

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

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

For the quarterly period ended September 26, 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: 001-35249



THE CHEFS' WAREHOUSE, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-3031526
(I.R.S. Employer
Identification No.)

100 East Ridge Road
Ridgefield, Connecticut 06877
(Address of principal executive offices)

Registrant's telephone number, including area code: (203) 894-1345

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01	CHEF	The NASDAQ Stock Market LLC

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 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

Number of shares of common stock, par value \$.01 per share, outstanding at October 24, 2025: 40,685,549

THE CHEFS' WAREHOUSE, INC.

FORM 10-Q

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Statements in this report regarding the business of The Chefs' Warehouse, Inc. (the "Company") that are not historical facts are "forward-looking statements" that involve risks and uncertainties and are based on current expectations and management estimates; actual results may differ materially. Words such as "anticipates", "expects", "predicts", "contemplates", "projects", "forecasts", "intends", "plans", "believes", "seeks", "estimates", "could", "should", "will", "may", "would" and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and/or could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The risks and uncertainties which could impact these statements include, but are not limited to the following: our success depends to a significant extent upon general economic conditions, including disposable income levels and changes in consumer discretionary spending; the relatively low margins of our business, which are sensitive to inflationary and deflationary pressures and intense competition; changes in our credit profile and any effect they may have on our relationships with suppliers; the effects of rising costs for and/or decreases in supply of commodities, ingredients, packaging, other raw materials, distribution and labor; price reductions by our manufacturers of products that we sell which could cause the value of our inventory to decline or our customers to demand lower sales prices; fuel cost volatility and its impact on distribution, packaging and energy costs; our continued ability to promote our brand successfully, to anticipate and respond to new customer demands, and to develop new products and markets to compete effectively; our ability and the ability of our supply chain partners to continue to operate distribution centers and other work locations without material disruption, and to procure ingredients, packaging and other raw materials when needed despite disruptions in the supply chain or labor shortages; risks associated with the expansion of our business; our possible inability to identify new acquisitions or to integrate recent or future acquisitions, or our failure to realize anticipated revenue enhancements, cost savings or other synergies from recent or future acquisitions; other factors that affect the food industry generally, including: recalls if products become adulterated or misbranded, liability if product consumption causes injury, ingredient disclosure and labeling laws and regulations and the possibility that customers could lose confidence in the safety and quality of certain food products; new information or attitudes regarding diet and health or adverse opinions about the health effects of the products we distribute; dependence on independent certifications for products; changes in disposable income levels and consumer purchasing habits; competitors' pricing practices and promotional spending levels; fluctuations in the level of our customers' inventories and credit and other related business risks; and the risks associated with third-party suppliers, including the risk that any failure by one or more of our third-party suppliers to comply with food safety or other laws and regulations may disrupt our supply of raw materials or certain products or injure our reputation; our ability to recruit and retain senior management and a highly skilled and diverse workforce; unanticipated expenses, including, without limitation, litigation or legal settlement expenses, adverse judgments, or impairment charges; the cost and adequacy of our insurance policies; the impact and effects of public health crises, pandemics and epidemics and the adverse impact thereof on our business, financial condition, and results of operations; economic and other developments, or events, including adverse weather conditions, in the culinary markets in which we operate; information technology system failures, cybersecurity incidents, or other disruptions to our use of technology and networks; our ability to realize the benefits we anticipate from investments in information technology; our ability to protect our intellectual property; significant governmental regulation and any potential failure to comply with such regulations; changing rules, public disclosure regulations and stakeholder expectations on ESG-related matters; federal, state, provincial and local tax rules in the United States and the foreign countries in which we operate, including tax reform and legislation; climate change or the legal, regulatory or market measures being implemented to address climate change; the concentration of ownership among our existing executive officers, directors and their affiliates which may prevent new investors from influencing significant corporate decisions; risks relating to our substantial indebtedness; our ability to raise additional capital and/or obtain debt or other financing, on commercially reasonable terms or at all; our ability to meet future cash requirements, including the ability to access financial markets effectively and maintain sufficient liquidity; the effects of currency movements in the jurisdictions in which we operate as compared to the U.S. dollar; the effects of international trade disputes, tariffs, quotas and other import or export restrictions on our international procurement, sales and operations; other factors discussed elsewhere in this report and in our other public filings with the Securities and Exchange Commission ("SEC").

Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, speak only as of the date made. A more detailed description of these and other risk factors is contained in the Company's most recent Annual Report on Form 10-K filed with the SEC on February 25, 2025 and other reports, including this Quarterly Report on Form 10-Q, filed by the Company with the SEC since that date. The Company is not undertaking to update any information in the foregoing reports until the filing or effective dates of its future reports required by applicable laws.

PART I FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Amounts in thousands, except share data)

	September 26, 2025	December 27, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 65,061	\$ 114,655
Accounts receivable, net of allowances (\$26,417 in 2025, \$22,341 in 2024)	347,517	366,311
Inventories	385,394	316,014
Prepaid expenses and other current assets	71,004	71,063
Total current assets	868,976	868,043
Property and equipment, net	337,690	275,781
Operating lease right-of-use assets	200,738	191,423
Goodwill	356,633	356,298
Intangible assets, net	144,401	160,383
Other assets	7,598	6,763
Total assets	\$ 1,916,036	\$ 1,858,691
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 227,883	\$ 266,775
Accrued liabilities	76,538	68,538
Short-term operating lease liabilities	23,972	21,965
Accrued compensation	55,722	50,078
Current portion of long-term debt	21,623	18,040
Total current liabilities	405,738	425,396
Long-term debt, net of current portion	711,738	688,744
Operating lease liabilities	196,786	187,079
Deferred taxes, net	20,777	15,891
Other liabilities	4,359	3,935
Total liabilities	1,339,398	1,321,045
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock - \$0.01 par value, 5,000,000 shares authorized, no shares issued and outstanding at September 26, 2025 and December 27, 2024, respectively	—	—
Common Stock - \$0.01 par value, 100,000,000 shares authorized, 40,674,744 and 40,248,884 shares issued and outstanding at September 26, 2025 and December 27, 2024, respectively	407	402
Additional paid-in capital	399,411	399,111
Accumulated other comprehensive loss	(3,141)	(3,807)
Retained earnings	179,961	141,940
Total stockholders' equity	576,638	537,646
Total liabilities and stockholders' equity	\$ 1,916,036	\$ 1,858,691

See accompanying notes to the condensed consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)
(Amounts in thousands, except share and per share amounts)

