

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 10, 2022

Date of Report (date of earliest event reported)

First Watch Restaurant Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-40866
(Commission File Number)

82-4271369
(I.R.S. Employer Identification Number)

8725 Pendery Place, Suite 201,
Bradenton, FL 34201
(Address of principal executive offices and zip code)

(941) 907-9800
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, \$0.01 par value	FWRG	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

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.

Item 2.02 - Results of Operations and Financial Condition.

On May 10, 2022, First Watch Restaurant Group, Inc. (the “Company”) issued a press release announcing its financial results for the first fiscal quarter ended March 27, 2022. A copy of the release is attached as Exhibit 99.1.

The information furnished pursuant to Item 2.02 and Exhibit 99.1 of this Current Report on Form 8-K shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. The information in this Current Report shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date of this Current Report, regardless of any general incorporation language in the filing.

Item 9.01 - Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of First Watch Restaurant Group, Inc. dated May 10, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on this 10th day of May, 2022.

First Watch Restaurant Group, Inc.
(Registrant)

By: /s/ Mel Hope

Name: Mel Hope

Title: Chief Financial Officer and Treasurer



First Watch Restaurant Group, Inc. Reports Strong Q1 2022 Financial Results

**Same-restaurant sales growth of 27.2% driven by same-restaurant traffic growth of 21.9%
Income from operations margin of 4.5% and restaurant level operating profit margin of 19.6%
7 system-wide restaurants opened across 5 states**

BRADENTON, FL — May 10, 2022 — First Watch Restaurant Group, Inc. (NASDAQ: FWRG) (“First Watch” or the “Company”), the leading Daytime Dining concept serving breakfast, brunch and lunch, today reported financial results for the thirteen weeks ended March 27, 2022 (“Q1 2022”) and reiterated its fiscal year 2022 guidance.

“I’m pleased that First Watch’s track record of exceptional operating performance has continued into 2022. We increased total revenues by 36.1% over the first quarter of the prior year, driven by same-restaurant sales growth of 27.2% and same-restaurant traffic growth of 21.9%. Moreover, same restaurant sales and traffic growth on a three-year stack basis was 30.6% and 9.9%, respectively, which puts us in rare air,” said Chris Tomasso, Chief Executive Officer and President of First Watch. “I’m especially proud that we delivered a strong restaurant level operating profit margin that exceeded our expectations despite the challenging operating environment. Thank you to all the dedicated individuals throughout our organization who continue to adapt to every challenge while raising the bar as leaders in the Daytime Dining segment and the industry as a whole.”

Highlights for Q1 2022 compared to Q1 2021*:

- Total revenues increased 36.1% to \$173.1 million in Q1 2022 from \$127.2 million in Q1 2021
- System-wide sales increased 35.6% to \$214.1 million in Q1 2022 from \$158.0 million in Q1 2021
- Same-restaurant sales growth of 27.2% (26.1% relative to Q1 2019**)
- Same-restaurant traffic growth of 21.9% (3.4% relative to Q1 2019**)
- Income from operations margin of 4.5% in Q1 2022 compared to 3.1% in Q1 2021
- Restaurant level operating profit margin*** increased to 19.6% in Q1 2022 from 17.5% in Q1 2021
- Net income of \$4.6 million, or \$0.08 per diluted share, in Q1 2022 compared to Net loss of \$(2.0) million, or \$(0.05) per diluted share in Q1 2021
- Adjusted EBITDA*** increased to \$19.4 million in Q1 2022 from \$13.0 million in Q1 2021
- Opened 7 system-wide restaurants (6 company-owned and 1 franchise-owned) resulting in a total of 441 system-wide restaurants (346 company-owned and 95 franchise-owned) across 28 states

* Thirteen weeks ended March 28, 2021 (“Q1 2021”)

** Comparison to the thirteen weeks ended March 31, 2019 (“Q1 2019”) is presented for enhanced comparability due to the economic impact of COVID-19

*** See “Non-GAAP Financial Measures” below

Outlook Fiscal Year 2022

The Company reiterated its fiscal year 2022 guidance and provided an outlook for its 2022 blended tax rate:

- Same-restaurant sales growth in the high-single digits with continued positive traffic
- Total revenue growth in excess of 15.0% relative to 2021
- Adjusted EBITDA* in the range of \$67.0 million to \$71.0 million
- Blended tax rate of 33.0% to 34.0%
- 30 to 35 new company-owned restaurants and 8 to 13 new franchise-owned restaurants
- Capital expenditures in the range of \$60.0 million to \$70.0 million invested primarily in new restaurant projects, planned remodels and new in-restaurant technology

