with 25% of the Equity Awards vesting on the first anniversary of the vesting commencement date (as determined pursuant to the Company's Equity Grant Policy) and the remainder vesting thereafter in 12 equal quarterly installments. Executive will be eligible for future equity awards as determined in the sole discretion of the Board or the Compensation Committee thereof.

4.1 Sign-On Bonus. The Company shall provide Executive with a one-time payment in the amount of \$50,000 (the "**Sign-On Bonus**"), which shall be paid by the Company within 30 days following Executive's commencement of employment hereunder as part of the Company's regular payroll schedule and shall be subject to applicable deductions and withholdings. Executive hereby acknowledges and agrees that, if Executive's employment with the Company terminates for any reason on or prior to May 5, 2026, Executive shall repay to the Company the full amount of any such Sign-On Bonus within 10 days following the date of such termination.

5. Termination of Employment; Severance.

5.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate Executive's employment relationship at any time, with or without cause or advance notice.

5.2 Payments and Other Benefits Provided Upon Termination. In the event of the termination of Executive's employment for any reason, the Company shall pay to Executive all of Executive's accrued and unpaid wages and other compensation and benefits earned through Executive's last day of employment (the "**Separation Date**"). The amounts to be paid or provided to Executive pursuant to this Section 6.2 are collectively referred to as the "**Accrued Obligations**."

5.3 Termination Without Cause; Resignation for Good Reason. If Executive is terminated by the Company without Cause or Executive resigns for Good Reason (collectively, an "**Involuntary Termination**"), and provided that Executive remains in compliance with the terms of this Agreement (including but not limited to the conditions described in Section 7 below), the Company shall provide Executive with the following benefits (the "**Severance Benefits**"):

a. **Cash Severance.** The Company shall pay Executive cash severance payments (as applicable, the “**Severance**”) as follows:

i. In the event that Executive’s Involuntary Termination occurs outside of the Change in Control Period, Executive shall receive the equivalent of six (6) months of Executive’s Base Salary in effect as of the Separation Date; or

ii. In the event, however, that Executive’s Involuntary Termination occurs within the Change in Control Period, Executive shall receive the equivalent of twelve (12) months of Executive’s Base Salary in effect as of the Separation Date.

b. For the avoidance of doubt, in no event shall Executive be entitled to Severance under both Section 6.3(a)(i) and 6.3(a)(ii), and the maximum amount of Severance Executive is eligible to earn under any circumstance is an amount equal to twelve (12) months of the Executive’s Base Salary then in effect as of the Separation Date. In either case, the Severance will be paid as a one-time, lump-sum payment, subject to all applicable deductions and withholdings, no later than the first regularly-scheduled payroll date following the effective date of the Separation Agreement (as discussed in Section 7 below).

c. **Pro-Rata Bonus.** Only if Executive’s employment is terminated on or after May 5, 2026, the Company shall also pay Executive an amount equal to Executive’s then-current target Annual Bonus amount pursuant to the then-current Bonus Plan, pro-rated based on the date of Executive’s employment termination for that bonus year (the “**Bonus Severance**”). The Bonus Severance will be paid as a one-time, lump-sum payment, subject to all applicable deductions and withholdings, no later than the first regularly-scheduled payroll date following the effective date of the Separation Agreement (as discussed in Section 7 below).

5.4 Termination for Cause; Resignation Without Good Reason; Death or Disability. If Executive resigns without Good Reason, the Company terminates Executive’s employment for Cause, or Executive’s employment terminates as a result of Executive’s death or Disability, then all payments of compensation by the Company to Executive hereunder will terminate immediately (except as to the Accrued Obligations) and Executive will not be entitled to any Severance Benefits.

6. Conditions to Receipt of Severance Benefits. In order to receive any Severance Benefits, the termination of Executive’s employment must constitute a “separation from service” (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definition thereunder, a “**Separation from Service**”), and Executive must be in compliance with the terms of this Agreement and the Confidentiality Agreement (as defined below). Further, the receipt of the Severance Benefits will be conditioned on Executive signing and not revoking a separation agreement and general release of claims in a form reasonably satisfactory to the Company (the “**Separation Agreement**”) by no later than the sixtieth (60th) day after the Separation Date (the “**Release Deadline**”). No Severance Benefits will be paid or provided unless and until the Separation Agreement becomes effective.