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net sales	\$ 1,021,319	\$ 931,452	\$ 3,006,973	\$ 2,760,644
Cost of sales	774,128	706,704	2,279,448	2,097,458
Gross profit	247,191	224,748	727,525	663,186
Selling, general and administrative expenses	208,125	192,894	624,638	578,049
Other operating expenses (income), net	130	(28)	1,000	3,385
Operating income	38,936	31,882	101,887	81,752
Interest expense	10,535	11,743	31,503	36,677
Income before income taxes	28,401	20,139	70,384	45,075
Provision for income tax expense	9,253	6,041	19,707	13,522
Net income	<u>\$ 19,148</u>	<u>\$ 14,098</u>	<u>\$ 50,677</u>	<u>\$ 31,553</u>
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(353)	(280)	666	(732)
Comprehensive income	<u>\$ 18,795</u>	<u>\$ 13,818</u>	<u>\$ 51,343</u>	<u>\$ 30,821</u>
Net income per share:				
Basic	\$ 0.50	\$ 0.37	\$ 1.31	\$ 0.83
Diluted	\$ 0.44	\$ 0.34	\$ 1.18	\$ 0.77
Weighted average common shares outstanding:				
Basic	38,575,691	37,863,580	38,717,363	37,868,675
Diluted	45,799,937	45,941,315	45,957,082	45,888,029

See accompanying notes to the condensed consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(Amounts in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance December 27, 2024	40,248,884	\$ 402	\$ 399,111	\$ (3,807)	\$ 141,940	—	\$ —	\$ 537,646
Net income	—	—	—	—	10,288	—	—	10,288
Stock compensation	—	—	4,121	—	—	—	—	4,121
Warrants exercised	9,479	—	—	—	—	—	—	—
Cumulative translation adjustment	—	—	—	177	—	—	—	177
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	416,028	4	(10,596)	—	—	—	—	(10,592)
Balance March 28, 2025	40,674,391	\$ 406	\$ 392,636	\$ (3,630)	\$ 152,228	—	\$ —	\$ 541,640
Net income	—	—	—	—	21,241	—	—	21,241
Stock compensation	—	—	4,223	—	—	—	—	4,223
Common stock retired	(159,982)	(1)	(1,554)	—	(8,448)	—	—	(10,003)
Warrants exercised	3,860	—	—	—	—	—	—	—
Cumulative translation adjustment	—	—	—	842	—	—	—	842
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	219,526	2	(227)	—	—	—	—	(225)
Balance June 27, 2025	40,737,795	\$ 407	\$ 395,078	\$ (2,788)	\$ 165,021	—	\$ —	\$ 557,718
Net income	—	—	—	—	19,148	—	—	19,148
Stock compensation	—	—	4,345	—	—	—	—	4,345
Common stock retired	(81,216)	(1)	(792)	—	(4,208)	—	—	(5,001)
Cumulative translation adjustment	—	—	—	(353)	—	—	—	(353)
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	18,165	1	780	—	—	—	—	781
Balance September 26, 2025	40,674,744	\$ 407	\$ 399,411	\$ (3,141)	\$ 179,961	—	\$ —	\$ 576,638

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (continued)
(Unaudited)
(Amounts in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance December 29, 2023	39,665,796	\$ 396	\$ 356,157	\$ (1,832)	\$ 99,951	—	\$ —	\$ 454,672
Net income	—	—	—	—	1,931	—	—	1,931
Stock compensation	—	—	3,590	—	—	—	—	3,590
Common stock repurchased	—	—	—	—	—	(134,553)	(5,004)	(5,004)
Warrants exercised	32,454	1	(1)	—	—	—	—	—
Cumulative translation adjustment	—	—	—	(323)	—	—	—	(323)
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	75,105	1	(7,074)	—	—	—	—	(7,073)
Balance March 29, 2024	39,773,355	\$ 398	\$ 352,672	\$ (2,155)	\$ 101,882	(134,553)	\$ (5,004)	\$ 447,793
Net income	—	—	—	—	15,524	—	—	15,524
Stock compensation	—	—	3,946	—	—	—	—	3,946
Common stock repurchased	—	—	—	—	—	(129,523)	(5,000)	(5,000)
Warrants exercised	1,850	—	—	—	—	—	—	—
Cumulative translation adjustment	—	—	—	(129)	—	—	—	(129)
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	30,512	—	(255)	—	—	—	—	(255)
Balance June 28, 2024	39,805,717	\$ 398	\$ 356,363	\$ (2,284)	\$ 117,406	(264,076)	\$ (10,004)	\$ 461,879
Net income	—	—	—	—	14,098	—	—	14,098
Stock compensation	—	—	3,813	—	—	—	—	3,813
Common stock retired	(264,076)	(2)	(2,364)	—	(7,638)	264,076	10,004	—
Warrants exercised	1,185	—	—	—	—	—	—	—
Cumulative translation adjustment	—	—	—	(280)	—	—	—	(280)
Common stock issued under stock plans, net of shares surrendered to pay tax withholding	12,428	—	835	—	—	—	—	835
Balance September 27, 2024	39,555,254	\$ 396	\$ 358,647	\$ (2,564)	\$ 123,866	—	\$ —	\$ 480,345

See accompanying notes to the condensed consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Amounts in thousands)

	Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024
Cash flows from operating activities:		
Net income	\$ 50,677	\$ 31,553
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,045	29,361
Amortization of intangible assets	18,187	18,216
Provision for allowance for credit losses	9,610	8,228
Provision for deferred income taxes	4,914	5,416
Loss on debt extinguishment	—	512
Stock compensation	14,551	13,177
Change in fair value of contingent earn-out liabilities	—	(683)
Non-cash interest and other operating activities	5,345	3,233
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	11,327	(8,708)
Inventories	(70,137)	(51,786)
Prepaid expenses and other current assets	(1,085)	(5,899)
Accounts payable, accrued liabilities and accrued compensation	(26,825)	40,938
Other assets and liabilities	(257)	(3,501)
Net cash provided by operating activities	55,352	80,057
Cash flows from investing activities:		
Capital expenditures	(33,340)	(41,131)
Cash paid for acquisitions, net of cash acquired	—	(315)
Net cash used in investing activities	(33,340)	(41,446)
Cash flows from financing activities:		
Payment of debt and other financing obligations	(12,250)	(18,500)
Payment of finance leases	(11,843)	(5,001)
Common stock repurchases	(15,005)	(10,004)
Payment of deferred financing fees	(658)	—
Proceeds from exercise of stock options	—	55
Surrender of shares to pay withholding taxes	(11,833)	(7,377)
Cash paid for contingent earn-out liability	—	(3,800)
Borrowings under asset-based loan and revolving credit facilities	—	6,801
Payments under asset-based loan facility	(20,000)	—
Net cash used in financing activities	(71,589)	(37,826)
Effect of foreign currency on cash and cash equivalents	(17)	42
Net change in cash and cash equivalents	(49,594)	827
Cash and cash equivalents-beginning of period	114,655	49,878
Cash and cash equivalents-end of period	\$ 65,061	\$ 50,705

See accompanying notes to the condensed consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(Amounts in thousands, except share and per share amounts)

Note 1 - Operations and Basis of Presentation

Description of Business and Basis of Presentation

The Chefs' Warehouse, Inc. (the "Company"), and its wholly-owned subsidiaries, is a distributor of specialty food and center-of-the-plate products in the United States, the Middle East and Canada. The Company is focused on serving the specific needs of chefs who own and/or operate restaurants, country clubs, hotels, caterers, culinary schools, bakeries, patisseries, chocolateries, cruise lines, casinos and specialty food stores.

