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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 June 29, 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	**27-1159215**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3102 36th Street Los Angeles, CA	**90018**
(Address of Principal Executive Offices)	(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	☐

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 106,318,359 shares of Class A common stock and 11,893,558 shares of Class B common stock outstanding as of August 4, 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 both the thirteen and twenty-six weeks ended June 29, 2025 and the thirteen and twenty-six weeks ended June 30, 2024, respectively. Such adjustments did not result in a material change to our key performance metrics.

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 or credit card, which are referred to as “Non-Digital” transaction, or use digital scan-to-earn and scan-to-redeem, associated with our SG Rewards loyalty program, which 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.

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.

Owned Digital Channels. Owned Digital Channels encompasses our Pick-Up Channel, Native Delivery Channel, Outpost and Catering Channel, and purchases made in-store where a customer uses digital scan-to-earn and scan-to-redeem associated with our SG Rewards loyalty program.

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.”

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 June 29, 2025	As of December 29, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 168,452	$ 214,789
Accounts receivable	6,669	5,034
Inventory	2,412	1,987
Prepaid expenses	9,276	7,844
Current portion of lease acquisition costs	93	93
Other current assets	3,424	4,790
Total current assets	190,326	234,537
Operating lease assets	268,744	257,496
Property and equipment, net	304,796	296,485
Goodwill	35,970	35,970
Intangible assets, net	22,716	24,040
Security deposits	1,319	1,419
Lease acquisition costs, net	287	333
Restricted cash	4,199	2,640
Other assets	3,526	3,838
Total assets	$ 831,883	$ 856,758
LIABILITIES, AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of operating lease liabilities	$ 39,950	$ 41,773
Accounts payable	20,376	18,698
Accrued expenses	28,221	26,564
Accrued payroll	9,642	14,716
Gift cards and loyalty liability	6,272	4,413
Other current liabilities	—	9,663
Total current liabilities	104,461	115,827
Operating lease liabilities, net of current portion	298,782	288,941
Contingent consideration liability	4,637	5,311
Other non-current liabilities	164	173
Deferred income tax liabilities	541	361
Total liabilities	$ 408,585	$ 410,613
COMMITMENTS AND CONTINGENCIES (Note 14)		
Stockholders' equity:		
Common stock, $0.001 par value per share, 2,000,000,000 Class A shares authorized, 106,303,947 and 105,200,553 Class A shares issued and outstanding as of June 29, 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 June 29, 2025 and December 29, 2024, respectively	118	117
Additional paid-in capital	1,346,735	1,321,386
Accumulated deficit	(923,555)	(875,358)
Total stockholders' equity	423,298	446,145
Total liabilities and stockholders' equity	$ 831,883	$ 856,758

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		Twenty-six weeks ended	
	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Revenue	$ 185,583	$ 184,641	$ 351,887	$ 342,491
Restaurant operating costs (exclusive of depreciation and amortization presented separately below):				
Food, beverage, and packaging	51,444	49,883	95,436	93,601
Labor and related expenses	51,044	49,668	99,115	95,434
Occupancy and related expenses	16,438	15,021	32,112	29,469
Other restaurant operating costs	31,532	28,550	60,412	53,931
Total restaurant operating costs	150,458	143,122	287,075	272,435
Operating expenses:				
General and administrative	34,505	39,202	72,842	76,067
Depreciation and amortization	17,996	16,737	35,102	33,164
Pre-opening costs	2,534	1,104	4,230	2,536
Impairment and closure costs	5,336	117	5,430	274
Loss on disposal of property and equipment	31	49	117	115
Restructuring charges	1,146	494	2,051	999
Total operating expenses	61,548	57,703	119,772	113,155
Loss from operations	(26,423)	(16,184)	(54,960)	(43,099)
Interest income	(1,725)	(2,920)	(3,628)	(5,936)
Interest expense	5	197	5	216
Other expense (Income)	(1,635)	909	(3,320)	2,968
Net loss before income taxes	(23,068)	(14,370)	(48,017)	(40,347)
Income tax expense	90	90	180	180
Net loss	$ (23,158)	$ (14,460)	$ (48,197)	$ (40,527)
Earnings per share:				
Net loss per share basic and diluted	$ (0.20)	$ (0.13)	$ (0.41)	$ (0.36)
Weighted average shares used in computing net loss per share basic and diluted	117,827,054	113,580,674	117,566,164	113,238,928

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 June 29, 2025 and June 30, 2024				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balances at March 31, 2024	113,209,760	$ 113	$ 1,281,217	$ (811,052)	$ 470,278
Net loss	—	—	—	(14,460)	(14,460)
Exercise of stock options	770,983	1	3,413	—	3,414
Issuance of common stock related to restricted shares	158,975	—	—	—	—
Shares repurchased for employee tax withholding	(186)	—	—	—	—
Stock-based compensation expense	—	—	10,903	—	10,903
Balances at June 30, 2024	114,139,532	$ 114	$ 1,295,533	$ (825,512)	$ 470,135
Balances at March 30, 2025	117,658,484	$ 118	$ 1,333,033	$ (900,397)	$ 432,754
Net loss	—	—	—	(23,158)	(23,158)
Exercise of stock options	112,661	—	996	—	996
Issuance of common stock related to Spyce milestone achievement	242,722	—	4,709	—	4,709
Issuance of common stock related to restricted shares	183,732	—	—	—	—
Shares repurchased for employee tax withholding	(94)	—	(3)	—	(3)
Stock-based compensation expense	—	—	8,000	—	8,000
Balances at June 29, 2025	118,197,505	$ 118	$ 1,346,735	$ (923,555)	$ 423,298

	For the twenty-six weeks ended June 29, 2025 and June 30, 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	—	—	—	(40,527)	(40,527)
Exercise of stock options	1,028,184	1	5,403		5,404
Issuance of common stock related to Spyce milestone achievement	208,042	—	2,132	—	2,132
Issuance of common stock related to restricted shares	264,346	—	—	—	—
Shares repurchased for employee tax withholding	(186)	—	—	—	—
Stock-based compensation expense	—	—	20,529	—	20,529
Balances at June 30, 2024	114,139,532	$ 114	$ 1,295,533	$ (825,512)	$ 470,135
Balances at December 29, 2024	117,116,311	$ 117	$ 1,321,386	$ (875,358)	$ 446,145
Net loss	—	—	—	(48,197)	(48,197)
Exercise of stock options	323,369	1	2,678	—	2,679
Issuance of common stock related to Spyce milestone achievement	242,722	—	4,709	—	4,709
Issuance of common stock related to restricted shares	524,848	—	—	—	—
Shares repurchased for employee tax withholding	(9,745)	—	(259)	—	(259)
Stock-based compensation expense	—	—	18,221	—	18,221
Balances at June 29, 2025	118,197,505	$ 118	$ 1,346,735	$ (923,555)	$ 423,298