7. Section 409A. It is intended that all of the Severance Benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Code Section 409A provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A. For purposes of Code Section 409A (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Executive’s right to receive any installment payments under this Agreement (whether severance payments, reimbursements or

otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed by the Company at the time of Executive's Separation from Service to be a "specified employee" for purposes of Code Section 409A(a)(2)(B)(i), and if any of the payments upon Separation from Service set forth herein and/or under any other agreement with the Company are deemed to be "deferred compensation," then to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Code Section 409A(a)(2)(B)(i) and the related adverse taxation under Section 409A, such payments shall not be provided to Executive prior to the earliest of (i) the expiration of the six-month period measured from the date of Executive's Separation from Service with the Company, (ii) the date of Executive's death or (iii) such earlier date as permitted under Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Paragraph shall be paid in a lump sum to Executive, and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred. If the Severance Benefits are not covered by one or more exemptions from the application of Section 409A and the Release Deadline occurs in the calendar year following the calendar year of Executive's Separation from Service, the Separation Agreement will not be deemed effective any earlier than the Release Deadline for purposes of determining the timing of provision of any Severance Benefits.

8. Definitions.

8.1 Cause. For purposes of this Agreement, "Cause" for termination will mean any one or more of the following: (a) Executive's conviction of, or plea of "guilty" or "no contest" to, any felony or any crime involving fraud, dishonesty, or moral turpitude under the laws of the United States or any state thereof; (b) Executive's commission of, or participation in, a fraud or material act of dishonesty against the Company or any of its employees or directors that causes, or is reasonably likely to cause, material harm to the Company and/or its subsidiaries; (c) Executive's intentional, material violation of any contract or agreement between the Executive and the Company, the Company's employee handbook and employment policies, the Company's Code of Conduct and Business Ethics, or of any statutory or legal duty owed to the Company; (d) Executive's unauthorized use or unauthorized disclosure of the Company's confidential information or trade secrets or other material breach of the Confidentiality Agreement (as defined below); (e) Executive's willful misconduct in the performance of Executive's employment duties; and (f) Executive's willful failure to reasonably cooperate with any internal or external Company investigation or audit (whether being conducted by the Company or by a third-party); provided, that in order to terminate Executive's employment for "Cause" pursuant to the foregoing clause (e) the Board must first provide Executive with written notice of the applicable Cause event (which specifically identifies, in reasonable detail, the basis for alleging a Cause event) within 30 days of the Company learning, or of when the Company reasonably should have been aware, of such Cause event, and provide Executive a period of 30 days thereafter to reasonably cure such Cause event, to the extent curable. If Executive fails to cure such Cause event with respect to clause (e) above within such period, then the termination of employment must be effective not later than 30 days after the end of Executive's cure period.

8.2 Change in Control. For purposes of this Agreement, "Change in Control" shall have the meaning set forth in the Company's 2021 Equity Incentive Plan.

8.3 Change in Control Period. For purposes of this Agreement, the "Change in Control Period" shall mean the period beginning on the effective date of the Change in Control and continuing thereafter until the twelve (12) month anniversary of the effective date of the Change in Control.

8.4 Disability. For purposes of this Agreement, a “**Disability**” shall be deemed to have occurred in the event Executive is unable to perform the essential functions of Executive’s position by reason of any physical or mental impairment, notwithstanding any reasonable accommodation, for a consecutive 120 day period or for the aggregate of 150 days in any twelve (12) month period. If a disagreement arises between Executive and the Company as to whether Executive is suffering from a Disability, such issue will be determined by a board-certified physician mutually agreed upon by the Parties.

8.5 Good Reason. For purposes of this Agreement, “**Good Reason**” means any of the following actions taken by the Company or a successor corporation or entity without Executive’s written consent: (1) a material reduction of Executive’s base compensation, which the parties agree is a reduction of more than 10%, other than any reduction that applies generally to all executives; (2) a material reduction in Executive’s authority, duties, or responsibilities; provided, however, that a change in job position (including a change in title) will not be deemed a “material reduction” unless Executive’s new authority, duties, or responsibilities are materially reduced from the prior authority, duties, or responsibilities; or (3) a requirement to relocate the Executive’s primary workplace outside of the Los Angeles metropolitan area. In order to resign for Good Reason, Executive must provide written notice of the event giving rise to Good Reason to the Board within 30 days after the Executive learns of, or reasonably should have been aware of, the condition, allow the Company 30 days to cure such condition, and if the Company fails to cure the condition within such period, the Executive’s resignation from all positions Executive then holds with the Company must be effective not later than 30 days after the end of the Company’s cure period.