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

Q1 2022 Financial Results

Total revenues increased 36.1% to \$173.1 million in Q1 2022 from \$127.2 million in Q1 2021 primarily due to (i) \$44.3 million of higher restaurant sales from the Comparable Restaurant Base, driven by same-restaurant traffic growth of 21.9%, menu price increases and sustained off-premises sales, (ii) 20 company-owned restaurants that have opened since March 28, 2021 and (iii) certain dining room restrictions imposed pursuant to state and local government mandates during the thirteen weeks ended March 28, 2021 in response to COVID-19.

Income from operations increased 101.8% to \$7.8 million in Q1 2022 from \$3.8 million in Q1 2021 primarily due to (i) an increase in total revenues, partially offset by (ii) the increase in operating costs and expenses driven by our restaurant growth, higher prices for certain commodities and supplies, as well as increases in wages and staffing, in addition to (iii) the increase in general and administrative expenses mainly due to \$2.2 million of stock based compensation expense from certain stock option awards that converted into time-based stock option awards upon the Company's initial public offering ("IPO") in October 2021, as well as wage increases and additional employee headcount.

Income from operations margin increased to 4.5% in Q1 2022 from 3.1% in Q1 2021 primarily due to (i) leveraging restaurant sales, (ii) menu price increases and (iii) rebates from our group health plan, partially offset by (iv) higher prices for pork and avocados, (v) the increase in restaurant-level wages and staffing and (vi) the increase in general and administrative expenses mainly due to additional stock-based compensation expense and insurance expense.

Restaurant level operating profit increased 52.5% to \$33.4 million in Q1 2022 from \$21.9 million in Q1 2021 primarily due to (i) same-restaurant sales growth of 27.2%, driven by same-restaurant traffic growth of 21.9%, menu price increases and sustained off-premises sales, (ii) 20 new company-owned restaurants that have opened since March 28, 2021 and (iii) rebates from our group health plan, partially offset by (iv) higher prices for certain commodities and supplies and (v) the increase in wages.

Restaurant level operating profit margin increased to 19.6% in Q1 2022 from 17.5% in Q1 2021 primarily due to (i) leveraging restaurant sales, (ii) menu price increases and (iii) rebates from our group health plan, partially offset by (iv) higher prices for pork and avocados and (v) the increase in wages and staffing.

Net income was \$4.6 million in Q1 2022 as compared to Net loss of \$(2.0) million in Q1 2021 primarily due to (i) the increase in income from operations and (ii) the reduction in interest expense due to lower outstanding borrowings and lower interest rates from our new term facilities pursuant to our new credit agreement executed in October 2021, partially offset by (iii) income tax expense, which was mainly driven by forecasted 2022 pre-tax book income, the change in the valuation allowance for federal and state deferred tax assets, in addition to limitations on deductions of certain compensation.

Net income margin was 2.7% in Q1 2022 as compared to Net loss margin of (1.6)% in Q1 2021 primarily due to (i) the increase in income from operations and (ii) the reduction in interest expense due to lower outstanding borrowings and lower interest rates, partially offset by (iii) income tax expense.

Adjusted EBITDA increased 49.2% to \$19.4 million in Q1 2022 from \$13.0 million in Q1 2021 primarily due to (i) the increase in restaurant level operating profit, partially offset by (ii) the increase in general and administrative expenses mainly due to wage increases and additional employee headcount.

Adjusted EBITDA margin increased to 11.2% in Q1 2022 from 10.2% in Q1 2021 primarily due to (i) the increase in restaurant level profit, partially offset by (ii) the increase in general and administrative expenses mainly due to additional insurance expense.

New Restaurant Openings included 6 company-owned and 1 franchise-owned restaurants resulting in a total count of 441 system-wide restaurants (346 company-owned and 95 franchise-owned) across 28 states.

For additional financial information related to the thirteen weeks ended March 27, 2022, refer to the Company's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on May 10, 2022, which can be accessed at <https://investors.firstwatch.com> in the Financials & Filings section.

Conference Call and Webcast

Chris Tomasso, Chief Executive Officer and President, and Mel Hope, Chief Financial Officer, will host a conference call and webcast to discuss these financial results for Q1 2022 on May 10, 2022 at 8:00 AM ET.