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

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

	Twenty-six weeks ended	
	June 29, 2025	June 30, 2024
Cash flows from operating activities:		
Net loss	$ (48,197)	$ (40,527)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	35,102	33,164
Amortization of lease acquisition	46	46
Amortization of loan origination fees	—	39
Amortization of cloud computing arrangements	495	453
Non-cash operating lease cost	17,064	15,318
Loss on fixed asset disposal	117	115
Stock-based compensation	18,221	20,529
Non-cash impairment and closure costs	5,325	48
Non-cash restructuring charges	443	350
Deferred income tax expense	180	180
Change in fair value of contingent consideration liability	(3,338)	2,940
Changes in operating assets and liabilities:		
Accounts receivable	(1,635)	(2,992)
Inventory	(425)	31
Prepaid expenses and other assets	(249)	423
Operating lease liabilities	(22,378)	(12,902)
Accounts payable	(188)	1,592
Accrued payroll and benefits	(5,074)	570
Accrued expenses	2,265	2,624
Gift card and loyalty liability	1,859	581
Contingent consideration liability	(2,290)	—
Other non-current liabilities	(8)	(40)
Net cash (used in) provided by operating activities	(2,665)	22,542
Cash flows from investing activities:		
Purchase of property and equipment	(40,333)	(32,682)
Purchase of intangible assets	(4,300)	(3,593)
Security and landlord deposits	100	—
Net cash used in investing activities	(44,533)	(36,275)
Cash flows from financing activities:		
Proceeds from stock option exercise	2,679	5,404
Payment of contingent consideration	—	(3,868)
Payment associated to shares repurchased for tax withholding	(259)	—
Net cash provided by financing activities	2,420	1,536
Net decrease in cash and cash equivalents and restricted cash	(44,778)	(12,197)
Cash and cash equivalents and restricted cash—beginning of year	217,429	257,355
Cash and cash equivalents and restricted cash—end of period	$ 172,651	$ 245,158
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 5	$ 178
Non-cash investing and financing activities		
Purchase of property and equipment accrued in accounts payable and accrued expenses	$ 11,049	$ 11,408
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 June 29, 2025, the Company owned and operated 260 restaurants in 22 states and Washington, D.C. During the thirteen and twenty-six weeks ended June 29, 2025, the Company had 9 and 14 Net New Restaurant Openings, respectively.

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 June 29, 2025 and December 29, 2024, were $5.4 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.

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 June 29, 2025	As of December 29, 2024
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	$ 168,452	$ 214,789
Restricted cash, noncurrent	4,199	2,640
Total cash, cash equivalents and restricted cash shown on statement of cash flows	$ 172,651	$ 217,429

Approximately $4.1 million of the restricted cash balance as of June 29, 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 and twenty-six weeks ended June 29, 2025 and June 30, 2024 disaggregated by significant revenue channel:

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Owned Digital Channels	$ 62,053	$ 56,348	$ 115,037	$ 108,160
In-Store Channel (Non-Digital component)	72,823	81,760	139,529	146,687
Marketplace Channel	50,707	46,533	97,321	87,644
Total Revenue	$ 185,583	$ 184,641	$ 351,887	$ 342,491

Gift Cards and SG Rewards

During the second quarter of fiscal 2025, the Company launched its new SG Rewards loyalty program nationwide. SG Rewards is the Company's loyalty program through which customers can earn 10 loyalty points for every $1 spent on eligible purchases made through the mobile app or by using digital scan-to-earn and scan-to-redeem in-store. These loyalty points can be redeemed for free or discounted menu items in future transactions. All customers with a digital account are automatically enrolled in this free program. Points expire 180 days after they are issued to a customer's account.

The Company records a liability and a corresponding reduction in revenue in periods when loyalty program rewards are earned by members. The Company recognizes revenue and a corresponding reduction to the liability in periods when loyalty program rewards are redeemed by members. The Company defers revenue based on the relative estimated standalone selling price of the loyalty points, which is estimated as the value of the loyalty reward, net of loyalty related purchases not expected to be redeemed. The Company estimates loyalty purchases not expected to be redeemed based on industry data and historical customer trends.

Gift card liability and loyalty liability within the accompanying condensed consolidated balance sheets was as follows:

(dollar amounts in thousands)	As of June 29, 2025	As of December 29, 2024
Gift Card Liability	$ 5,012	$ 4,385
Loyalty Liability	$ 1,260	$ —

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

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Revenue recognized from gift card liability balance at the beginning of the year	$ 139	$ 150	$ 550	$ 636
Revenue recognized from loyalty liability balance at the beginning of the year	$ —	$ —	$ —	$ —

3. FAIR VALUE

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

	Fair Value Measurements as of June 29, 2025				Fair Value Measurements as of December 29, 2024			
(dollar amounts in thousands)	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Contingent consideration	4,637	—	—	4,637	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 twenty-six weeks ended June 30, 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. During the second quarter of fiscal 2025, the second milestone was achieved, which resulted in the former equity holders of Spyce being eligible to receive $7.0 million and which was paid during the thirteen weeks ended June 29, 2025. Of this $7.0 million, based on a VWAP Price of $19.40, $4.7 million was issued in the form of Class A common stock, and $2.3 million was paid in cash to the former Spyce Equity holders.

The initial fair value of the contingent consideration at the acquisition date was $16.4 million. Since the acquisition date, the cumulative payments related to the contingent consideration were $23.4 million as of June 29, 2025, of which $6.8 million was issued in the form of Class A common stock and $16.6 million was issued in cash. Payments up to the initial fair value of the contingent consideration were included within financing activities within the condensed consolidated statements of cash flows if made in cash, or within non-cash financing activities if made in shares. The second milestone payment, as detailed above, increased the cumulative payments related to the contingent consideration liability above the initial fair value; as such, the cash component of the second milestone payment was included within operating activities within the condensed consolidated statement of cash flows during the twenty-six weeks ended June 29, 2025. Any future cash payments would be recognized within operating activities in the condensed consolidated statements of cash flows.

The fair value of the liability as of June 29, 2025 was $4.6 million, which 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 was included in other current liabilities and $5.3 million was 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.

(dollar amounts in thousands)		Contingent Consideration
Balance—December 29, 2024	$	14,974
Milestone payment		(7,000)
Change in fair value		(3,337)
Balance—June 29, 2025	$	4,637

The following non-financial instruments were measured at fair value, on a nonrecurring basis, as of and for the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 2024, reflecting certain property and equipment and operating leases for which an impairment loss was recognized during the corresponding periods within impairment and closure costs within the condensed consolidated statements of operations. For both the thirteen and twenty-six weeks ended June 29, 2025, the Company recorded non-cash impairment charges of $5.3 million associated with five store locations, two of which were subsequently closed during July 2025, which was recorded in impairment and closure costs within the condensed consolidated statements of operations. Of the $5.3 million total non-cash impairment, $3.7 million was related to property

and equipment, and $1.6 million was related to operating lease assets. During the thirteen and twenty-six weeks ended June 30, 2024, the Company did not record any impairment charges.

		Fair Value Measurements as of June 29, 2025			Thirteen weeks ended June 29, 2025	Twenty-six weeks ended June 29, 2025
	Total	Level 1	Level 2	Level 3	Impairment Losses	
(dollar amounts in thousands)						
Property and equipment, net	—	—	—	—	3,684	3,684
Operating lease assets	2,697	—	—	2,697	1,594	1,594

The fair value of these assets represents a Level 3 fair value measurement. Unobservable inputs include the discount rate, projected restaurant revenues and expenses, and sublease income if the Company is closing the restaurant. For the operating lease assets' fair value estimate as of June 29, 2025, the Company estimated the market rental values through the end of each lease and discounted such cash flows using a property specific discount rate of approximately 7.5% - 9.5%.