The Company's quarterly periods end on the thirteenth Friday of each quarter. Every six to seven years, the Company will add a fourteenth week to its fourth quarter to more closely align its year-end to the calendar year.

Consolidation

The unaudited condensed consolidated financial statements include all the accounts of the Company and its direct and indirect wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Unaudited Interim Financial Statements

The accompanying unaudited condensed consolidated financial statements and the related interim information contained within the notes to such unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the applicable rules of the Securities and Exchange Commission ("SEC") for interim information and quarterly reports on Form 10-Q. Accordingly, they do not include all the information and disclosures required by GAAP for complete financial statements. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended December 27, 2024 filed as part of the Company's Annual Report on Form 10-K (the "2024 Form 10-K").

The unaudited condensed consolidated financial statements appearing in this Form 10-Q have been prepared on the same basis as the audited consolidated financial statements included in the Company's 2024 Form 10-K, and in the opinion of management, include all normal recurring adjustments that are necessary for the fair statement of the Company's interim period results. The year-end consolidated balance sheet data was derived from the audited financial statements but does not include all disclosures required by GAAP. Due to seasonal fluctuations and other factors, the results of operations for the thirteen and thirty-nine weeks ended September 26, 2025 are not necessarily indicative of the results to be expected for the full year.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's estimates.

Note 2 – Summary of Significant Accounting Policies

Revenue Recognition

The following table presents the Company’s net sales disaggregated by principal product category:

	Thirteen Weeks Ended				Thirty-Nine Weeks Ended			
	September 26, 2025		September 27, 2024		September 26, 2025		September 27, 2024	
Center-of-the-Plate	\$ 393,903	38.6 %	\$ 349,263	37.5 %	\$ 1,149,722	38.2 %	\$ 1,057,586	38.3 %
Specialty:								
Dry Goods	163,262	16.0 %	148,345	15.9 %	481,048	16.0 %	441,730	16.0 %
Produce	125,097	12.2 %	137,898	14.8 %	368,701	12.3 %	400,318	14.5 %
Pastry	134,031	13.1 %	111,059	11.9 %	401,837	13.4 %	327,151	11.9 %
Cheese and Charcuterie	76,167	7.5 %	69,124	7.4 %	217,332	7.2 %	197,243	7.1 %
Dairy and Eggs	73,629	7.2 %	63,626	6.8 %	227,651	7.6 %	184,426	6.7 %
Oils and Vinegars	35,789	3.5 %	33,144	3.6 %	103,152	3.4 %	96,761	3.5 %
Kitchen Supplies	19,441	1.9 %	18,993	2.1 %	57,530	1.9 %	55,429	2.0 %
Total Specialty	\$ 627,416	61.4 %	\$ 582,189	62.5 %	\$ 1,857,251	61.8 %	\$ 1,703,058	61.7 %
Total net sales	\$ 1,021,319	100 %	\$ 931,452	100 %	\$ 3,006,973	100 %	\$ 2,760,644	100 %

The Company determines its product category classification based on how the Company currently markets its products to its customers. The Company’s definition of its principal product categories may differ from the way in which other companies present similar information. Net sales by product category includes estimates of product mix for certain locations that are not yet fully integrated into the Company’s sales reporting system as of the reporting date.

Share Repurchases

The Company has a share repurchase program that is executed through purchases made from time to time either in the open market or through private market transactions. During the thirty-nine weeks ended September 26, 2025 and September 27, 2024, shares purchased were retired and returned to the status of authorized and unissued shares.

Recent Accounting Pronouncements

Targeted Improvements to the Accounting for Internal-Use Software: In September 2025, the Financial Accounting Standards Board (“FASB”) issued guidance amending the requirements for capitalizing software costs to when both the following conditions are met: (1) the funding of the project has the appropriate authorization and (2) it is probable that the project will be completed and the software will be used to perform the intended function. The guidance is effective for fiscal years beginning after December 15, 2027, and interim periods within that fiscal year, and may be applied on a prospective, modified prospective or retrospective basis. Early adoption is permitted. The Company expects to adopt this guidance when effective and is evaluating the impact of adoption on its consolidated financial statements.

Measurements of Credit Losses for Accounts Receivable and Contract Assets: In July 2025, the FASB issued guidance to provide a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets to assume that current conditions as of the balance sheet date will persist through a reasonable and supportable forecast period. The guidance is effective for fiscal years beginning after December 15, 2025, and interim periods within that fiscal year. Early adoption is permitted. The Company expects to adopt this guidance when effective and adoption is not expected to have a material impact on its consolidated financial statements.

Induced Conversions of Convertible Debt Instruments: In November 2024, the FASB issued guidance which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. The guidance is effective for fiscal years beginning after December 15, 2025, and interim periods within that fiscal year. Early adoption is permitted. The impact of this guidance is dependent on future induced conversions, if any, of the Company’s convertible debt instruments.

Disaggregation of Income Statement Expenses: In November 2024, the FASB issued guidance to require disclosure in the notes to the financial statements of certain categories of expenses that are included on the face of the income statement, including purchases of inventory, employee compensation and depreciation and amortization, as well as additional disclosure about selling expenses. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods for fiscal years beginning after December 15, 2027 on a prospective basis. Early adoption is permitted. The Company expects to adopt this guidance when effective and is evaluating the impact of adoption on its consolidated financial statements, which is limited to financial statement disclosures.

Improvements to Income Tax Disclosures: In December 2023, the FASB issued guidance designed to improve the transparency and usefulness of income tax disclosures. The amendments include provisions to address the consistency of the income tax rate reconciliation and requirement to disaggregate income taxes paid by jurisdiction. The new disclosure requirements will be effective in the Company's Annual Report on Form 10-K for the fiscal year ending December 26, 2025. The impact of the guidance is limited to financial statement disclosures.

Note 3 – Net Income per Share

Basic net income per share is calculated by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted net income per share adjusts basic net income per share for all the potentially dilutive shares outstanding during the period. When the Company's convertible notes are dilutive, interest on the convertible notes, net of tax, is added back to net income in order to calculate diluted earnings available to common shareholders.

The following table sets forth the computation of basic and diluted net income per common share:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net income per share:				
Basic	\$ 0.50	\$ 0.37	\$ 1.31	\$ 0.83
Diluted	\$ 0.44	\$ 0.34	\$ 1.18	\$ 0.77
Weighted average common shares:				
Basic	38,575,691	37,863,580	38,717,363	37,868,675
Diluted	45,799,937	45,941,315	45,957,082	45,888,029

Reconciliation of net income per common share:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Numerator:				
Net income	\$ 19,148	\$ 14,098	\$ 50,677	\$ 31,553
Add effect of dilutive securities				
Interest on convertible notes, net of tax	1,226	1,322	3,677	3,950
Net income available to common shareholders	\$ 20,374	\$ 15,420	\$ 54,354	\$ 35,503
Denominator:				
Weighted average basic common shares outstanding	38,575,691	37,863,580	38,717,363	37,868,675
Dilutive effect of unvested common shares	654,426	621,999	672,394	570,736
Dilutive effect of stock options and warrants	74,850	62,919	72,355	55,801
Dilutive effect of convertible notes	6,494,970	7,392,817	6,494,970	7,392,817
Weighted average diluted common shares outstanding	45,799,937	45,941,315	45,957,082	45,888,029

Potentially dilutive securities that have been excluded from the calculation of diluted net income per common share because the effect is anti-dilutive are as follows:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Restricted share awards (“RSAs”) and restricted stock units (“RSUs”)	3,882	—	222,642	322,518

Note 4 – Fair Value Measurements

Assets and Liabilities Measured at Fair Value

The Company’s contingent earn-out liabilities are measured at fair value. These liabilities were estimated using Level 3 inputs. The fair value of contingent consideration was predominantly determined based on a probability-based approach which includes projected results, percentage probability of occurrence and the application of a discount rate to present value the payments. A significant change in projected results, discount rate, or probabilities of occurrence could result in a significantly higher or lower fair value measurement. Changes in the fair value of contingent earn-out liabilities are reflected in *other operating expenses (income), net* on the condensed consolidated statements of operations.

