

AUGUST 2021

INVESTOR PRESENTATION



Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words “may,” “might,” “will,” “objective,” “intend,” “should,” “could,” “can,” “would,” “expect,” “believe,” “design,” “estimate,” “predict,” “potential,” “plan” or the negatives thereof and other words and terms of similar meaning. These statements are not guarantees of future performance and involve a number of known and unknown risks, assumptions, trends, uncertainties and factors that are beyond our control, including without limitation, those identified in our annual report on Form 10-K for the fiscal year ended December 29, 2020 filed on February 26, 2021 and our quarterly reports on Form 10-Q, under the sections titled “Risk Factors,” “Cautionary Note Regarding Forward-Looking Statements,” and “Management's Discussion and Analysis of Financial Condition and Results of Operations.” Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although Noodles & Company (“we” or the “Company”) believes that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that the assumptions and expectations will prove to be correct. All forward-looking statements speak only as of the date of this document. We undertake no obligations to update or revise publicly any forward-looking statements in this presentation, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

Note Regarding Non-GAAP Measures

In this presentation, we include certain supplemental financial measures, including EBITDA, Adjusted EBITDA, restaurant contribution, and restaurant contribution margin, which are neither required by nor presented in accordance with generally accepted accounting principles in the U.S. (“GAAP”). The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. We use these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. We believe that they provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. You are cautioned, however, that these measures, as we calculate them, are not necessarily comparable to similarly titled measures reported by other companies. In addition, these measures have limitations as analytical tools and should be considered only in conjunction with our financial results reported under GAAP, and not in isolation. See the Appendix for a reconciliation of each non-GAAP financial measure included in this presentation to its directly comparable GAAP measurement. For more information on why management considers these non-GAAP financial measures to be important indicators of our operational strength and performance, as well as the limitations on these measures as an analytical tool, please see our annual report on Form 10-K for the fiscal year ended December 29, 2020 filed on February 26, 2021 and our quarterly reports on Form 10-Q, under the sections titled “Key Measures We Use to Evaluate Our Performance.”

Investment Highlights

Winning in 2021 and Beyond



OUR BRAND:

Fast Casual Leader in a Consumer Favorite: Noodles and Pasta

OUR MENU:

Innovative, Varied and Cooked Fresh-to-Order Attracts Today's Consumer

OUR GUEST ENGAGEMENT:

Personalized Digital Connections Puts Guests in Control

OUR OPERATING MODEL:

A Robust Model Executed by a High Performing, Passionate Team

OUR UNIT GROWTH:

A Deep and Growing Pipeline of Company Locations and Recent Southern US Franchise Program Launch



Investment Highlights

Built a Strong Foundation for Accelerated Growth

2017



Launched Noodles Rewards Program

2018



Introduced healthy-noodle option – zucchini noodles (“zoodles”)



Expanded off-prem model to include Quick Pick-Up



Invested in advanced labor management technology

2019



Expanded healthy noodle options—Cauliflower-infused noodles



Order ahead and drive thru addition



Reimagined mobile app and Rewards platform



Introduced industry-leading team member benefits – *LifeatNoodles*



Launched National delivery

2020



Expanded Noodles native delivery and curbside pickup



Rollout “Kitchen of the Future” - FOH efficiency acceleration



New executive leadership – CFO and CMO



Launched Group Ordering, Apple Pay and Order Status



Expanded inclusion & diversity mental health efforts



Bolstered company & franchise teams

2021



New menu innovations – Cauliflower Gnocchi & Tortelloni



Steamer introduction



Franchise Initiative launched



Opened first ghost kitchen

Investment Highlights

Goal: Become the Premier Restaurant Growth Story

noodles
nextlevel

1.45M Average Unit Volume | 20% Restaurant Margin | 10% Unit Growth

Unit Expansion

10%+ Systemwide Growth by 2023
Superior Economics (30%+ COC Target)
Ideal Operating Model For Post-Covid World

AUV Growth

42% of Units Already >\$1.45M AUV*
On Trend Culinary Innovation
Digital & Off-Premise Strengths

Margin Expansion

Pricing Power
Low Fixed Cost Structure
Continued Labor / COGS Efficiency Opportunities

* July 2021

Our Brand

A Brand Unlike Any Other



Welcome to Noodles & Company

Noodles & Pasta are one of America's favorite foods – a staple of diets across the globe and the ultimate comfort food to bring family and friends together.

From kids to adults, healthy to indulgent, and familiar to new, Noodles & Company has something for everyone.

Fresh, inventive, and cooked fresh-to order by our caring team members, we offer guests the ability to experience a world of flavors - however, whenever, and wherever they would like to.

Our Brand

Unique offering of a consumer favorite

- Only national fast casual chain delivering world flavors through noodles and pasta
- Proprietary sauces and innovative approach to cooking provide high barrier to entry