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 June 29, 2025	As of December 29, 2024
Leasehold improvements	$ 317,702	$ 303,035
Kitchen equipment	121,055	107,475
Computers and other equipment	47,372	44,295
Furniture and fixtures	45,616	43,045
Assets not yet placed in service	42,119	38,047
Total property and equipment	573,864	535,897
Less: accumulated depreciation	(269,068)	(239,412)
Property and equipment, net	$ 304,796	$ 296,485

Depreciation expense for the thirteen weeks ended June 29, 2025 and June 30, 2024 was $15.3 million and $14.0 million, respectively.

Depreciation expense for the twenty-six weeks ended June 29, 2025 and June 30, 2024 was $29.7 million and $27.6 million, respectively.

As of June 29, 2025, the Company had 16 facilities under construction due to open during fiscal year 2025. As of December 29, 2024, the Company had 9 facilities under construction, 8 of which opened in fiscal year 2025 to date. Depreciation commences after a store opens and the related assets are placed in service.

For the thirteen and twenty-six weeks ended June 29, 2025, the Company recorded non-cash impairment charges of $3.7 million related to property and equipment within impairment and closure costs, within the condensed consolidated statements of operations. The Company did not record any impairment charges for the thirteen and twenty-six weeks ended June 30, 2024.

5. GOODWILL AND INTANGIBLE ASSETS, NET

During the twenty-six weeks ended June 29, 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 June 29, 2025	As of December 29, 2024
Internal use software	$ 50,052	$ 45,933
Developed technology	20,050	20,050
Total intangible assets	70,102	65,983
Accumulated amortization	(47,386)	(41,943)
Intangible assets, net	$ 22,716	$ 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 June 29, 2025 and June 30, 2024, respectively.

Amortization expense for intangible assets was $5.4 million and $5.5 million for the twenty-six weeks ended June 29, 2025 and June 30, 2024, respectively.

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

(dollar amounts in thousands)	
2025	$ 5,316
2026	9,037
2027	6,692
2028	1,671
Total	$ 22,716

6. ACCRUED EXPENSES

Accrued expenses consist of the following:

(dollar amounts in thousands)	As of June 29, 2025	As of December 29, 2024
Accrued general and sales tax	$ 6,581	$ 4,625
Fixed asset accrual	5,375	5,983
Accrued settlements and legal fees	1,595	3,529
Rent deferrals and accrued rent	1,220	1,220
Accrued delivery fee	1,125	970
Other accrued expenses	12,325	10,237
Total accrued expenses	$ 28,221	$ 26,564

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 and twenty-six weeks ended June 29, 2025 and June 30, 2024 were as follows:

		Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	Classification	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Operating lease cost	Occupancy and related expense General and administrative expense Pre-opening costs	$ 14,306	$ 12,766	$ 28,030	$ 25,148
Variable lease cost	Occupancy and related expense General and administrative expense	3,615	3,329	6,753	6,276
Short term lease cost	Occupancy and related expense General and administrative expense	135	116	214	230
Total lease cost		$ 18,056	$ 16,211	$ 34,997	$ 31,654

As of June 29, 2025, future minimum lease payments for operating leases consisted of the following:

(dollar amounts in thousands)	
2025	$ 26,027
2026	65,827
2027	62,791
2028	56,963
2029	55,141
Thereafter	173,502
Total	$ 440,251
Less: imputed interest	101,519
Total lease liabilities	$ 338,732

As of June 29, 2025 and December 29, 2024 the Company had additional operating lease commitments of $35.4 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 June 29, 2025 and December 29, 2024 is as follows:

	June 29, 2025	December 29, 2024
Weighted average remaining lease term (years):		
Operating Leases	7.26	7.32
Weighted average discount rate:		
Operating Leases	6.82 %	6.75 %

During the thirteen and twenty-six weeks ended June 29, 2025, the Company recorded a non-cash impairment charge related to operating lease assets of $1.6 million, which is recorded in impairment and closure costs within the condensed consolidated financial statements.

Supplemental cash flow information related to leases for the twenty-six weeks ended June 29, 2025 and June 30, 2024:

	June 29, 2025	June 30, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases, net of lease incentives	$ 33,319	$ 22,958
Right of use assets obtained in exchange for lease obligations:		
Operating leases	$ 30,396	$ 20,950
Derecognition of operating lease assets due to termination or impairment	$ 1,594	$ —

9. COMMON STOCK

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

	As of June 29, 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	13,792,250	13,169,869
Shares reserved for achievement of Spyce milestones	250,000	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	5,073,387	5,410,024
Shares available for future issuance under the 2021 Equity Incentive Plan	7,391,440	8,516,216
Total reserved shares of common stock	30,618,408	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 and twenty-six weeks ended June 29, 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 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 June 29, 2025, there had been no offering period or purchase period under the ESPF, 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 twenty-six weeks ended June 29, 2025 and June 30, 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	1,524,847	22.09		
Options exercised	(323,369)	8.43		
Options forfeited	(552,630)	17.48		
Options expired	(26,467)	17.47		
Balance—June 29, 2025	13,792,250	$ 10.95	5.82	$ 64,407
Exercisable—June 29, 2025	10,425,334	$ 8.23	4.81	$ 60,880
Vested and expected to vest—June 29, 2025	13,792,250	$ 10.95	5.82	$ 64,407

(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	1,934,005	16.99		
Options exercised	(1,028,184)	5.26		
Options forfeited	(244,969)	14.41		
Options expired	(40,343)	18.41		
Balance—June 30, 2024	13,839,897	$ 9.10	6.23	$ 291,551
Exercisable—June 30, 2024	10,092,047	$ 7.33	5.25	$ 230,247
Vested and expected to vest—June 30, 2024	13,839,897	$ 9.10	6.23	$ 291,551

The weighted-average fair value of options granted during the twenty-six weeks ended June 29, 2025 and June 30, 2024 was $11.16 and $8.32, 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 June 29, 2025, there was $28.1 million in unrecognized compensation expense related to unvested stock-based compensation arrangements and is expected to be recognized over a weighted average period 2.16 years.

Restricted Stock Units and Performance Stock Units

Restricted stock units

The following table summarizes the Company's RSU activity for the twenty-six weeks ended June 29, 2025 and June 30, 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	308,281	19.31
Released	(524,848)	19.20
Forfeited	(120,070)	15.73
Balance—June 29, 2025	573,387	17.65

(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	471,370	19.28
Released	(264,697)	21.11
Forfeited	(68,260)	18.28
Balance—June 30, 2024	1,089,930	$ 17.29

As of June 29, 2025, unrecognized compensation expense related to RSUs was $8.2 million and is expected to be recognized over a weighted average period of 1.56 years. The fair value of shares released as of the vesting date during the twenty-six weeks ended June 29, 2025 was $11.3 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 twenty-six weeks ended June 29, 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 June 29, 2025, unrecognized compensation expense related to the founder PSUs was $3.9 million and is expected to be recognized over a weighted average period of 0.41 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 twenty-six weeks ended June 30, 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 twenty-six weeks ended June 30, 2024.