The contingent earn-out liability totaled \$1,350 as of September 26, 2025, of which \$600 is long-term and reflected as *other liabilities* on the Company’s condensed consolidated balance sheets. The remaining portion is short-term and reflected as *accrued liabilities* on the Company’s condensed consolidated balance sheets. The contingent earn-out liability totaled \$750 as of December 27, 2024 and is all short-term in nature. Contingent earn-out liability payments in excess of the acquisition date fair value of the underlying contingent earn-out liability are classified as operating activities on the Company’s condensed consolidated statements of cash flows and all other such payments are classified as financing activities.

Fair Value of Financial Instruments

The carrying amounts reported in the Company’s condensed consolidated balance sheets for accounts receivable and accounts payable approximate fair value due to their immediate to short-term nature. The fair values of the asset-based loan facility and term loan approximated their book values as of September 26, 2025 and December 27, 2024, as these instruments had variable interest rates that reflected current market rates available to the Company and are classified as Level 2 fair value measurements.

The following table presents the carrying value and fair value of the Company’s convertible notes and its unsecured note issued in connection with the acquisition of Oakville Produce Partners, LLC (“GreenLeaf”) in fiscal 2023 (“GreenLeaf Note”). The fair value of the Company’s 2028 Convertible Senior Notes was based on bid/ask quotes as of or near the balance sheet date. The fair value of the GreenLeaf Note as of December 27, 2024 was determined based upon observable market prices of similar debt instruments.

	Fair Value Hierarchy	September 26, 2025		December 27, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
2028 Convertible Senior Notes	Level 2	\$ 287,500	\$ 417,773	\$ 287,500	\$ 365,556
GreenLeaf Note	Level 2	\$ —	\$ —	\$ 5,000	\$ 5,070

Note 5 – Inventories

Inventories consist primarily of finished product and are reflected net of adjustments for shrinkage, excess and obsolescence to approximate their net realizable value totaling \$9,370 and \$11,579 at September 26, 2025 and December 27, 2024, respectively.

Note 6 – Property and Equipment

Property and equipment is net of accumulated depreciation and amortization of \$178,149 and \$147,902 at September 26, 2025 and December 27, 2024, respectively.

Note 7 – Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill are presented as follows:

Carrying amount as of December 27, 2024	\$	356,298
Foreign currency translation and other		335
Carrying amount as of September 26, 2025	\$	<u>356,633</u>

Other intangible assets are net of accumulated amortization of \$175,219 and \$157,032 as of September 26, 2025 and December 27, 2024, respectively. Amortization expense for other intangibles was \$6,084 and \$5,874 for the thirteen weeks ended September 26, 2025 and September 27, 2024, respectively, and \$18,187 and \$18,216 for the thirty-nine weeks ended September 26, 2025 and September 27, 2024, respectively.

Note 8 – Debt Obligations

Debt obligations as of September 26, 2025 and December 27, 2024 consisted of the following:

	Weighted Average Effective Interest Rate at September 26, 2025	Maturity	September 26, 2025	December 27, 2024
Senior secured term loans	8.06 %	August 2029	\$ 252,750	\$ 260,000
2028 Convertible senior notes	2.77 %	December 2028	287,500	287,500
Asset-based loan facility	6.19 %	August 2030	100,000	120,000
Finance leases and other financing obligations	7.43 %	Various	104,918	52,673
Unamortized deferred costs			(11,807)	(13,389)
Total debt obligations			733,361	706,784
Less: current installments			(21,623)	(18,040)
Total long-term debt			<u>\$ 711,738</u>	<u>\$ 688,744</u>

Senior Secured Term Loan Credit Facility

In June 2025, the Company entered into an amendment (“Thirteenth Amendment”) to its senior secured term loan agreement, which reduced the interest rate spread on its senior secured term loan facility. Arrangement fees of \$525 and third-party transaction costs of \$49 were expensed as incurred during the thirty-nine weeks ended September 26, 2025 and included in *interest expense and other operating expenses*, respectively, within the Company’s condensed consolidated statements of operations.

In March 2024, the Company entered into an amendment (“Eleventh Amendment”) to its senior secured term loan agreement, which reduced the interest rate spread on its senior secured term loan facility. As a result of this amendment, the Company incurred a loss on debt extinguishment of \$50 during the thirty-nine weeks ended September 27, 2024, which represents the portion of unamortized deferred financing fees attributable to the lender that exited the loan syndicate. Arrangement fees of \$775 and third-party transaction costs of \$91 were expensed as incurred during the thirty-nine weeks ended September 27, 2024 and included in *interest expense and other operating expenses*, respectively, within the Company’s condensed consolidated statements of operations.

Additionally, during the thirty-nine weeks ended September 26, 2025 and September 27, 2024, the Company made voluntary principal prepayments totaling \$5,000 and \$12,000, respectively, towards the senior secured term loan. In connection with the prepayments, the Company wrote-off unamortized deferred financing fees of \$150 during the thirty-nine weeks ended September 26, 2025 and \$146 and \$462 during the thirteen and thirty-nine weeks ended September 27, 2024, respectively, which were included in *interest expense* within the Company’s condensed consolidated statements of operations.

Asset-Based Loan Facility

On August 20, 2025, the Company entered into an amendment (“Eighth Amendment”) to its asset-based loan (the “ABL”) credit agreement, which extended the maturity date to August 20, 2030, eliminated the credit spread adjustment to the interest

rate charged on borrowings and increased the aggregate letters of credit. There were no changes to the aggregate commitments of \$300,000. The Eighth Amendment to the ABL was accounted for as a debt modification. The Company incurred transaction costs of \$658, which were capitalized as deferred financing fees to be amortized over the term of the ABL, and are presented in *other non-current assets* in the Company's condensed consolidated balance sheet.

As of September 26, 2025, the Company had reserved \$40,484 of its ABL facility for the issuance of letters of credit and funds totaling \$159,516 were available for borrowing under the ABL.

GreenLeaf Unsecured Note

The GreenLeaf Note matured on April 20, 2025, and the Company made the final principal payment of \$5,000 during the thirty-nine weeks ended September 26, 2025. Previously, the Company made a scheduled principal payment of \$5,000 towards the GreenLeaf Note during the thirty-nine weeks ended September 27, 2024. The GreenLeaf Note is presented at December 27, 2024 under the caption "Finance leases and other financing obligations" in the table above.