Our Brand

Attractive Target Market With Broad Appeal

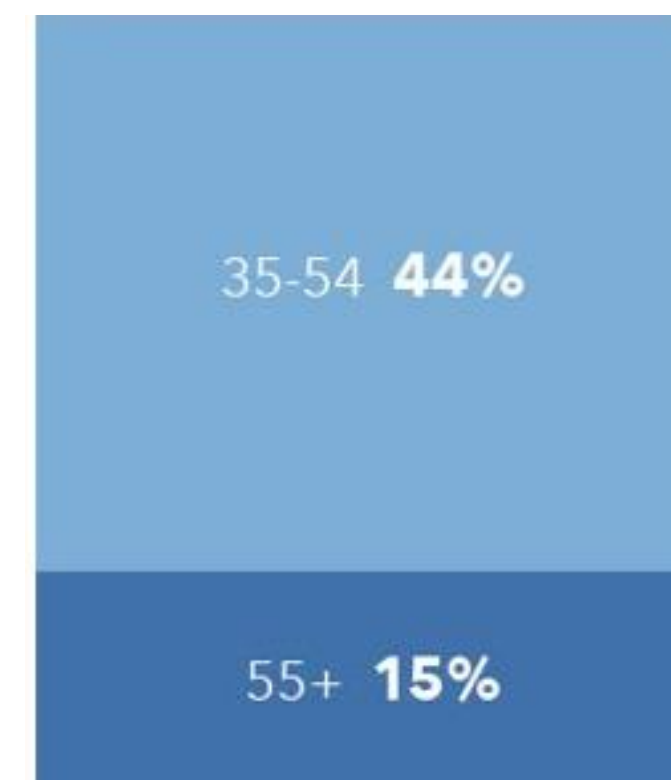
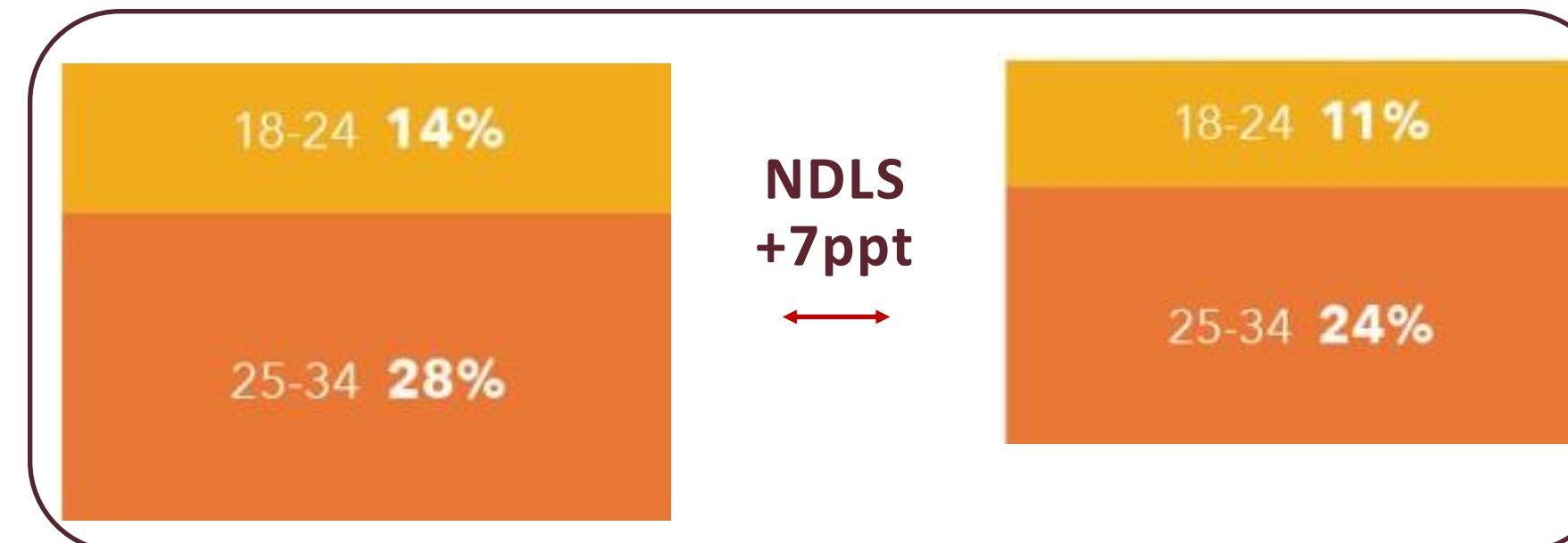
- Younger demographic, +7ppt vs industry peers
- Particular strength with millennial families



Age Distribution of Customers (Noodles & Company vs Peers)