A summary of stock-based compensation expense recognized during the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 2024 is as follows:

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Stock-options	$ 3,193	$ 2,957	$ 5,811	$ 5,294
Restricted stock units	2,344	3,088	6,552	4,736
Performance stock units	2,463	4,858	5,858	10,499
Total stock-based compensation	$ 8,000	$ 10,903	$ 18,221	$ 20,529

11. INCOME TAXES

The Company's entire pretax loss for the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 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 and twenty-six weeks ended June 29, 2025 and the thirteen and twenty-six weeks ended June 30, 2024, there were no significant discrete items recorded, and the Company recorded $0.1 million and $0.2 million in income tax expense, respectively.

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 June 29, 2025, the Company has received $5.0 million in cash payments, reducing the ERC receivable within other current assets on the condensed consolidated balance sheets to $2.1 million.

12. NET LOSS PER SHARE

During the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 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		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Numerator:				
Net loss	$ (23,158)	$ (14,460)	$ (48,197)	$ (40,527)
Denominator:				
Weighted-average common shares outstanding—basic and diluted	117,827,054	113,580,674	117,566,164	113,238,928
Earnings per share—basic and diluted	$ (0.20)	$ (0.13)	$ (0.41)	$ (0.36)

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 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		Twenty-six weeks ended	
	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Options to purchase common stock	13,792,250	13,839,897	13,792,250	13,839,897
Time-based vesting restricted stock units	573,387	1,089,930	573,387	1,089,930
Performance stock units	4,500,000	6,300,000	4,500,000	6,300,000
Contingently issuable stock	250,000	506,243	250,000	506,243
Total common stock equivalents	19,115,637	21,736,070	19,115,637	21,736,070

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 June 29, 2025 and June 30, 2024, total payments to Welcome to the Dairy, LLC, totaled $1.2 million and $1.1 million, respectively. For the twenty-six weeks ended June 29, 2025 and June 30, 2024, total payments to Welcome to the Dairy, LLC, totaled $2.7 million and $2.1 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 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		Twenty-six weeks ended	
	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
General and administrative				
Operating support center cost[1]	$ 26,177	$ 28,058	$ 53,883	$ 55,050
Stock-based compensation	8,000	10,903	18,221	20,529
Other expenses[2]	328	241	738	488
Total General and administrative	$ 34,505	$ 39,202	$ 72,842	$ 76,067

(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 the Company's 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 June 29, 2025, we owned and operated 260 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 June 29, 2025 and June 30, 2024, we had 9 and 4 Net New Restaurant Openings, respectively. During the twenty-six weeks ended June 29, 2025 and June 30, 2024, we had 14 and 10 Net New Restaurant Openings, respectively, bringing our total count as of June 29, 2025 to 260 restaurants in 22 states and Washington, D.C.

One of our strategies 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, of which, we 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. We were impacted by a decrease in consumer spending during the second quarter of 2025, and we may continue to be impacted by this decrease.

We also 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. Additionally, our transactions have been and may continue to be impacted by periods of inclement weather across the country and the lingering impacts of the Los Angeles wildfires.

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. Moreover, there can be no assurance that any future cost increases, including as a result of inflation or tariffs, 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.

Our core ingredients are predominantly sourced from domestic suppliers. We also source certain items for our restaurants from outside the United States. Notably, most of our bowls and plates are produced outside of the United States, including in China. The items we procure from outside the United States expose our business to tariffs and duties implemented by the U.S. government. For the second quarter of 2025, we realized a tariff and duty impact from our food, beverage, and packaging supply chain of approximately 40 basis points, and we anticipate a similar impact in future fiscal periods.

In terms of new restaurant development, we now anticipate a net tariff-related increase of approximately 5% on the $1.4 to $1.5 million average unit cost, after taking into account our ongoing mitigation efforts and recent changes to government trade policies. We expect that this increase will not begin until the fourth quarter of 2025 due to our strategic advance purchasing of certain key components.

For Infinite Kitchen units, which typically cost between $450,000 and $550,000, we now estimate a price increase of approximately 5% due to tariffs. 10 of the 20 Infinite Kitchen units scheduled for installation in our new restaurants in 2025 were fully insulated from tariffs.

Management remains committed to further mitigating the impact of such costs across our supply chain, restaurant build-outs and Infinite Kitchen equipment through ongoing sourcing and cost-optimization strategies. Any future changes to the U.S. government’s trade policies may impact these estimates.

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 fiscal year 2025 results to date.

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 includes in-store digital scan-to-redeem and scan-to-earn transactions made pursuant to our new SG Rewards loyalty program), 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.

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Net New Restaurant Openings	9	4	14	10
Average Unit Volume (as adjusted)[1]	$2,831	$2,925	$2,831	$2,925
Same-Store Sales Change (%) (as adjusted)[2]	(7.6)%	9.3 %	(5.5)%	7.3 %
Total Digital Revenue Percentage[3]	60.8 %	55.7 %	60.3 %	57.2 %
Owned Digital Revenue Percentage[3]	33.4 %	30.5 %	32.7 %	31.6 %

(1) One restaurant was excluded from the Comparable Restaurant Base for both the thirteen and twenty-six weeks ended June 29, 2025 and the thirteen and twenty-six weeks ended June 30, 2024, respectively. Such adjustments did not result in a material change to AUV.

(2) Our results for the thirteen and twenty-six weeks ended June 29, 2025 have been adjusted to reflect the temporary closures of one and eight restaurants, respectively, which were excluded from the calculation of Same-Store Sales Change. Our results for the thirteen and twenty-six weeks ended June 30, 2024 have been adjusted to reflect the temporary closures of one and four restaurants, respectively, 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.

(3) Purchases made in-store where a customer uses scan-to-redeem or scan-to-earn, as part of the new SG Rewards loyalty program introduced during the thirteen and twenty-six weeks ended June 29, 2025, are included as part of our Owned Digital Channels sales.

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 both the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 2024, one restaurant was excluded from the Comparable Restaurant Base. Such adjustments did not result in a material change to AUV.

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 and twenty-six weeks ended June 29, 2025, one and eight restaurants, respectively, were excluded from the calculation of Same-Store Sales Change. During the thirteen and twenty-six weeks ended June 30, 2024, one and four restaurants, respectively, 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 any 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. With the introduction of our new loyalty program in the second quarter of 2025, we have experienced and anticipate continuing to see an increase in Owned Digital sales, which is realized in our Owned Digital Revenue Percentage and our Total Digital Revenue Percentage.

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.

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:

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Loss from operations	$ (26,423)	$ (16,184)	$ (54,960)	$ (43,099)
Add back:				
General and administrative	34,505	39,202	72,842	76,067
Depreciation and amortization	17,996	16,737	35,102	33,164
Pre-opening costs	2,534	1,104	4,230	2,536
Impairment and closure costs	5,336	117	5,430	274
Loss on disposal of property and equipment[1]	31	49	117	115
Restructuring charges[2]	1,146	494	2,051	999
Restaurant-Level Profit	$ 35,125	$ 41,519	$ 64,812	$ 70,056
Loss from operations margin	(14.2)%	(8.8)%	(15.6)%	(12.6)%
Restaurant-Level Profit Margin	18.9 %	22.5 %	18.4 %	20.5 %

(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, severance and related benefits associated with a reduction in force at our Sweetgreen Support Center, and costs related to our vacated former New York office.