Convertible Notes

The net carrying value of the Company's 2028 convertible senior notes as of September 26, 2025 and December 27, 2024 was:

	September 26, 2025			December 27, 2024		
	Principal Amount	Unamortized Deferred Costs	Net Amount	Principal Amount	Unamortized Deferred Costs	Net Amount
2028 Convertible Notes	\$ 287,500	\$ (3,724)	\$ 283,776	\$ 287,500	\$ (4,584)	\$ 282,916

The components of interest expense on the Company's convertible notes were as follows:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Coupon interest	\$ 1,707	\$ 1,893	\$ 5,121	\$ 5,679
Amortization of deferred costs and premium	287	333	860	999
Total interest	\$ 1,994	\$ 2,226	\$ 5,981	\$ 6,678

Note 9 – Stockholders' Equity

Equity Awards

The following table reflects the activity of RSAs and RSUs during the thirty-nine weeks ended September 26, 2025:

	Time-Based		Performance-Based		Market-Based	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Unvested at December 27, 2024	483,284	\$ 35.68	881,500	\$ 34.79	303,036	\$ 30.04
Granted	216,968	63.42	740,294	63.03	35,101	61.16
Vested	(208,904)	35.24	(164,601)	32.47	(162,351)	29.12
Forfeited	(14,471)	42.05	(149,880)	33.52	—	—
Unvested at September 26, 2025	476,877	\$ 48.30	1,307,313	\$ 51.22	175,786	\$ 37.10

The Company granted 992,363 RSAs and RSUs to its employees and directors at a weighted average grant date fair value of \$63.05 during the thirty-nine weeks ended September 26, 2025. These awards are a mix of time-, market- and performance-based grants that generally vest over a range of periods up to five years. The Company recognized expense on its RSAs and RSUs totaling \$4,345 and \$3,813 during the thirteen weeks ended September 26, 2025 and September 27, 2024, respectively, and \$12,689 and \$11,349 during the thirty-nine weeks ended September 26, 2025 and September 27, 2024, respectively. No share-based compensation expense has been capitalized.

At September 26, 2025, the total unrecognized compensation cost for unvested RSAs and RSUs was \$29,236 and the weighted-average remaining period was approximately 1.8 years. Of this total, \$17,716 related to awards with time-based vesting provisions and \$11,520 related to awards with performance- and market-based vesting provisions. At September 26, 2025, the weighted-average remaining period for time-based vesting and performance-based vesting RSAs and RSUs were approximately 1.7 years and 1.9 years, respectively.

Performance-Based Restricted Share Units

In February 2025, the Company's Board of Directors approved a grant of a total of 541,375 performance-based restricted share units ("PSUs") to certain of the Company's officers and employees under the Company's 2019 Omnibus Equity Incentive Plan. The PSUs, which have a four-year term from the date of grant, are subject to service and performance conditions and will only become vested and payable to the extent that a qualifying change in control occurs during the four-year period. The fair value of these awards was \$22,235, which was determined using a Monte Carlo simulation in order to model a range of possible future stock prices for the Company's common stock. No share-based compensation expense has been recorded in fiscal 2025 for these PSUs.

Share Repurchase Program

In November 2023, the Company announced a two-year share repurchase program in an amount up to \$100,000. The remaining share purchase authorization was \$67,617 at September 26, 2025. The Company is not obligated to repurchase any specific number of shares and may suspend or discontinue the program at any time.

Note 10 – Income Taxes

The Company's effective tax rate was 32.6% and 30.0% for the thirteen weeks ended September 26, 2025 and September 27, 2024, respectively, and 28.0% and 30.0% for the thirty-nine weeks ended September 26, 2025 and September 27, 2024, respectively. The effective tax rate for the thirty-nine weeks ended September 26, 2025 reflects the annual effective tax rate estimated for the full fiscal year, adjusted for the net impact of discrete items related to a tax benefit from the vesting of stock awards during the period, partially offset by return to provision adjustments. The effective tax rate otherwise varies from the 21% statutory rate primarily due to state taxes and permanent adjustments.

As a result of a five year carryback allowed under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), the Company carried back its 2020 federal income tax loss, which resulted in a income tax refund receivable of \$26,684 as of September 26, 2025. The receivable is reflected in *prepaid expenses and other current assets* on the Company's condensed consolidated balance sheet.

On July 4, 2025, the United States enacted tax legislation through the One Big Beautiful Bill Act ("OBBBA"). The Company is in the process of assessing the impact of this legislation on its financial statements. The current expectation is that OBBBA will not have a material impact on the Company's estimated annual effective tax rate in 2025, but will impact the split between current taxes payable and deferred taxes.

The Organization for Economic Co-operation and Development (the "OECD") introduced a framework under Pillar Two which includes a global corporate minimum tax rate of 15%. Some jurisdictions in which the Company operates have started to enact laws implementing Pillar Two, including Canada which enacted the rule in June 2024. The Company is monitoring these developments and currently does not believe the rules effective in fiscal 2025 will have a material impact on its consolidated financial statements.

Note 11 – Segment Information

The Company's business consists of three operating segments: East, Midwest and West that aggregate into one reportable segment, foodservice distribution, which is concentrated primarily in the United States.

The accounting policies of the foodservice distribution segment are the same as those for the consolidated company. The Company's chief operating decision maker, who is the Company's chief executive officer, uses gross profit as the measure of profit or loss to assess segment performance and allocate resources.

Consolidated gross profit, reported on the statement of operations and comprehensive income, is used to evaluate whether to reinvest profits into the foodservice distribution segment or into other parts of the entity, such as for acquisitions or to

repurchase its common shares. Additionally, gross profit is used to monitor budget versus actual results and in competitive analysis by benchmarking to the Company's competitors. Consolidated total assets, reported on the balance sheet, is the measure of segment assets.

The following table presents information about the Company's foodservice distribution segment:

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net sales ⁽¹⁾ :				
United States	\$ 937,580	\$ 858,120	\$ 2,731,000	\$ 2,524,560
International	83,739	73,332	275,973	236,084
Net sales	\$ 1,021,319	\$ 931,452	\$ 3,006,973	\$ 2,760,644
Less:				
Cost of sales - non-production costs ⁽²⁾	756,903	688,389	2,227,434	2,041,796
Cost of sales - food processing costs ⁽³⁾⁽⁴⁾	17,225	18,315	52,014	55,662
Cost of sales	774,128	706,704	2,279,448	2,097,458
Gross profit	\$ 247,191	\$ 224,748	\$ 727,525	\$ 663,186

(1) The Company's revenue is disaggregated by geographic area based on sales office location. No country outside of the United States had revenue greater than 10% of consolidated revenue for the thirteen and thirty-nine weeks ended September 26, 2025 and September 27, 2024.

(2) Non-production costs represent the net purchase price paid for products sold, plus the cost of transportation necessary to bring the product to the Company's distribution facilities. Non-production costs include purchase incentives and product purchase credits from certain vendors.