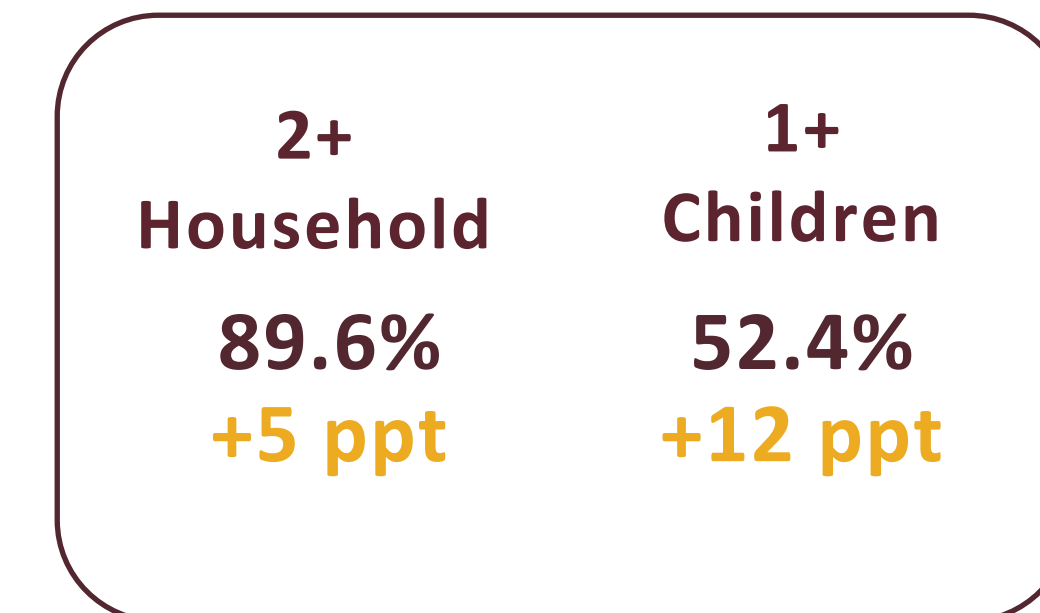


Peer Average

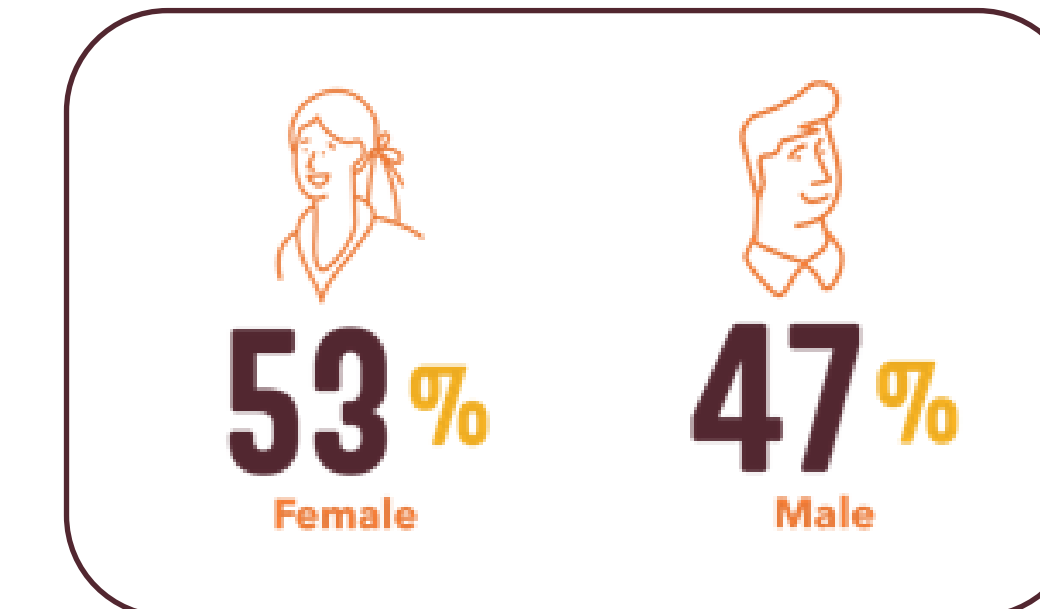


Source: Sense360, surveys collected Q1-Q4 '20

Household Distribution (vs Peers)



Gender Distribution



Source: Coke Dine360, NDLS vs fast casual, June '21 TTM

Our Menu

A World of Flavors Under One Roof

- Variety to meet wide range of dietary and flavor preferences
- Strength in both lunch and dinner dayparts

Signature Flavors

Penne Rosa with
Parmesan-Crusted
Chicken 🍴



Chicken Veracruz
Salad 🍴



Pesto Cavatappi
with Grilled
Chicken 🍴



Buffalo
Chicken Mac 🍴



Japanese Pan
Noodles with
Marinated Steak 🍴



🍴 Spicy

🍴 Gluten Sensitive
Made without gluten-containing
ingredients but potential for cross-
contact exists.

🍴 Vegetarian
Excludes meat & fish.

Classic Noodles

3-Cheese Tortelloni
Rosa 🍴

3-Cheese Tortelloni
Pesto 🍴

Roasted Garlic Cream
Tortelloni 🍴

Penne Rosa 🍴

Buttered Noodles 🍴

Spaghetti & Meatballs

Alfredo MontAmoré*
with Parmesan-Crusted
Chicken

Pesto Cavatappi 🍴

Shrimp Scampi



Zoodles and Caulifloodles

Zucchini Shrimp
Scampi 🍴

Zucchini Pesto with
Grilled Chicken 🍴

Cauliflower Rigatoni in
Roasted Garlic Cream 🍴

Cauliflower Rigatoni
Fresca with Shrimp

Cauliflower Gnocchi with
Roasted Garlic Cream 🍴

Cauliflower Gnocchi
Rosa 🍴

Ask us for our Nutrition and Allergen Guide. Before placing your order, please inform a team member if a person in your party has a food allergy. 2,000 calories a day is used for general nutrition advice, but calorie needs vary. Additional nutrition information available upon request.

Substitute



Any Noodle including
Cauliflower Rigatoni



Zucchini
Noodles



Gluten-Free
Pipette Shells



3-Cheese
Tortelloni

World Famous Macs

Wisconsin
Mac & Cheese 🍴

Gluten-Sensitive
Pipette Mac 🍴

Buffalo Chicken
Mac 🍴

BBQ Pork Mac 🍴



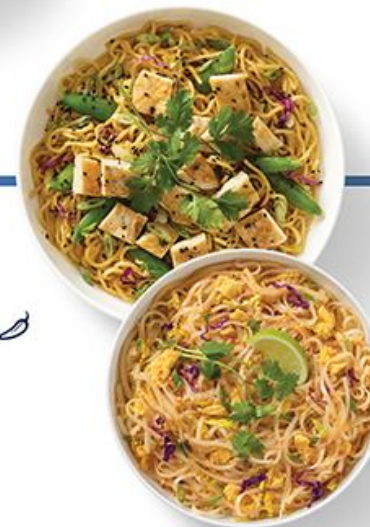
Asian Noodles

Grilled Orange
Chicken Lo Mein

Japanese Pan
Noodles 🍴

Pad Thai 🍴

Spicy Korean
Beef Noodles 🍴



Add Meat or Tofu

Grilled Chicken
Oven-Roasted
Meatballs

Seasoned Tofu
Naturally Raised Pork

Parmesan-Crusted
Chicken

Marinated Steak
Sautéed Shrimp

Salads

Now with Tuscan Greens

The Med Salad with Chicken 🍴

Chicken Veracruz Salad 🍴

Grilled Chicken Caesar



Make It a Meal

Add a Reg Drink
& Side or Dessert



Drinks

Fountain Drink
Fresh-Brewed
Iced Tea

Shareables



Potstickers

Cheesy Garlic
Bread 🍴

Korean BBQ
Meatballs 🍴

Sides

Wisconsin Mac & Cheese
Caesar Salad
Tomato Basil Bisque
Chicken Noodle Soup
Flatbread
Baguette