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, ERP implementation and related costs, legal settlements, 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:

	Thirteen weeks ended		Twenty-six weeks ended	
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Net loss	$ (23,158)	$ (14,460)	$ (48,197)	$ (40,527)
Non-GAAP adjustments:				
Income tax expense	90	90	180	180
Interest income	(1,725)	(2,920)	(3,628)	(5,936)
Interest expense	5	197	5	216
Depreciation and amortization	17,996	16,737	35,102	33,164
Stock-based compensation[1]	8,000	10,903	18,221	20,529
Loss on disposal of property and equipment[2]	31	49	117	115
Impairment and closure costs[3]	5,336	117	5,430	274
Other expense/(income)[4]	(1,635)	909	(3,320)	2,968
Restructuring charges[5]	1,146	494	2,051	999
ERP implementation and related costs[6]	254	227	495	453
Legal settlements[7]	75	14	243	35
Adjusted EBITDA	$ 6,415	$ 12,357	$ 6,699	$ 12,470
Net loss margin	(12.5)%	(7.8)%	(13.7)%	(11.8)%
Adjusted EBITDA Margin	3.5 %	6.7 %	1.9 %	3.6 %

(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 and operating lease assets and store closures.
(4) Other expense (income) 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, severance and related benefits associated with a reduction in force at our Sweetgreen Support Center, and costs related to our vacated former New York office.
(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. We record a liability and a corresponding reduction in revenue in periods when loyalty program rewards are earned by members. We recognize revenue and a corresponding reduction to the liability in periods when loyalty program rewards are redeemed by members, or the points expire after 180 days. We defer revenue based on the relative estimated standalone selling price of the loyalty points, which is estimated as the value of the

loyalty reward, net of loyalty related purchases not expected to be redeemed. We estimate loyalty purchases not expected to be redeemed based on industry data.

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 twenty-six weeks ended June 29, 2025, we experienced additional restructuring costs including severance and related benefits associated with a reduction in force at our Sweetgreen Support Center and costs associated with vacating our former New York office space. 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 and twenty-six weeks ended June 29, 2025 and June 30, 2024

The following table summarizes our results of operations for the thirteen weeks ended June 29, 2025 and June 30, 2024:

	Thirteen weeks ended			
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	Dollar Change	Percentage Change
Revenue	$ 185,583	$ 184,641	$ 942	0.5%
Restaurant operating costs (exclusive of depreciation and amortization presented separately below):				
Food, beverage, and packaging	51,444	49,883	1,561	3.1%
Labor and related expenses	51,044	49,668	1,376	2.8%
Occupancy and related expenses	16,438	15,021	1,417	9.4%
Other restaurant operating costs	31,532	28,550	2,982	10.4%
Total cost of restaurant operations	150,458	143,122	7,336	5.1%
Operating expenses:				
General and administrative	34,505	39,202	(4,697)	(12.0%)
Depreciation and amortization	17,996	16,737	1,259	7.5%
Pre-opening costs	2,534	1,104	1,430	129.5%
Impairment and closure costs	5,336	117	5,219	4460.7%
Loss on disposal of property and equipment	31	49	(18)	(36.7%)
Restructuring charges	1,146	494	652	132.0%
Total operating expenses	61,548	57,703	3,845	6.7%
Loss from operations	(26,423)	(16,184)	(10,239)	63.3%
Interest income	(1,725)	(2,920)	1,195	(40.9%)
Interest expense	5	197	(192)	(97.5%)
Other expense (income)	(1,635)	909	(2,544)	(279.9%)
Net loss before income taxes	(23,068)	(14,370)	(8,698)	60.5%
Income tax expense	90	90	—	—%
Net loss	$ (23,158)	$ (14,460)	$ (8,698)	60.2%

The following table summarizes our results of operations for the twenty-six weeks ended June 29, 2025 and June 30, 2024:

(dollar amounts in thousands)	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Dollar Change	Percentage Change
Revenue	$ 351,887	$ 342,491	$ 9,396	2.7%
Restaurant operating costs (exclusive of depreciation and amortization presented separately below):				
Food, beverage, and packaging	95,436	93,601	1,835	2.0%
Labor and related expenses	99,115	95,434	3,681	3.9%
Occupancy and related expenses	32,112	29,469	2,643	9.0%
Other restaurant operating costs	60,412	53,931	6,481	12.0%
Total cost of restaurant operations	287,075	272,435	14,640	5.4%
Operating expenses:				
General and administrative	72,842	76,067	(3,225)	(4.2%)
Depreciation and amortization	35,102	33,164	1,938	5.8%
Pre-opening costs	4,230	2,536	1,694	66.8%
Impairment and closure costs	5,430	274	5,156	1881.8%
Loss on disposal of property and equipment	117	115	2	1.7%
Restructuring charges	2,051	999	1,052	105.3%
Total operating expenses	119,772	113,155	6,617	5.8%
Loss from operations	(54,960)	(43,099)	(11,861)	27.5%
Interest income	(3,628)	(5,936)	2,308	(38.9%)
Interest expense	5	216	(211)	(97.7%)
Other expense (income)	(3,320)	2,968	(6,288)	(211.9%)
Net loss before income taxes	(48,017)	(40,347)	(7,670)	19.0%
Income tax expense	180	180	—	—%
Net loss	$ (48,197)	$ (40,527)	$ (7,670)	19.0%

Revenue

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Revenue	185,583	184,641	0.5%	351,887	342,491	2.7%
Average Unit Volume	$2,831	$2,925	(3.2%)	$2,831	$2,925	(3.2%)
Same-Store Sales Change	(7.6)%	9.3%	(16.9%)	(5.5%)	7.3 %	(12.8%)

The increase in revenue for the thirteen weeks ended June 29, 2025 was primarily due to an increase of $14.5 million of incremental revenue associated with 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024. The increase in revenue was partially offset by a decrease in Comparable Restaurant Base revenue of $13.9 million, resulting in a negative Same-Store Sales Change of 7.6%, reflecting a 10.1% decrease in traffic and product mix, partially offset by a 2.5% benefit from menu price increases that were implemented subsequent to the thirteen weeks ended June 30, 2024.

The increase in revenue for the twenty-six weeks ended June 29, 2025 was primarily due to an increase of $28.2 million of incremental revenue associated with 39 Net New Restaurant Openings during or subsequent to the twenty-six weeks ended June 30, 2024. The increase in revenue was partially offset by a decrease in Comparable Restaurant Base revenue of $18.8 million, resulting in a negative Same-Store Sales Change of 5.5%, reflecting a 8.5% decrease in traffic and product mix, partially offset by a 3.0% benefit from menu price increases that were implemented subsequent to June 30, 2024.

Restaurant Operating Costs

Food, Beverage, and Packaging

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Food, beverage, and packaging	51,444	49,883	3.1%	95,436	93,601	2.0%
As a percentage of total revenue	27.7 %	27.0 %	0.7%	27.1 %	27.3 %	(0.2%)

The increase in food, beverage, and packaging costs for the thirteen weeks ended June 29, 2025 was primarily due to the 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024.