(3) Food processing costs include but are not limited to, direct labor and benefits, applicable overhead and depreciation of equipment and facilities used in food processing activities.

(4) Food processing costs included \$242 and \$300 of depreciation expense for the thirteen weeks ended September 26, 2025 and September 27, 2024, respectively and \$760 and \$962 for the thirty-nine weeks ended September 26, 2025 and September 27, 2024, respectively.

Refer to the condensed consolidated statements of operations and comprehensive income for the reconciliation of consolidated gross profit, which is the Company's segment measure of profit or loss, to consolidated income before income taxes.

Note 12 – Supplemental Disclosures of Cash Flow Information

	Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024
Supplemental cash flow disclosures:		
Cash paid for income taxes	\$ 16,726	\$ 9,727
Cash paid for interest, net of cash received	27,505	29,555
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 28,718	\$ 29,486
Operating cash flows from finance leases	4,130	1,540
ROU assets obtained in exchange for lease liabilities:		
Operating leases	\$ 28,137	\$ 4,747
Finance leases	75,059	27,205

Note 13 – Subsequent Events

On October 1, 2025, the Company entered into an asset purchase agreement to acquire substantially all of the assets of Italco Food Products, a specialty food distributor based in Denver, Colorado. The purchase price was \$16,500, consisting of \$5,500 cash paid at closing and \$11,000 from the issuance of an unsecured note and is subject to customary working capital true-ups. The assets acquired consist primarily of inventory, accounts receivable and goodwill and other intangibles and are not material to the Company's consolidated financial statements.

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

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided as a supplement to the accompanying condensed consolidated financial statements and footnotes to help provide an understanding of our financial condition, changes in our financial condition and results of operations. The following discussion should be read in conjunction with information included in our Annual Report on Form 10-K for the fiscal year ended December 27, 2024 (the "2024 Form 10-K") filed with the SEC. Unless otherwise indicated, the terms "Company", "Chefs' Warehouse", "we", "us" and "our" refer to The Chefs' Warehouse, Inc. and its subsidiaries. All dollar amounts included in the tables in the following discussion are presented in thousands.

Business Overview

We are a premier distributor of specialty foods in the leading culinary markets in the United States, the Middle East and Canada. We offer more than 88,000 stock-keeping units ("SKUs"), ranging from high-quality specialty foods and ingredients to basic ingredients and staples and center-of-the-plate proteins. We serve more than 50,000 core customer locations, primarily located in our 23 geographic markets across the United States, the Middle East and Canada, and the majority of our customers are independent restaurants and fine dining establishments. We also sell certain of our center-of-the-plate products directly to consumers through our Allen Brothers subsidiary.

Performance Indicators

In assessing the performance of our business, our management team considers a variety of performance and financial measures. The key measures used by our management are discussed below.

- *Net sales growth.* Our net sales growth is driven principally by changes in volume and, to a lesser degree, changes in price related to the impact of inflation in commodity prices and product mix. In particular, product cost inflation and deflation impact our results of operations and, depending on the amount of inflation or deflation, such impact may be material. For example, inflation may increase the dollar value of our sales, and deflation may cause the dollar value of our sales to fall despite our unit sales remaining constant or growing.
- *Gross profit and gross profit margin.* Our gross profit and gross profit as a percentage of net sales, or gross profit margin, are driven principally by changes in volume and fluctuations in food and commodity prices and our ability to pass on any price increases to our customers in an inflationary environment and maintain or increase gross profit margin when our costs decline.

Inflation. The majority of our pricing is set at the time of order and we typically pass cost increases or decreases to our customers. Our ability to fully pass along cost changes and the timing of those changes can cause fluctuations in our gross profit margin. Also, some of our pricing to customers is based on a cost-plus methodology, which impacts gross profit in periods of cost inflation or deflation.

Product Mix. Our gross profit margin is also a function of the product mix of our net sales in any period. Given our wide selection of product categories, as well as the continuous introduction of new products, we can experience shifts in product sales mix that have an impact on net sales and gross profit margins. Product mix is most significantly impacted by the introduction of new product categories in markets that we have more recently entered and from acquisitions, as well as the continued growth in item penetration on higher velocity items such as dairy products.

- *Volume Measurements.* In assessing our results, we utilize both total and organic growth, which excludes growth from an acquired business until it has been reflected in our results of operations for at least 12 months. We use case count as the volume measurement in our specialty product category and pounds sold as the volume measurement in our center-of-the-plate category.

Case count. Case count represents the volume of specialty products sold to customers during a given time period. Case growth is calculated by dividing the change in case volumes sold by the number of cases sold in the prior period. We define a case as the lowest level of packaged products as received from our suppliers, with one case containing several individually packaged units of the same product. Where individual packaged units are sold separately, case volume is calculated using the case equivalent quantity sold.

Pounds sold. Pounds represent the volume of center-of-the-plate products sold to customers during a given time period. Pounds growth is calculated by dividing the change in pound volumes sold by the number of pounds sold in the prior period.

- *Other Performance Indicators.* While case count is used for the volume measurement in the specialty category, we also disclose changes in specialty unique customers and specialty placements to provide additional context to our results and to the performance of our business. We define unique customers as the number of customers who purchase product in a given week. Each customer, regardless of the number of deliveries made during the week, is counted only once. Placements is the sum of the unique stock-keeping units (“SKUs”) sold per customer, also in a given week. Our customer count and placements measures are subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present these measures for historical periods reflecting these adjustments.

Recent Acquisitions

On October 1, 2025, we entered into an asset purchase agreement to acquire substantially all of the assets of Italco Food Products, a premier specialty food distributor based in Denver, Colorado. The purchase price was \$16,500, consisting of \$5,500 cash paid at closing and \$11,000 from the issuance of an unsecured note and is subject to customary working capital true-ups. The assets acquired consist primarily of inventory, accounts receivable and goodwill and other intangibles and are not material to the Company’s consolidated financial statements.

RESULTS OF OPERATIONS

	Thirteen Weeks Ended		Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net sales	\$ 1,021,319	\$ 931,452	\$ 3,006,973	\$ 2,760,644
Cost of sales	774,128	706,704	2,279,448	2,097,458
Gross profit	247,191	224,748	727,525	663,186
Selling, general and administrative expenses	208,125	192,894	624,638	578,049
Other operating expenses (income), net	130	(28)	1,000	3,385
Operating income	38,936	31,882	101,887	81,752
Interest expense	10,535	11,743	31,503	36,677
Income before income taxes	28,401	20,139	70,384	45,075
Provision for income tax expense	9,253	6,041	19,707	13,522
Net income	\$ 19,148	\$ 14,098	\$ 50,677	\$ 31,553

Thirteen Weeks Ended September 26, 2025 Compared to Thirteen Weeks Ended September 27, 2024

Net Sales

	2025	2024	\$ Change	% Change
Net sales	\$ 1,021,319	\$ 931,452	\$ 89,867	9.6 %

Net sales increased due to organic growth. Case count increased approximately 3.2% in our specialty category, representing an increase in net sales of \$18.6 million. In addition, unique customers and placements in our specialty category increased 2.6% and 5.3%, respectively, compared to the prior year quarter. Pounds sold in our center-of-the-plate category decreased 1.1% compared to the prior year quarter, representing a decrease in net sales of \$4.0 million, primarily due to our exit from a non-core commodity poultry program in fiscal 2025. Estimated inflation increased sales by \$25.7 million, or 4.4% in our specialty category and by \$42.8 million, or 12.3% in our center-of-the-plate category compared to the prior year quarter.