Soups

Tomato Basil
Bisque 🍴
Chicken Noodle



Kids Meals with Noodleimals

Choose An Entrée

Wisconsin
Mac & Cheese
Buttered Noodles
Spaghetti &
Meatballs

Grilled Chicken
Breast with
Marinara
Tortelloni
Marinara

Choose
Two Sides

Broccoli
Applesauce
Kids Crispy

Choose
A Drink

Organic
Lowfat Milk
Organic Juice

Animal-shaped
Noodleimals.
A fun species of
noodle, served in
most Kids Meals.

Get more veggies.
Substitute Cauliflower-
Infused Rigatoni.

Gluten sensitive?
Substitute Gluten-Free
Pipette Shells.

0000 to 0000 calories a day is used for general nutrition advice for children ages 4-8 years, but calorie needs vary.

Our Menu

Innovative Approach to Culinary

- Focused on increasing both trial and frequency
- Broadened reach through introduction of healthier alternatives, representing 14% product mix

2018 | 2019 Zucchini & Cauliflower Noodles



2020 Perfect Bowls & Shrimp Scampi



January 2021, Cauliflower Gnocchi



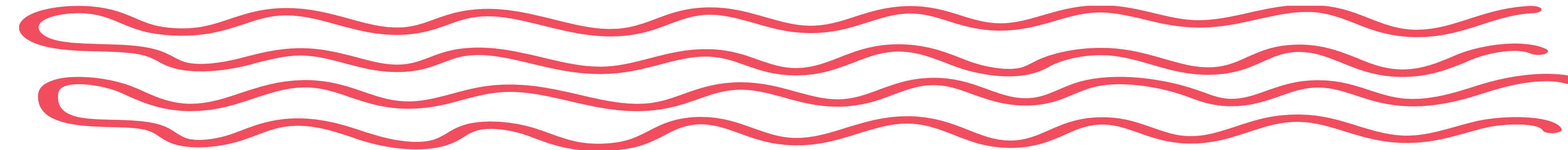
Summer 2021, Tortelloni & Salad Refresh Expansion



Our Menu

Craveable Food, Cooked Fresh

- Real cooking, right when you order it. Customized exactly how you like it.
- Incredibly satisfying, high-quality food experience



Our Guest Engagement

Best in Class Off-Premise Experience

- Food travels extremely well. Speed and price point matches a wide range of dining occasions
- Continuous innovation in quick-pick up and curbside provides options to make every visit quick and satisfying
- Introduction of order ahead drive through window for new units
- Nearly 60% off-premise mix even before COVID, currently at 90% off-premise as in store dining has recently resumed



**GET YOUR NOODLES
DELIVERED WITH
A SIDE OF REWARDS.**

Now through 5/2, earn 2x bonus points** when you order Delivery.