The increase in food, beverage, and packaging costs for the twenty-six weeks ended June 29, 2025 was primarily due to the 39 Net New Restaurant Openings during or subsequent to the twenty-six weeks ended June 30, 2024.

As a percentage of revenue, food, beverage, and packaging costs for the thirteen weeks ended June 29, 2025 increased compared to the thirteen weeks ended June 30, 2024, primarily due to higher cost product mix as well as an increase in packaging cost associated with the imposition of tariffs and duties, partially offset by menu price increases.

As a percentage of revenue, food, beverage, and packaging costs for the twenty-six weeks ended June 29, 2025 slightly decreased compared to the twenty-six weeks ended June 30, 2024, primarily due to improvements in ingredient management, partially offset by higher cost product mix as well as an increase in packaging cost associated with the imposition of tariffs and duties.

Labor and Related Expenses

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Labor and related expenses	51,044	49,668	2.8%	99,115	95,434	3.9%
As a percentage of total revenue	27.5 %	26.9 %	0.6%	28.2 %	27.9 %	0.3%

The increase in labor and related expenses for the thirteen weeks ended June 29, 2025 was primarily due to the 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 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.

The increase in labor and related expenses for the twenty-six weeks ended June 29, 2025 was primarily due to the 39 Net New Restaurant Openings during or subsequent to the twenty-six weeks ended June 30, 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 increased for the thirteen and twenty-six weeks ended June 29, 2025 compared to the thirteen and twenty-six weeks ended June 30, 2024, respectively, primarily due to deleverage associated with the change in sales volume as well as wage rate increases, partially offset by improvements in labor optimization, as discussed above.

Occupancy and Related Expenses

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Occupancy and related expenses	16,438	15,021	9.4%	32,112	29,469	9.0%
As a percentage of total revenue	8.9 %	8.1 %	0.7%	9.1 %	8.6 %	0.5%

The increase in occupancy and related expenses for the thirteen weeks ended June 29, 2025 was primarily due to the 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024.

The increase in occupancy and related expenses for the twenty-six weeks ended June 29, 2025 was primarily due to the 39 Net New Restaurant Openings during or subsequent to the twenty-six weeks ended June 30, 2024.

As a percentage of revenue, occupancy and related expenses for the thirteen and twenty-six weeks ended June 29, 2025 was higher than the thirteen and twenty-six weeks ended June 30, 2024, respectively, primarily related to deleverage associated with the change in sales volume.

Other Restaurant Operating Costs

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Other restaurant operating costs	31,532	28,550	10.4%	60,412	53,931	12.0%
As a percentage of total revenue	17.0 %	15.5 %	1.5%	17.2 %	15.7 %	1.4%

The increase in other restaurant operating costs for the thirteen weeks ended June 29, 2025 was primarily due to the 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024. This includes increases in restaurant-level advertising spend, delivery fees, primarily related to the increase in revenue through our Marketplace and Catering Channels, and increases in repairs and maintenance for existing stores.

The increase in other restaurant operating costs for the twenty-six weeks ended June 29, 2025 was primarily due to the 39 Net New Restaurant Openings during or subsequent to the twenty-six weeks ended June 30, 2024. This includes increases in restaurant-level advertising spend and delivery fees, primarily related to the increase in revenue through our Marketplace and Catering Channels.

As a percentage of revenue, other restaurant operating costs for the thirteen and twenty-six weeks ended June 29, 2025 increased compared to the thirteen and twenty-six weeks ended June 30, 2024, respectively, primarily due to the increases noted above as well as with the change in sales volume.

Operating Expenses

General and Administrative

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
General and administrative	34,505	39,202	(12.0%)	72,842	76,067	(4.2%)
As a percentage of total revenue	18.6 %	21.2 %	(2.6%)	20.7 %	22.2 %	(1.5%)

The decrease in general and administrative expenses for the thirteen weeks ended June 29, 2025 was primarily due to a $2.9 million decrease in stock-based compensation expense, primarily related to the decrease in expenses associated with restricted stock units and performance-based restricted stock units issued prior to our IPO, and a $1.8 million decrease in management salary and bonus expense. These decreases were partially offset by an increase in other expenses across the Sweetgreen Support Center to support our restaurant growth.

The decrease in general and administrative expenses for the twenty-six weeks ended June 29, 2025 was primarily due to a $2.3 million decrease in stock-based compensation expense, primarily related to the decrease in expenses associated with restricted stock units and performance-based restricted stock units issued prior to our IPO, and a $2.2 million decrease in management salary and bonus expense. These decreases were partially offset by an increase in operational consulting spend and other expenses across the Sweetgreen Support Center to support our restaurant growth.

As a percentage of revenue, the decrease in general and administrative expenses for both the thirteen and twenty-six weeks ended June 29, 2025 was primarily due to the net effect of the fluctuations noted above.

Depreciation and Amortization

	Thirteen weeks ended			Twenty-six weeks ended		
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	Percentage Change	June 29, 2025	June 30, 2024	Percentage Change
Depreciation and amortization	17,996	16,737	7.5 %	35,102	33,164	5.8 %
As a percentage of total revenue	9.7 %	9.1 %	0.6%	10.0 %	9.7 %	0.3%

The increase in depreciation and amortization for the thirteen weeks ended June 29, 2025 was primarily due to the 33 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024.

The increase in depreciation and amortization for the twenty-six weeks ended June 29, 2025 was primarily due to the 39 Net New Restaurant Openings during or subsequent to the thirteen weeks ended June 30, 2024.

As a percentage of revenue, depreciation and amortization for both the thirteen and twenty-six weeks ended June 29, 2025 increased from the thirteen and twenty-six weeks ended June 30, 2024, respectively, primarily related to the increase in the total depreciable base, driven by our acceleration of new restaurant growth in fiscal year 2025.

Pre-Opening Costs

	Thirteen weeks ended			Twenty-six weeks ended		
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	Percentage Change	June 29, 2025	June 30, 2024	Percentage Change
Pre-opening costs	2,534	1,104	129.5%	4,230	2,536	66.8%
As a percentage of total revenue	1.4 %	0.6 %	0.8%	1.2 %	0.7 %	0.5%

The increase in pre-opening costs for both the thirteen and twenty-six weeks ended June 29, 2025 was primarily due to our acceleration of new restaurant growth in fiscal year 2025.

As a percentage of revenue, pre-opening costs in both the thirteen and twenty-six weeks ended June 29, 2025 increased compared to the thirteen and twenty-six weeks ended June 30, 2024, respectively, due to the acceleration of growth noted above as well as with the change in sales volume.

Impairment and Closure Costs

	Thirteen weeks ended			Twenty-six weeks ended		
(dollar amounts in thousands)	June 29, 2025	June 30, 2024	Percentage Change	June 29, 2025	June 30, 2024	Percentage Change
Impairment and closure costs	5,336	117	4460.7%	5,430	274	1881.8%
As a percentage of total revenue	2.9 %	0.1 %	2.8 %	1.5 %	0.1 %	1.4 %

During both the thirteen and twenty-six weeks ended June 29, 2025, we recognized non-cash impairment charges of $5.3 million related to the impairment of property and equipment and related operating lease assets of five of our restaurants.