Gross Profit

	2025	2024	\$ Change	% Change
Gross profit	\$ 247,191	\$ 224,748	\$ 22,443	10.0 %
Gross profit margin	24.2 %	24.1 %		

Gross profit dollars increased \$21.7 million as a result of sales growth which includes inflation, with the remainder of the increase primarily due to improved gross profit margin rates. Gross profit margin increased approximately 7 basis points due to improved inventory management and favorable production cost leverage. Gross profit margins increased 59 basis points in the Company's specialty category, or \$3.7 million, and decreased 49 basis points in the Company's center-of-the-plate category, or \$1.9 million, compared to the prior year quarter.

Selling, General and Administrative Expenses

	2025	2024	\$ Change	% Change
Selling, general and administrative expenses	\$ 208,125	\$ 192,894	\$ 15,231	7.9 %
Percentage of net sales	20.4 %	20.7 %		

The increase in selling, general and administrative expenses was primarily due to higher costs associated with compensation and benefits to support sales growth, higher depreciation expense driven by facility and fleet investments and higher self-insurance expense. Our ratio of selling, general and administrative expenses to net sales decreased 30 basis points due to improved fixed cost leverage.

Other Operating Expenses (Income), Net

	2025	2024	\$ Change	% Change
Other operating expenses (income), net	\$ 130	\$ (28)	\$ 158	(564.3)%

Other operating expenses (income), net increased by \$0.2 million primarily due to higher third-party deal costs.

Interest Expense

	2025	2024	\$ Change	% Change
Interest expense	\$ 10,535	\$ 11,743	\$ (1,208)	(10.3)%

Interest expense decreased primarily due to lower aggregate principal amounts of debt outstanding and lower interest rates in the current quarter compared to the prior year quarter.

Provision for Income Tax Expense

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Provision for income tax expense	\$ 9,253	\$ 6,041	\$ 3,212	53.2 %
Effective tax rate	32.6 %	30.0 %		

The Company's effective tax rate was 32.6% and 30.0% for the thirteen weeks ended September 26, 2025 and September 27, 2024, respectively. The effective tax rate for the thirteen weeks ended September 26, 2025 reflects the annual effective tax rate estimated for the full fiscal year and includes a discrete charge related to a return to provision adjustment on the 2024 tax return.

Thirty-Nine Weeks Ended September 26, 2025 Compared to Thirty-Nine Weeks Ended September 27, 2024

Net Sales

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Net sales	\$ 3,006,973	\$ 2,760,644	\$ 246,329	8.9 %

Net sales increased due to organic growth. Case count increased approximately 4.1% in our specialty category, representing an increase in net sales of \$69.6 million. In addition, unique customers and placements in our specialty category increased 3.6% and 7.2%, respectively, compared to the prior year period. Pounds sold in our center-of-the-plate category decreased 2.2% compared to the prior year period, representing a decrease in net sales of \$22.9 million, primarily due to our exit from a non-core commodity poultry program in fiscal 2025. Estimated inflation increased sales by \$80.6 million, or 4.7%, in our specialty category and by \$102.5 million, or 9.7%, in our center-of-the-plate category compared to the prior year period.

Gross Profit

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Gross profit	\$ 727,525	\$ 663,186	\$ 64,339	9.7 %
Gross profit margin	24.2 %	24.0 %		

Gross profit dollars increased \$59.2 million as a result of sales growth which includes inflation, with the remainder of the increase primarily due to improved gross profit margin rates. Gross profit margin increased approximately 17 basis points due to improved inventory management and favorable production cost leverage. Gross profit margins increased 42 basis points in the Company's specialty category, or \$7.8 million, and decreased 24 basis points in the Company's center-of-the-plate category, or \$2.8 million, compared to the prior year period.

Selling, General and Administrative Expenses

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Selling, general and administrative expenses	\$ 624,638	\$ 578,049	\$ 46,589	8.1 %
Percentage of net sales	20.8 %	20.9 %		

The increase in selling, general and administrative expenses was primarily due to higher costs associated with compensation and benefits to support sales growth, higher depreciation expense driven by facility and fleet investments and higher self-insurance expense. Our ratio of selling, general and administrative expenses to net sales decreased 10 basis points due to sales growth combined with certain benefits derived from our investments in our facility and distribution operations.

Other Operating Expenses, Net

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Other operating expenses, net	\$ 1,000	\$ 3,385	\$ (2,385)	(70.5)%

The decrease in other operating expense, net was primarily due to lower employee severance charges during the thirty-nine weeks ended September 26, 2025 compared to the prior year period, and non-cash credits of \$0.7 million for changes in the fair value of our contingent earn-out liabilities in the prior year period.

Interest Expense

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Interest expense	\$ 31,503	\$ 36,677	\$ (5,174)	(14.1)%

Interest expense decreased primarily due to lower aggregate principal amounts of debt outstanding and lower interest rates in the current period compared to the prior year.

Provision for Income Taxes

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Provision for income tax expense	\$ 19,707	\$ 13,522	\$ 6,185	45.7 %
Effective tax rate	28.0 %	30.0 %		

The Company's effective tax rate was 28.0% and 30.0% for the thirty-nine weeks ended September 26, 2025 and September 27, 2024, respectively. The effective tax rate for the thirty-nine weeks ended September 26, 2025 reflects the annual effective tax rate estimated for the full fiscal year, adjusted for discrete items related to a tax benefit from the vesting of stock awards during the period, partially offset by a discrete charge related to a return to provision adjustment on the 2024 tax return.

LIQUIDITY AND CAPITAL RESOURCES

We finance our day-to-day operations and growth primarily with cash flows from operations, borrowings under our senior secured credit facilities and other indebtedness, operating leases, trade payables and equity financing.

Indebtedness

The following table presents selected financial information on our indebtedness:

	<u>September 26, 2025</u>	<u>December 27, 2024</u>
Senior secured term loan	\$ 252,750	\$ 260,000
Convertible senior notes	287,500	287,500
Borrowings outstanding on asset-based loan facility	100,000	120,000
Finance leases and other financing obligations	104,918	52,673

Financing Transactions

On October 1, 2025, subsequent to our fiscal quarter end, we issued an \$11.0 million unsecured note in connection with the acquisition of substantially all of the assets of Italco Food Products. The Company also paid \$5.5 million cash at closing. The acquisition was not material to our consolidated financial statements.

On August 20, 2025, we entered into an amendment ("Eighth Amendment") to our asset-based loan (the "ABL") credit agreement, which extended the maturity date to August 20, 2030, eliminated the credit spread adjustment to the interest rate charged on borrowings and increased the aggregate letters of credit. There were no changes to the aggregate commitments of \$300,000. The Eighth Amendment to the ABL was accounted for as a debt modification. We incurred transaction costs of \$658, which were capitalized as deferred financing fees to be amortized over the term of the ABL, and are presented in *other non-current assets* in our condensed consolidated balance sheet.