Interested parties may listen to the conference call via telephone by dialing 412-317-5208. The webcast will be available at <https://investors.firstwatch.com> in the News & Events section and will be archived on the site shortly after the call has concluded.

Definitions

The following definitions apply to these terms as used in this release:

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

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

Same-restaurant sales growth: the percentage change in year-over-year restaurant sales (excluding gift card breakage) for the comparable restaurant base, which is defined as the number of company-owned First Watch branded restaurants open for 18 months or longer as of the beginning of the fiscal year ("Comparable Restaurant Base"). For the thirteen weeks ended March 27, 2022 and March 28, 2021, there were 305 restaurants and 270 restaurants, respectively, in our Comparable Restaurant Base.

Same-restaurant traffic growth: the percentage change in traffic counts as compared to the same period in the prior year using the Comparable Restaurant Base. For the thirteen weeks ended March 27, 2022 and March 28, 2021, there were 305 restaurants and 270 restaurants, respectively, in our Comparable Restaurant Base.

Adjusted EBITDA: a non-GAAP measure, is defined as net income (loss) before depreciation and amortization, interest expense, income taxes and items that the Company does not consider in the evaluation of its ongoing core operating performance.

Adjusted EBITDA margin: a non-GAAP measure, is defined as Adjusted EBITDA as a percentage of total revenues.

Restaurant level operating profit: a non-GAAP measure, is defined as restaurant sales, less restaurant operating expenses, which include food and beverage costs, labor and other related expenses, other restaurant operating expenses, pre-opening expenses and occupancy expenses. In addition, Restaurant level operating profit excludes corporate-level expenses and items that are not considered in the Company's evaluation of its ongoing core operating performance.

Restaurant level operating profit margin: a non-GAAP measure, is defined as Restaurant level operating profit as a percentage of restaurant sales.

About First Watch

First Watch is an award-winning Daytime Dining concept serving made-to-order breakfast, brunch and lunch using fresh ingredients. A recipient of hundreds of local "Best Breakfast" and "Best Brunch" accolades, First Watch's chef-driven menu includes elevated executions of classic favorites along with First Watch specialties such as the protein-packed Quinoa Power Bowl®, Farmstand Breakfast Tacos, Avocado Toast, Chickichanga, Morning Meditation (juiced in-house daily), Vodka Kale Tonic and its famous Million Dollar Bacon. In 2022, First Watch was awarded a sought-after MenuMasters honor by Nation's Restaurant News for its seasonal Braised Short Rib Omelet, and it was recognized with ADP's coveted Culture at Work award. In 2021, First Watch was recognized as FSR Magazine's Best Menu and as the fastest-growing full-service restaurant chain based on unit growth. There are more than 440 First Watch restaurants in 28 states, and the restaurant concept is majority owned by Advent International, one of the world's largest private-equity firms. For more information, visit www.firstwatch.com.