Restructuring Charges

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Restructuring charges	1,146	494	132.0%	2,051	999	105.3%
As a percentage of total revenue	0.6 %	0.3 %	0.3%	0.6 %	0.3 %	0.3%

The restructuring charges for both the thirteen and twenty-six weeks ended June 29, 2025 and June 30, 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. In addition, during the thirteen and twenty-six weeks ended June 29, 2025 we experienced additional restructuring costs including severance and related benefits associated with a reduction in force at our Sweetgreen Support Center and costs associated with vacating our former New York office space. We continue to evaluate our organizational structure and have and may continue to implement additional changes to lower our administrative headcount.

As a percentage of revenue, restructuring charges increased in the thirteen and twenty-six weeks ended June 29, 2025 compared to the thirteen and twenty-six weeks ended June 30, 2024 due to the increases noted above.

Loss on Disposal of Property and Equipment

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Loss on disposal of property and equipment	31	49	(36.7%)	117	115	1.7%
As a percentage of total revenue	— %	— %	— %	— %	— %	— %

The change in loss on disposal of property and equipment was due to timing of furniture, equipment and fixture replacements at multiple restaurants for the thirteen and twenty-six weeks ended June 29, 2025 compared to the prior year period.

Interest Income and Interest Expense

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Interest income	(1,725)	(2,920)	(40.9%)	(3,628)	(5,936)	(38.9%)
Interest expense	5	197	(97.5%)	5	216	(97.7%)
Total interest income, net	$ (1,720)	$ (2,723)	(36.8%)	$ (3,623)	$ (5,720)	(36.7%)
As a percentage of total revenue	(0.9)%	(1.5)%	0.5%	(1.0)%	(1.7)%	0.6%

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 and twenty-six weeks ended June 29, 2025 compared to the prior year periods.

Other Expense (Income)

(dollar amounts in thousands)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Percentage Change	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024	Percentage Change
Other expense (Income)	(1,635)	909	(279.9%)	(3,320)	2,968	(211.9%)
As a percentage of total revenue	(0.9)%	0.5 %	(1.4) %	(0.9)%	0.9 %	(1.8%)

The increase in other income for the thirteen and twenty-six weeks ended June 29, 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 and twenty-six weeks ended June 29, 2025 compared to the thirteen and twenty-six weeks ended June 30, 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 June 29, 2025 and December 29, 2024, we had $168.5 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 and cash flow from operations 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. Additionally, during the twenty-six weeks ended June 29, 2025, we made a cash payment of approximately $2.3 million related to the second Spyce milestone payment. See Note 3 for further details. 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

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 twenty-six weeks ended June 29, 2025, we incurred approximately $40.3 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)	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024
Net cash (used in) provided by operating activities	$ (2,665)	$ 22,542
Net cash used in investing activities	(44,533)	(36,275)
Net cash provided by financing activities	2,420	1,536
Net decrease in cash and cash equivalents and restricted cash	$ (44,778)	$ (12,197)

Operating Activities

For the twenty-six weeks ended June 29, 2025, cash used in operating activities increased by $25.2 million compared to the twenty-six weeks ended June 30, 2024. The increase was primarily due to the $15.7 million impact of unfavorable working capital fluctuations, which primarily related to the timing of rent expense, payroll, and other payments in the ordinary course of business. The remaining change was related to a $7.2 million decrease in income after excluding non-cash items and a $2.3 million Spyce milestone payment.

Investing Activities

For the twenty-six weeks ended June 29, 2025, cash used in investing activities was $44.5 million, an increase of $8.3 million compared to the twenty-six weeks ended June 30, 2024. Investing activities for the twenty-six weeks ended June 29, 2025 consisted primarily of purchases of property and equipment of $40.3 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 twenty-six weeks ended June 29, 2025 of $4.3 million related to purchases of intangible assets.

Financing Activities

For the twenty-six weeks ended June 29, 2025, cash provided by financing activities increased $0.9 million compared to the twenty-six weeks ended June 30, 2024, primarily due to a payment associated with the contingent consideration liability in the prior year period, partially offset by a decrease in proceeds 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 June 29, 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. Other than the risk factors listed below, there have been no material changes from the risk factors described in our Annual Report.

Changes in food and supply costs or failure to receive frequent deliveries of food ingredients and other supplies could have an adverse effect on our business, financial condition, and results of operations.

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs, and our ability to maintain our menu depends in part on our ability to acquire ingredients that meet our specifications from our suppliers. Shortages or interruptions in the availability of certain supplies caused by unanticipated demand, our inability to accurately forecast our supply needs, problems in production or distribution, food contamination, inclement weather, or other conditions could adversely affect the availability and cost of food and supplies or the quality of our ingredients (including requiring distributors to provide substitute products, which may not be of equal quality), which could harm our operations and expose us to risk. We have a localized set of suppliers, and in some cases rely on a single regional distributor for our produce items and another single regional distributor for grocery products in each geographical market where we operate, which may make our supply chain inherently more difficult to manage than if we partnered with national distributors, which is the approach of many of our competitors. In addition, we partner with farmers and suppliers of various sophistication, and certain of those farmers and suppliers may have low inventory levels and limited ability to mitigate any supply disruptions that they experience, which may place our business at risk. This may further limit our ability to grow and scale and, in some situations, to serve our customers on a daily basis. Additionally, our farmers may not maintain food safety certifications, which may increase our risk in the event of a food safety incident. We have developed a process to monitor food safety certifications and standards of our farmers and we do not generally source products from farmers that do not have a comprehensive food safety plan. We periodically audit our farmers' compliance with our food safety and other standards, and in the event of material noncompliance with our standards (which occurred with one of our leafy greens suppliers in fiscal year 2024 and with one of our pickle suppliers in fiscal year 2023), our policy is to pause our relationship with such farmer until they become compliant.

Any increase in the prices, or lack of availability, of the food products and other supplies most critical to our business, whether due to natural forces like weather or climate change, other companies offering more competitive terms to our suppliers, inflation, animal diseases, increased labor costs for our suppliers, or other reasons could have an adverse effect on our business, financial condition, and results of operations. For example, in fiscal year 2024, avian influenza outbreaks disrupted our supply of chicken and eggs in certain of our geographic regions, resulting in shortages and higher prices. United States' immigration laws are currently a topic of considerable political focus, and U.S. Immigration and Customs Enforcement (ICE) recently intensified certain of its immigration enforcement efforts. Changes in immigration or work authorization laws or additional enforcement activities of existing immigration or work authorization laws by federal or state authorities could increase those suppliers' labor costs, increase the prices, and limit the availability of the food products that we purchase from those suppliers. Additionally, the markets for some of the ingredients we use, such as avocados, are particularly volatile due to factors such as limited supply sources, crop yield, seasonal shifts, climate conditions, industry demand, food safety concerns, product recalls, government regulations, and international trade barriers. Further, the implementation of tariffs has impacted, and is expected to continue to impact, the cost of certain of our supplies. Material increases in

the prices or decreased availability of the ingredients and supplies most critical to our business could adversely affect our business, financial condition, and results of operations or cause us to consider changes to our product delivery strategy or adjustments to our menu pricing.