9. Proprietary Information Obligations. Executive acknowledges that Executive is required as a condition of employment to execute and abide by the Employee Confidentiality and Nondisclosure Agreement between the Company and Executive attached to this Agreement as Exhibit A (the “**Confidentiality Agreement**”) and agrees to comply with the obligations therein. In the Executive’s work for the Company, Executive will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom Executive has an obligation of confidentiality. Rather, Executive will be expected to use only that information which is generally known and used by persons with training and experience comparable to the Executive’s own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. Executive agrees not to bring onto Company premises any unpublished documents or property belonging to any former employer or other person to whom Executive has an obligation of confidentiality. Executive hereby represents that Executive has disclosed to the Company any contract Executive has signed that may restrict Executive’s activities on behalf of the Company.

10. Dispute Resolution. Executive acknowledges that Executive is required as a condition of employment to execute and abide by the Arbitration Agreement between the Company and Executive attached to this Agreement as Exhibit B (the “**Arbitration Agreement**”).

11. Outside Activities During Employment. Executive acknowledges that Executive is subject to the Company’s conflicts of interests and provisions in the Company’s employee handbook as well as the Company’s Code of Conduct and Business Ethics and any other applicable policies governing Executive’s outside activities, and agrees to abide by their terms and conditions, as may be in effect from time to time.

12. General Provisions.

12.1 Notices. Any notices provided under this Agreement must be in writing and will be deemed effective upon the earlier of personal delivery, receipted email, or the next day after sending

by regular mail or overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

12.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the parties.

12.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

12.4 Complete Agreement; Survival. This Agreement constitutes the entire agreement between Executive and the Company with regard to this subject matter and is the complete, final, and exclusive embodiment of the Parties' agreement with regard to this subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties, or representations. This Agreement cannot be modified or amended except in a writing signed by a duly authorized officer of the Company. The obligations under Sections 6, 7, 8, 9, 10, 11, and 13 will survive the termination of this Agreement and the Employee's employment.

12.5 Counterparts. This Agreement may be executed in separate counterparts, each of which will constitute an original, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

12.6 Headings. The headings of the paragraphs hereof are inserted for convenience only and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph. This Agreement shall not be construed against either Party as the author or drafter of the Agreement.

12.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors, and administrators. The Company may freely assign this Agreement, without Executive's prior written consent. Executive may not assign any of Executive's duties hereunder and Executive may not assign any of the Executive's rights hereunder without the written consent of the Company.

12.8 Tax Withholding and Indemnification. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has made no assurances or guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

12.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California.

In Witness Whereof, the Parties have executed this Agreement as of the Effective Date.

SWEETGREEN, INC.

By: _____
Name: Jonathan Neman
Title: Chief Executive Officer

EXECUTIVE

By: _____
Name: Jason Cochran

Exhibit A: Employee Confidentiality and Nondisclosure Agreement
Exhibit B: Arbitration Agreement

Exhibit A

[Omitted]

Exhibit B

[Omitted]

CERTIFICATIONS

I, Jonathan Neman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sweetgreen, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange act rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Jonathan Neman

Jonathan Neman

President and Chief Executive Officer

(Principal Executive Officer)

CERTIFICATIONS

I, Mitch Reback, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sweetgreen, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in exchange act rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Mitch Reback

Mitch Reback
Chief Financial Officer
(Principal Financial Officer)

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Jonathan Neman, Chief Executive Officer of Sweetgreen, Inc. (the "Company"), and Mitch Reback, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 30, 2025, to which this Certification is attached as Exhibit 32.1 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2025

In Witness Whereof, the undersigned have set their hands hereto as of the 8th day of May, 2025.

/s/ Jonathan Neman

Jonathan Neman

Chief Executive Officer

(Principal Executive Officer)

/s/ Mitch Reback

Mitch Reback

Chief Financial Officer

(Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Sweetgreen, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.