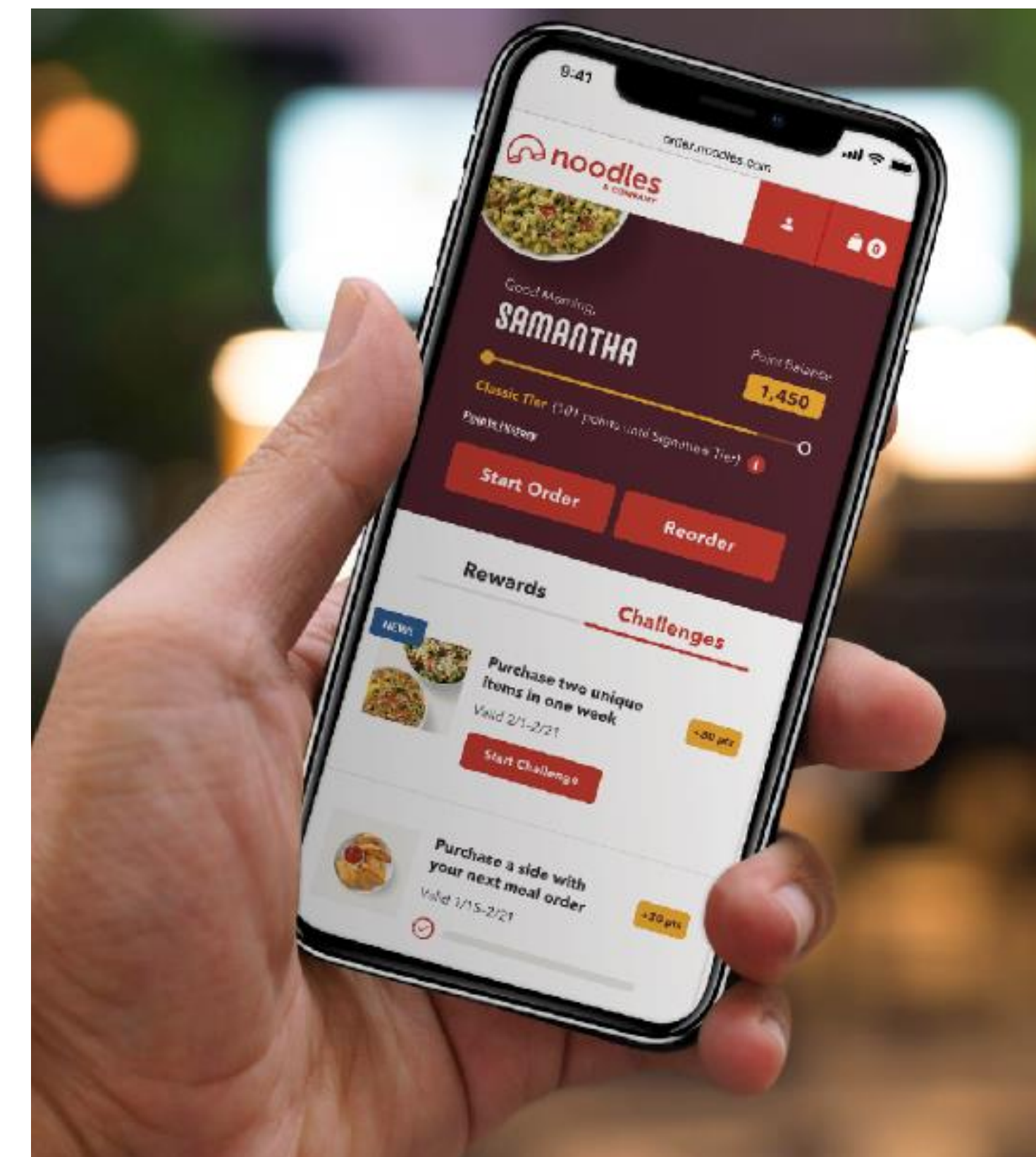
Our Guest Engagement

Increasing Digital Sales Even as In Restaurant Sales Return

- Digital sales growth has proven long-standing with continued expansion opportunity
- Continued growth and opportunity for in-restaurant sales

AUV and channel mix (\$ in thousands)

	Digital	In-Restaurant	Total
2Q'21	\$753	\$597	\$1,350
1Q '21	\$724	\$446	\$1,169
FY2019	\$327	\$841	\$1,168



Digital channel includes Online ordering, curbside and delivery. In-restaurant includes dine-in and To Go.


AUV consists of the average annualized sales of all restaurants for a given time period. AUV is calculated by dividing restaurant revenue by the number of operating days within each time period and multiplying by the number of operating days we have in a typical year. AUV normalizes for the impact of temporarily closed restaurants.

Our Guest Engagement

Digital and Delivery Accelerating Brand Awareness

- Prominently shown in delivery platforms for multiple cuisines searches (Asian, Italian, Vegetarian, etc.)
- More effective targeted digital media spend

Significant increase in aided awareness

86%  **95%**
Sept '20 March '21


Meaningful improvement in brand trial

61%  **78%**
Sept '20 March '21

Source: Noodles & Company awareness tracker. March '21

Average Restaurant Level Sales by channel
(\$ in thousands)

	Delivery	In-Restaurant
2Q '21	\$382	\$597
1Q '21	\$361	\$446
FY2019	\$117	\$841

 Increase in Delivery sales even as In-Restaurant sales increased

Note: Delivery includes Third Party delivery and owned delivery. AUV consists of the average annualized sales of all restaurants for a given time period. AUV is calculated by dividing restaurant revenue by the number of operating days within each time period and multiplying by the number of operating days we have in a typical year. AUV normalizes for the impact of temporarily closed restaurants.

Our Guest Engagement

Rapidly Growing Rewards Program

- Program combining point-based redemption, experiential benefits, surprise & delight rewards
- Ability to analyze, understand, and predict guest behavior to personalize engagement with the brand




+ 3.8M
 REWARDS MEMBERS


16%
 REWARDS GROWTH
 vs. 2019

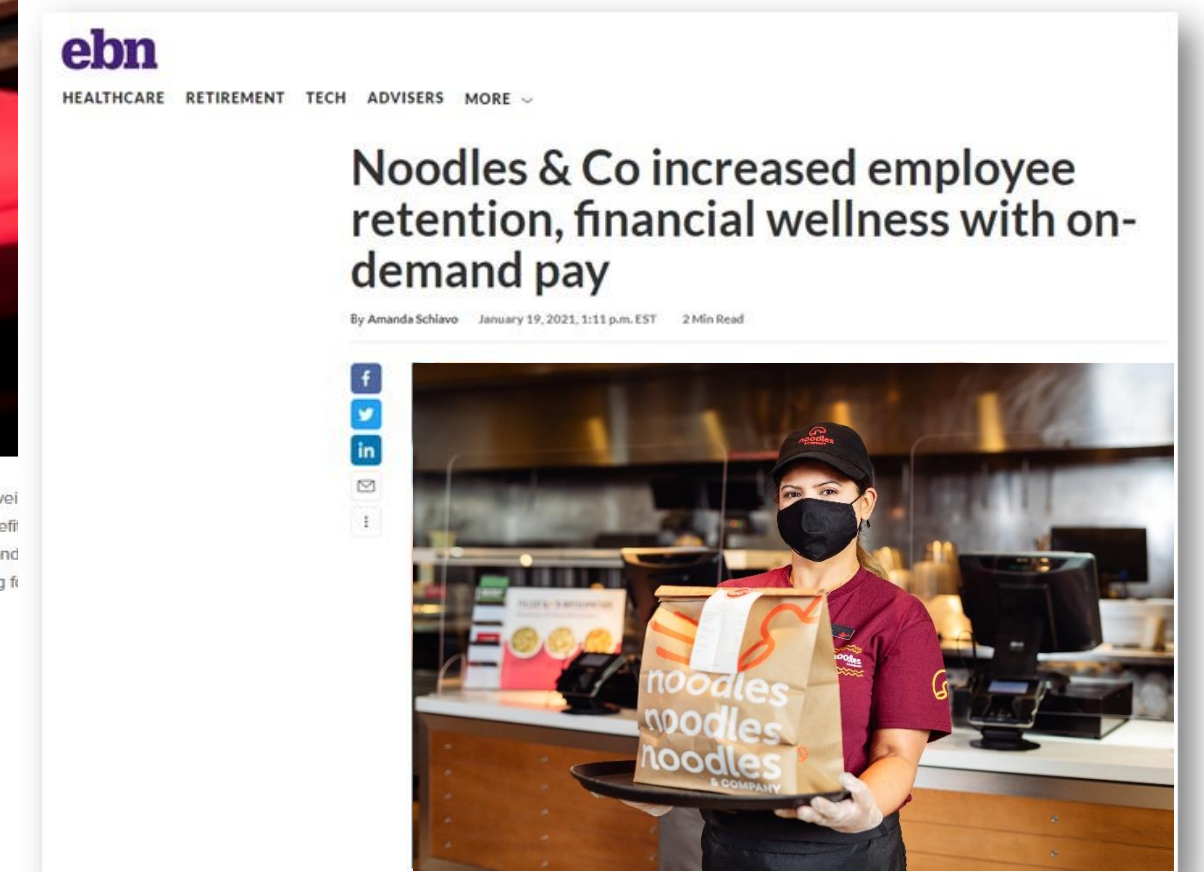
“Noodles Rewards
 named #2 Fast Casual
 Rewards Program by
 Newsweek for 2021”