Our ability to maintain consistent price and quality throughout our restaurants depends in part upon our ability to acquire specified food products and supplies in sufficient quantities from our suppliers and distributors at a reasonable cost. Because of the way our supply chain is structured, finding a substitute product that meets our culinary requirements in any one geographical market where we operate, particularly with respect to our fresh food products, may be difficult. We do not control the businesses of our suppliers or distributors, and our efforts to specify and monitor the standards under which they perform may not be successful.

In the past, we experienced supply chain disruptions for our bowls and plates, which resulted in the use of alternative packaging solutions. Additionally, most of our bowls and plates are produced outside the United States, and beginning in 2025 we have been, and may continue to be, subject to new and increased tariffs and duties in connection with the importation of those items into the United States. Any additional tariffs or duties may significantly increase the price that we must pay for such items. We are also in the process of transitioning a portion of the production of our bowls and plates to a new supplier, which has increased certain of our costs and caused certain supply disruptions. If we experience further supply disruptions or further cost increases with respect to our bowls and plates, and if we are unable to mitigate those supply disruptions or further cost increases by identifying and securing alternative packaging solutions acceptable to our customers in a timely manner and on commercially reasonable terms, this may result in customer dissatisfaction and store closures and could adversely affect our business, financial condition, and results of operations (including, in particular our Restaurant Level Profit Margin).

If any of our distributors or suppliers performs inadequately or is unable to grow and scale with our business, or if our distribution or supply relationships are disrupted for any reason, there could be an adverse effect on our business, financial condition, and results of operations. Currently, we typically have shorter-term contracts for the purchase or distribution of most of our food products and supplies. As a result, we may see certain of our food or supply costs increase with limited or no notice, and we may not be able to anticipate or react to such increases by adjusting our purchasing practices or menu prices, which could cause our results of operations to deteriorate. When we have fixed-price agreements in place for particular ingredients or supply chain services, the durations of those agreements typically range from three months to multiple years, depending on our strategy and the pricing outlook with respect to that particular ingredient or service. In some cases, we have minimum purchase obligations.

We have tried to increase, where practical, the number of suppliers for our ingredients, which we believe can help mitigate pricing volatility, and we follow industry news, trade issues, exchange rates, foreign demand, weather, crises, and other world events that may affect our ingredient prices. In the event of a dispute with a distributor or supplier, we may not have adequate contractual recourse, and any insurance maintained by our distributors and/or suppliers, or by us, may not be sufficient to cover the cost of a potential claim. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants such as packaging or paper products, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if customers change their dining habits as a result. In addition, we may choose not to, or may be unable to, pass along commodity price increases to customers. These potential changes in food and supply costs could have an adverse effect on our business, financial condition, and results of operations.

Furthermore, certain food items are perishable, and we have limited control over whether these items will be delivered to us in appropriate condition for use in our restaurants. If any of our vendors or other suppliers are unable to fulfill their obligations to our standards, including if we do not accurately forecast our needs (which has been historically challenging when there have been events outside of our control, such as the COVID-19 pandemic), or if we are unable to find replacement providers in the event of a supply or service disruption, we could encounter supply shortages and incur higher costs to secure adequate supplies or, alternatively, receive lower-quality substituted products, which would have an adverse effect on our business, financial condition, and results of operations. Additionally, unanticipated store closures may result in our donation of an excess supply of perishable products, which may also have an adverse effect on our financial condition.

As we expand into new markets, because of our commitment to our Food Ethos, we may be unable to find vendors to meet our supply specifications or service needs as we expand. We could likewise encounter supply shortages

and incur higher costs to secure adequate supplies, which would have an adverse effect on our business, financial condition, and results of operations. For example, during the fourth fiscal quarter of 2024, as a result of extreme weather conditions, we experienced supply chain disruptions for tomatoes and cucumbers, which resulted in higher prices for those products or resulted in temporarily discontinuing those products in certain geographic markets. In the event of such shortages in the future, there can be no assurance that we will be able to identify or negotiate additional or alternative sources on terms that are commercially reasonable to us, if at all. If our suppliers or distributors are unable to fulfill their obligations under their contracts or we are unable to identify alternative sources, we could encounter supply shortages and incur higher costs, each of which could have an adverse impact on our results of operations. Similarly, if we are unable to accurately forecast demand, we may end up with overages of custom and/or perishable products, which may result in food waste and in us paying suppliers or farmers for products that we do not end up using.

Our international supply chain subjects us to tariffs and duties, which have had and may continue to have an adverse effect on our business, financial condition, and results of operations.

Our international supply chain subjects us to tariffs and duties, which have caused and may continue to cause an increase in certain of our costs. While our core ingredients are predominantly sourced from domestic suppliers, we also source certain items for our restaurants from outside the United States. Notably, most of our bowls and plates are produced outside of the United States, including in China. The items procured from outside the United States expose our business to tariffs and duties implemented by the U.S. government, including new tariffs initiated by recent changes to U.S. trade policy. For our second fiscal quarter of 2025, we realized a tariff and duty impact from our food, beverage, and packaging supply chain of approximately 40 basis points, and we expect a similar impact in future fiscal periods. We also expect the recent tariffs implemented by the U.S. government to increase our new restaurant build-out costs and the cost of the Infinite Kitchen units that we purchase. If we fail to mitigate the financial impact of the tariffs and duties imposed by the U.S. government, such tariffs and duties could have an adverse effect on our business, financial condition, and results of operations.

There is currently significant uncertainty with respect to future trade regulations, including the possible imposition by the U.S. government of additional tariffs and penalties on products from non-U.S. countries. The U.S. government may impose additional tariffs or other trade restrictions in response to a diverse array of factors, including global and national economic and political conditions, which make it impossible for us to predict future developments regarding tariffs or other trade restrictions. Further, these tariffs could cause a general increase in the price of items we purchase within the United States. If there is a further escalation of existing tariffs or new tariffs are imposed, costs on a significant portion of our ingredients and equipment, as well as the costs of opening new restaurants and renovating existing restaurants, may increase further and our financial results may be negatively affected.

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

On June 10, 2025, we issued an aggregate of 242,722 shares of our Class A common stock to former equity holders of Spyce in satisfaction of the second milestone payment due in connection with our acquisition of Spyce.

The foregoing transaction did not involve any underwriters, underwriting discounts or commissions, or any public offering. We believe the issuance of the above securities was exempt from registration under the Securities Act by virtue of Section 4(a)(2) of the Securities Act or Regulation D or promulgated thereunder.

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 June 29, 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:

Exhibit Number	Exhibit Description	Form	File No.	Exhibit	Filing Date	Filed Herewith
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	10-Q	001-41069	10.1	05/08/2025	
10.2	Executive Employment Agreement, effective May 5, 2025, by and between the Registrant and Jason Cochran	10-Q	001-41069	10.2	05/08/2025	
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: August 7, 2025

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

Exhibit 31.1

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: August 7, 2025

/s/ Jonathan Neman

Jonathan Neman

President and Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

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: August 7, 2025

/s/ Mitch Reback

Mitch Reback

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

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 June 29, 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: August 7, 2025

In Witness Whereof, the undersigned have set their hands hereto as of the 7th day of August, 2025.

/s/ Jonathan Neman	/s/ Mitch Reback
Jonathan Neman	Mitch Reback
Chief Executive Officer	Chief Financial Officer
(Principal Executive 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.