Forward-Looking Statements

In addition to historical information, this release may contain a number of “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, information concerning First Watch’s possible or assumed future results of operations, new restaurant openings, business strategies, competitive position, industry environment, potential growth opportunities and the effects of regulation. These statements are based on First Watch’s current expectations and beliefs, as well as a number of assumptions concerning future events. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “target,” “may,” “will,” “should,” “future,” “propose,” “preliminary,” “outlook,” “guidance,” “on track” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. Forward-looking statements in this press release are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the following: adverse effects of the COVID-19 pandemic or other infectious diseases; uncertainty regarding ongoing hostility between Russia and Ukraine and the related impact on macroeconomic conditions, including inflation, as a result of such conflict or other related events; our vulnerability to changes in economic conditions and consumer preferences; our inability to successfully open new restaurants or establish new markets; our inability to effectively manage our growth; potential negative impacts on sales at our and our franchisees’ restaurants as a result of our opening new restaurants; a decline in visitors to any of the retail centers, lifestyle centers, or entertainment centers where our restaurants are located; lower than expected same-restaurant sales growth; unsuccessful marketing programs and limited time new offerings; changes in the cost of food; unprofitability or closure of new restaurants or lower than previously experienced performance in existing restaurants; our inability to compete effectively for customers; unsuccessful financial performance of our franchisees; our limited control over our franchisees’ operations; our inability to maintain good relationships with our franchisees; conflicts of interest with our franchisees; the geographic concentration of our system-wide restaurant base in the southeast portion of the United States; damage to our reputation and negative publicity; our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media; our limited number of suppliers and distributors for several of our frequently used ingredients; information technology system failures or breaches of our network security; our failure to comply with federal and state laws and regulations relating to privacy, data protection, advertising and consumer protection, or the expansion of current or the enactment of new laws or regulations relating to privacy, data protection, advertising and consumer protection; our potential liability with our gift cards under the property laws of some states; our failure to enforce and maintain our trademarks and protect our other intellectual property; litigation with respect to intellectual property assets; our dependence on our executive officers and certain other key employees; our inability to identify qualified individuals for our workforce; our failure to obtain or to properly verify the employment eligibility of our employees; our failure to maintain our corporate culture as we grow; unionization activities among our employees; employment and labor law proceedings; labor shortages or increased labor costs or health care costs; risks associated with leasing property subject to long-term and non-cancelable leases; risks related to our sale of alcoholic beverages; costly and complex compliance with federal, state and local laws; changes in accounting principles applicable to us; our vulnerability to natural disasters, unusual weather conditions, pandemic outbreaks, political events, war and terrorism; our inability to secure additional capital to support business growth; our level of indebtedness; failure to comply with covenants under our credit facility; and the interests of our majority stockholder may differ from those of public stockholders. For additional discussion of factors that could impact our operational and financial results, please refer to our Annual Report on Form 10-K for the fiscal year ended December 26, 2021, our Quarterly Report on Form 10-Q for the quarterly period ended March 27, 2022 that will be filed following this earnings release, and our subsequent filings with the Securities and Exchange Commission (the “SEC”), accessible on the SEC’s website at www.sec.gov and the Investors Relations section of the Company’s website at <https://investors.firstwatch.com/financial-information/sec-filings>. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, our actual financial condition, results of operations, future performance and business may vary in material respects from the performance projected in these forward-looking statements.

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Non-GAAP Financial Measures (Unaudited)

To supplement the consolidated financial statements, which are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), we use non-GAAP measures, which present operating results on an adjusted basis. These supplemental measures of performance that are not required by or presented in accordance with GAAP include the following: (i) Adjusted EBITDA, (ii) Adjusted EBITDA margin, (iii) Restaurant level operating profit and (iv) Restaurant level operating profit margin (collectively, the “non-GAAP financial measures”). Our presentation of these non-GAAP financial measures includes isolating the effects of some items that are either nonrecurring in nature or vary from period to period without any correlation to our ongoing core operating performance. Management believes that the use of these non-GAAP financial measures provides additional transparency of our operations, facilitates analysis and comparisons of our ongoing business operations because they exclude items that may not be indicative of our ongoing operating performance, identifies operational trends and allows for greater transparency with respect to key metrics used by us in our financial and operational decision making. Our non-GAAP financial measures may not be comparable to similarly titled measures used by other companies, have important limitations as analytical tools and may not provide a complete understanding of our performance. These non-GAAP financial measures should not be considered as an alternative or substitute to net income (loss), income (loss) from operations, or any other performance measures derived in accordance with GAAP, or as alternatives to cash flow from operating activities as a measure of our liquidity. These non-GAAP financial measures should be reviewed in conjunction with our consolidated financial statements prepared in accordance with GAAP.

Adjusted EBITDA and Adjusted EBITDA Margin

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

The following tables reconcile Net income (loss) and Net income (loss) margin, the most directly comparable GAAP measures, to Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

<i>(in thousands)</i>	THIRTEEN WEEKS ENDED	
	MARCH 27, 2022	MARCH 28, 2021
Net income (loss)	\$ 4,640	\$ (2,042)
Depreciation and amortization	8,223	7,786
Interest expense	1,006	6,316
Income taxes	2,277	(175)
EBITDA	16,146	11,885
IPO-readiness and strategic transition costs ⁽¹⁾	450	479
Stock-based compensation ⁽²⁾	2,294	129
Recruiting and relocation costs ⁽³⁾	76	41
Impairments and loss on disposal of assets ⁽⁴⁾	79	124
Transaction expenses, net ⁽⁵⁾	257	11
COVID-19 related charges ⁽⁶⁾	—	48
Severance costs	62	265
Adjusted EBITDA	\$ 19,364	\$ 12,982
Total revenues	\$ 173,112	\$ 127,169
Net income (loss) margin	2.7 %	(1.6)%
Adjusted EBITDA margin	11.2 %	10.2 %
Additional information		
Deferred rent expense (income) ⁽⁷⁾	\$ 580	\$ (999)

(1) Represents costs related to the assessment and redesign of our systems and processes. In 2021, the costs also include information technology support and external professional service costs incurred in connection with IPO-readiness efforts.