Our Operating Model

Team Member Retention Meaningfully Better than Industry Average

- A culture of caring and operational excellence
- Industry leading approach to benefits and employee engagement
- Turnover metrics ahead of industry average



Our Operating Model

Relentless Focus on Improving Efficiencies

- **7 hours of labor per restaurant per day removed from system from 2018 to 2020**

Represents \$14 million in annual labor savings / cost avoidance

- **2021 Steamer launch anticipated benefits**

Increases efficiency in production by bringing ingredients to temp quickly prior to cooking

~2 hours additional labor savings per restaurant per day

~30 second improvement in cook times

- **Supply Chain innovation to improve sourcing and contracting strategy**

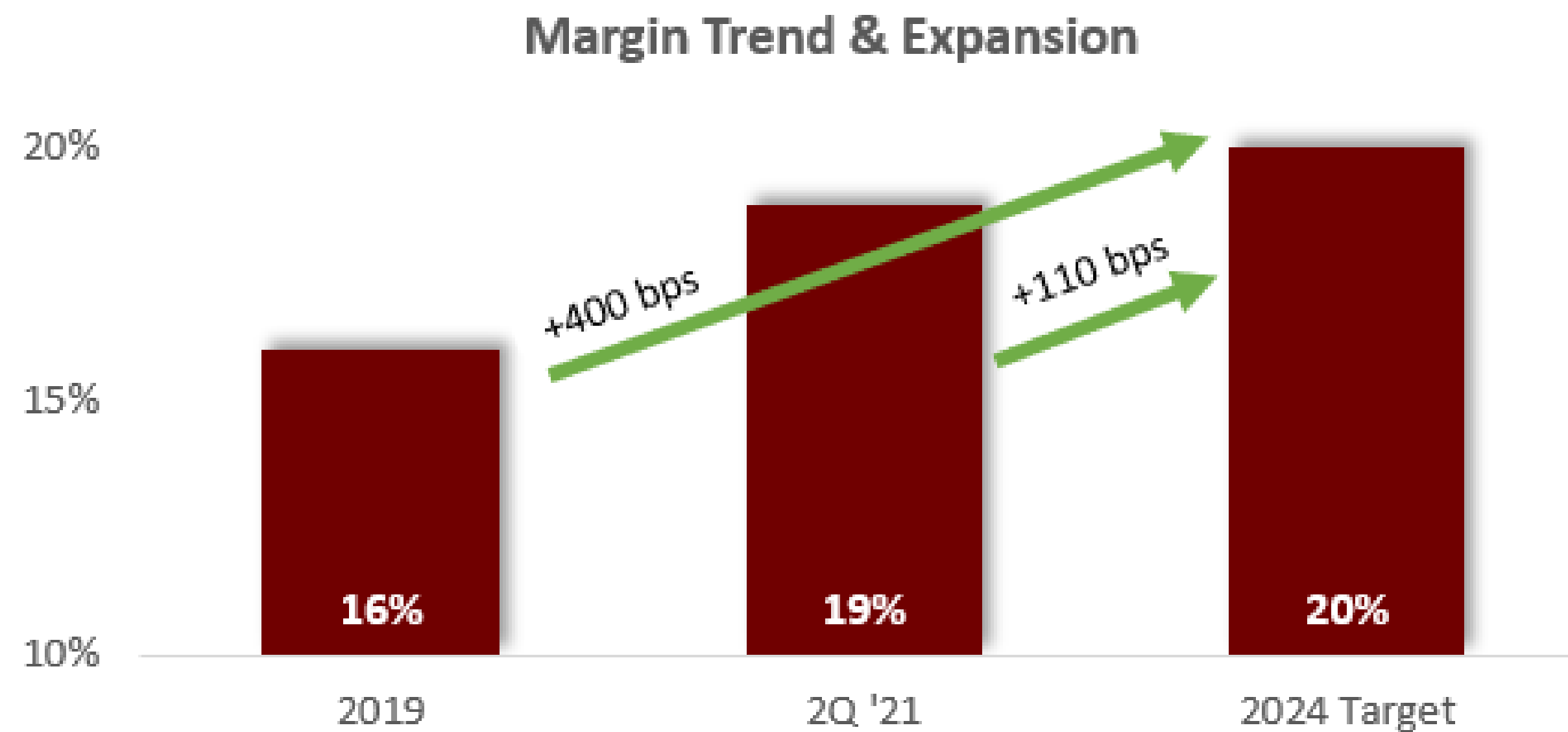
Disciplined approach to cost management, food safety, and distribution