In June 2025, we entered into an amendment to our senior secured term loan agreement, which reduced the interest rate spread by 50 basis points on our senior secured term loan facility. Additionally, during the thirty-nine weeks ended September 26, 2025 and September 27, 2024, we made voluntary principal prepayments of \$5.0 million and \$12.0 million, respectively, towards the senior secured term loan.

The GreenLeaf Note matured on April 20, 2025, and we made the final principal payment of \$5.0 million during the thirty-nine weeks ended September 26, 2025. Previously, we made a scheduled principal payment of \$5.0 million towards the GreenLeaf Note during the thirty-nine weeks ended September 27, 2024. The GreenLeaf Note is presented at December 27, 2024 under the caption "Finance leases and other financing obligations" in the table above.

In November 2023, we announced a two-year share repurchase program in an amount up to \$100.0 million, targeting \$25.0 million to \$100.0 million of share repurchases by the end of fiscal 2025. During the thirty-nine weeks ended September 26, 2025, we repurchased 241,198 shares of our common stock at an average purchase price of \$62.19 per share. During the thirty-nine weeks ended September 27, 2024, we repurchased 264,076 shares of our common stock at an average purchase price of \$37.86 per share. The share repurchases were funded by our available cash. The remaining share purchase authorization was \$67.6 million at September 26, 2025. We are not obligated to repurchase any specific number of shares and may suspend or discontinue the program at any time.

Liquidity

The following table presents selected financial information on liquidity:

	September 26, 2025	December 27, 2024
Cash and cash equivalents	\$ 65,061	\$ 114,655
Working capital ⁽¹⁾ , excluding cash and cash equivalents	398,177	327,992
Availability under asset-based loan facility	159,516	146,674

⁽¹⁾ We define working capital as current assets less current liabilities.

We expect our capital expenditures, excluding cash paid for acquisitions, for fiscal 2025 will be approximately \$40.0 million to \$50.0 million. We believe our existing balances of cash and cash equivalents, working capital and the availability under our asset-based loan facility, are sufficient to satisfy our working capital needs, capital expenditures, debt service and other liquidity requirements associated with our current operations over the next twelve months.

Cash Flows

The following table presents selected financial information on cash flows:

	Thirty-Nine Weeks Ended	
	September 26, 2025	September 27, 2024
Net cash provided by operating activities	\$ 55,352	\$ 80,057
Net cash used in investing activities	(33,340)	(41,446)
Net cash used in financing activities	(71,589)	(37,826)

Our cash provided by operating activities is predominately driven by net sales to our customers. Our cash used in operating activities is primarily driven by our payments to suppliers for our inventory, employee compensation, payments to support our facilities, our distribution network, interest on our indebtedness, payments to tax authorities and other general corporate expenditures. Net cash provided by operations was \$55.4 million for the thirty-nine weeks ended September 26, 2025 compared to \$80.1 million for the thirty-nine weeks ended September 27, 2024. The decrease in cash provided by operating activities was primarily due to timing of payments and a strategic pull-forward of certain inventory purchases, partially offset by sales growth.

Net cash used in investing activities was \$33.3 million for the thirty-nine weeks ended September 26, 2025, driven by capital expenditures.

Net cash used in financing activities was \$71.6 million for the thirty-nine weeks ended September 26, 2025 driven by \$20.0 million of payments under our revolving credit facilities, \$12.3 million of payments of term loan debt, \$11.8 million paid for shares surrendered to pay tax withholding related to the vesting of equity incentive plan awards, \$15.0 million used to repurchase our common stock and \$11.8 million of finance lease payments.

Recent Accounting Pronouncements

Information related to new accounting guidance is included in Note 1 “Operations and Basis of Presentation” to our condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our exposure to interest rate market risk relates primarily to our long-term debt. As of September 26, 2025, we had aggregate indebtedness outstanding of \$352.8 million that bore interest at variable rates. A 100 basis point increase in market interest rates would decrease our after-tax earnings by approximately \$2.5 million per annum, holding other variables constant.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company, under the supervision and with the participation of its management, including the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 26, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended September 26, 2025 that 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 involved in legal proceedings, claims and litigation arising out of the ordinary conduct of our business. Although we cannot assure the outcome, management presently believes that the result of such legal proceedings, either individually or in the aggregate, will not have a material adverse effect on our condensed consolidated financial statements, and no material amounts have been accrued in our condensed consolidated financial statements with respect to these matters.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factors as previously disclosed in Part I, Item 1A, included in our Annual Report on Form 10-K for the year ended December 27, 2024. In addition to the information contained herein, you should consider the risk factors disclosed in our Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES**Issuer Purchases of Equity Securities**

	Total Number of Shares Repurchased⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs⁽²⁾	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in thousands)⁽²⁾
June 28, 2025 to July 25, 2025	—	\$ —	—	\$ 72,617
July 26, 2025 to August 22, 2025	84,089	61.73	81,216	67,617
August 23, 2025 to September 26, 2025	—	—	—	67,617
Total	<u>84,089</u>	<u>\$ 61.73</u>	<u>81,216</u>	<u>\$ 67,617</u>

- (1) Represents shares of our common stock withheld during the thirteen weeks ended September 26, 2025 to satisfy tax withholding requirements related to restricted shares of our common stock awarded to our officers and key employees resulting from either elections under 83(b) of the Internal Revenue Code of 1986, as amended, or upon vesting of such awards, in addition to shares purchased as part of a publicly announced program included in column 3.
- (2) In November 2023, we announced a two-year share repurchase program in an amount up to \$100.0 million targeting \$25.0 million to \$100.0 million of share repurchases by the end of fiscal 2025.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION**Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements**

During the quarter covered by this report, none of our directors and officers (as defined in Rule 16a-1(f) of the Securities Exchange Act, of 1934, as amended) adopted, terminated or modified any contract, instruction or written plan for the purchase or sale of our common stock that was intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document – the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 on October 29, 2025.

**THE CHEFS' WAREHOUSE, INC.
(Registrant)**

Date: October 29, 2025

/s/ James Leddy

James Leddy
Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2025

/s/ Timothy McCauley

Timothy McCauley
Chief Accounting Officer
(Principal Accounting Officer)

CERTIFICATIONS

I, Christopher Pappas, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;
2. Based on my knowledge, this quarterly 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 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 Rule 13a-15(f) and Rule 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 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 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 registrant's board of directors (or persons performing the equivalent function):
 - (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.

Dated: October 29, 2025

/s/ Christopher Pappas

By: Christopher Pappas
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, James Leddy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;
2. Based on my knowledge, this quarterly 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 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 Rule 13a-15(f) and Rule 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 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 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 registrant's board of directors (or persons performing the equivalent function):
 - (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.

Dated: October 29, 2025

/s/ James Leddy

By: James Leddy
Chief Financial Officer
(Principal Financial Officer)