(2) Represents non-cash, stock-based compensation expense.

(3) Represents costs incurred for hiring qualified individuals as we assessed the redesign of our systems and processes.

(4) Represents costs related to the disposal of assets due to retirements, replacements or certain restaurant closures. There were no impairments recognized during the periods presented.

(5) Represents costs related to restaurant closures.

(6) Represents costs incurred in connection with the economic impact of the COVID-19 pandemic.

(7) Represents the non-cash portion of straight-line rent expense recorded within both Occupancy expenses and General and administrative expenses.

Restaurant level operating profit and Restaurant level operating profit margin

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

The following tables reconcile Income from operations and Income from operations margin, the most directly comparable GAAP financial measures, to Restaurant level operating profit and Restaurant level operating profit margin for the periods indicated:

<i>(in thousands)</i>	THIRTEEN WEEKS ENDED	
	MARCH 27, 2022	MARCH 28, 2021
Income from operations	\$ 7,760	\$ 3,845
Less: Franchise revenues	(2,443)	(1,803)
Add:		
General and administrative expenses	19,563	11,953
Depreciation and amortization	8,223	7,786
Impairments and loss on disposal of assets ⁽¹⁾	79	124
Transaction expenses, net ⁽²⁾	257	11
COVID-19 related charges ⁽³⁾	—	8
Restaurant level operating profit	\$ 33,439	\$ 21,924
Restaurant sales	\$ 170,669	\$ 125,366
Income from operations margin	4.5 %	3.1 %
Restaurant level operating profit margin	19.6 %	17.5 %
Additional information		
Deferred rent expense (income) ⁽⁴⁾	\$ 530	\$ (938)

(1) Represents costs related to the disposal of assets due to retirements, replacements or certain restaurant closures. There were no impairments recognized during the periods presented.

(2) Represents costs related to restaurant closures.

(3) Represents costs incurred in connection with the economic impact of the COVID-19 pandemic.

(4) Represents the non-cash portion of straight-line rent expense recorded within Occupancy expenses.

FIRST WATCH RESTAURANT GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)
(Unaudited)

	THIRTEEN WEEKS ENDED	
	MARCH 27, 2022	MARCH 28, 2021
Revenues:		
Restaurant sales	\$ 170,669	\$ 125,366
Franchise revenues	2,443	1,803
Total revenues	173,112	127,169
Operating costs and expenses:		
Restaurant operating expenses (exclusive of depreciation and amortization shown below):		
Food and beverage costs	39,403	26,916
Labor and other related expenses	55,142	40,049
Other restaurant operating expenses	27,317	22,020
Occupancy expenses	14,383	13,301
Pre-opening expenses	985	1,164
General and administrative expenses	19,563	11,953
Depreciation and amortization	8,223	7,786
Impairments and loss on disposal of assets	79	124
Transaction expenses, net	257	11
Total operating costs and expenses	165,352	123,324
Income from operations	7,760	3,845
Interest expense	(1,006)	(6,316)
Other income, net	163	254
Income (Loss) before income taxes	6,917	(2,217)
Income tax (expense) benefit	(2,277)	175
Net income (loss) and total comprehensive income (loss)	\$ 4,640	\$ (2,042)
Net income (loss) per common share - basic	\$ 0.08	\$ (0.05)
Net income (loss) per common share - diluted	\$ 0.08	\$ (0.05)
Weighted average number of common shares outstanding - basic	59,048,446	45,013,784
Weighted average number of common shares outstanding - diluted	59,983,150	45,013,784

Same-Restaurant Sales Growth and Same-Restaurant Traffic Growth

Thirteen Weeks Ended	Same-Restaurant Sales Growth	Same-Restaurant Traffic Growth	Comparable Restaurant Base
March 27, 2022	27.2 %	21.9 %	305
March 28, 2021	14.1 %	2.2 %	270
March 29, 2020	(10.7)%	(14.2)%	212
March 31, 2019	6.3 %	3.0 %	168