	2Q'19	2Q'21	B / (W)
COGS	25.6%	24.9%	70 bps
Labor	32.7%	29.8%	290 bps



Our Operating Model

Margin Expansion Levers in Place



Pricing power and low prime costs mitigates inflationary pressure and allows for meaningful leverage on fixed costs



Labor efficiencies found in kitchen, particularly through introduction of steamers, and in off-premise sales model and team retention

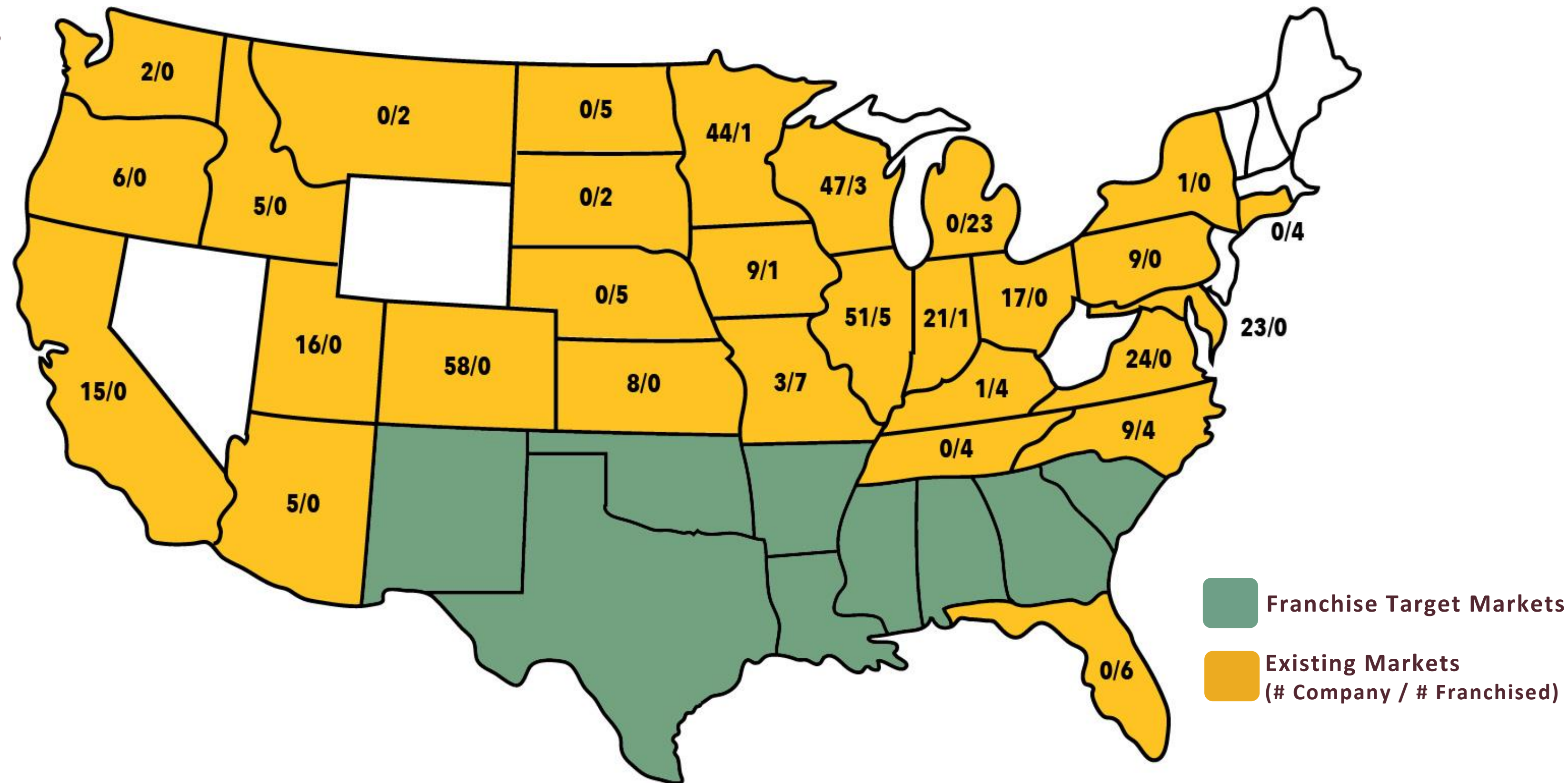


COGS efficiencies through vendor duplicity and commodity management

Our Unit Growth

National Footprint with Both Infill and New Market Opportunities

- Significant infill opportunities in existing markets
- Contiguous company new market growth
- Recent southern U.S. franchise initiative



374

COMPANY
RESTAURANTS



77

FRANCHISED
RESTAURANTS

As of 6/29/2021

1,500+ National Unit Potential

Our Unit Growth

Company Infill Growth with >30% Cash-on-Cash Returns

- 2019/2020 new restaurant class is the best in our history, and well ahead of prospective new unit economic model
 - Q2 2021: New Restaurants \$1.35 M AUV; 19.7% Margin
- Efficient operating model: Reduced square footage, more efficient kitchen
 - Off premise orientation: 70%+ of new units to include order ahead drive through window
- Disciplined strategy with majority of company growth from infill locations
 - Majority of company markets <50% penetrated
 - Infill complemented by entry into contiguous new markets with existing infrastructure



New Unit Economic Model

Size (Sq. Ft)	2,000
Net Development Cost	\$800K
Year 1 AUV	95-100% COMPANY AVG
Maturation	18 MONTHS
Annual Cash Flow (post-maturation)	\$250K
Cash on Cash Return	30%+

Note: Represents infill markets. New markets average approximately 85 – 90% of Company Average for Year 1 AUV, and mature in approximately 24 months.

Our Unit Growth

Franchising Poised for Significant Growth

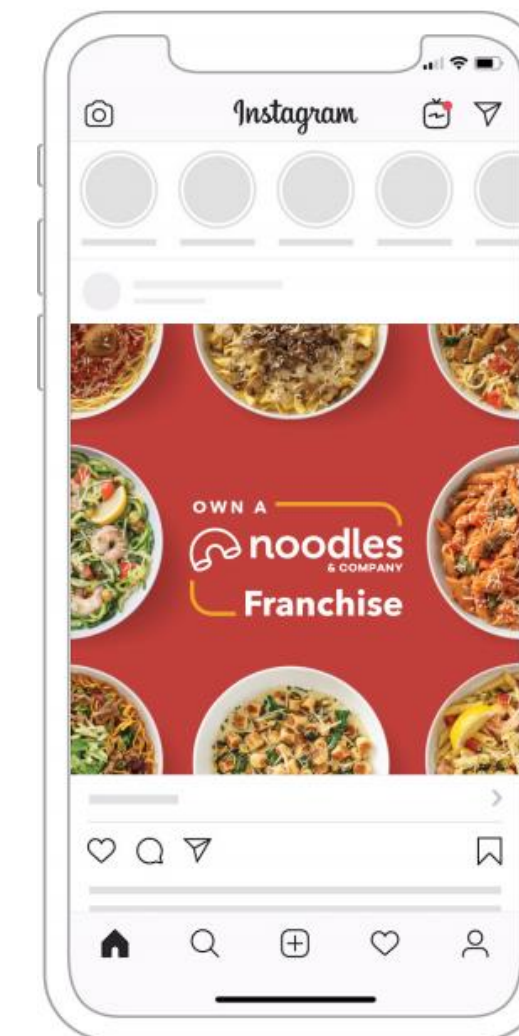
- Early 2021 announcement on expanded franchise program
- Attractive economic and operating model for franchisees
 - Low build-out cost relative to most QSR / casual dining models
 - Strong cash on cash returns, inclusive of ~55% prime costs
 - Infrastructure to support growth & quickly achieve scale
 - Concept's digital, off-premise and menu strengths on trend

The Future of Franchising is Now at Noodles & Company

April 20, 2021 From www.restaurantnews.com By RestaurantNews.com

RestaurantNews.com

Noodles & Company targets system-wide unit growth of at least 7% annually beginning in 2022, with a goal of 10% annual growth on a path to at least 1,500 units



Noodles & Company is noodling an expansion to Dallas

The company so far has no restaurants in Texas.



Featured

- LIVE WEATHER UPDATES >
- TODAY'S E-RAPER >
- YOUR CITY'S NEWS >
- TEXT WITH OUR JOURNALISTS >
- 50+ FREE NEWSLETTERS >
- CORONAVIRUS UPDATES >
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- PUBLIC NOTICES >
- NEWSPAPER ARCHIVES >
- PUZZLES AND GAMES >

<https://www.dallasnews.com/food/restaurant-news/2021/02/25/noodles-company-franchise-will-expand-to-dallas-texas/>



APPENDIX

Restaurant Contribution Margin Reconciliation

	Quarter Ended									
	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Income (loss) from operations	\$6,210	(\$1,365)	(\$3,372)	\$722	(\$12,525)	(\$4,854)	\$247	\$5,044	\$1,238	(\$1,090)
Less: Franchising and Royalty Fees	1,934	1,833	1,838	1,569	136	1,632	1,582	1,545	1,332	1,281
Plus: General and Administrative	12,978	10,929	11,461	10,827	10,034	10,554	11,022	10,436	11,848	10,140
Depreciation and Amortization	5,576	5,587	5,436	5,541	5,397	5,335	5,460	5,458	5,661	5,507
Pre-opening	163	58	60	239	71	73	71	266	65	-
Restaurant impairments, closure costs and asset disposal	390	1,231	2,557	369	2,558	1,056	4,107	336	2,884	420
Restaurant Contribution	\$23,383	\$14,607	\$14,304	\$16,129	\$5,399	\$10,532	\$19,325	\$19,995	\$20,364	\$13,696
Restaurant contribution margin	18.9%	13.6%	13.6%	15.4%	6.7%	10.7%	17.2%	17.1%	17.1%	12.6%

Note: Restaurant contribution and restaurant contribution margin are non-GAAP measures that are neither required by, nor presented in accordance with GAAP. Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs. Restaurant contribution margin represents restaurant contribution as a percentage of restaurant revenue. The calculation of these measures may not be comparable to similar measures reported by other companies. The presentation of restaurant contribution and restaurant contribution margin is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. Management believes that restaurant contribution and restaurant contribution margin are important tools for investors and other interested parties because they are widely-used metrics within the restaurant industry to evaluate restaurant-level productivity, efficiency and performance. Management also uses restaurant contribution and restaurant contribution margin as metrics to evaluate the profitability of incremental sales at our restaurants, restaurant performance across periods and restaurant financial performance compared with competitors.