The Wendy's Company and Subsidiaries
Reconciliations of Net Income to Adjusted EBITDA and Revenues to Adjusted Revenues
Three and Nine Month Periods Ended September 28, 2025 and September 27, 2026
(In Thousands)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2025	2026	2025	2026
Net income	$ 44,252	$ 15,093	$ 138,594	$ 70,421
Provision for income taxes	18,984	10,338	55,459	37,742
Income before income taxes	63,236	25,431	194,053	108,163
Other income, net	(2,730)	(3,200)	(10,301)	(9,683)
Investment loss, net	—	—	1,718	—
Interest expense, net	31,543	33,576	93,965	101,532
Operating profit	92,049	55,807	279,435	200,012
Plus (less):				
Advertising funds revenue	(107,013)	(111,373)	(318,738)	(347,135)
Advertising funds expense (a)	106,840	111,367	318,281	347,105
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	38,393	39,907	111,932	118,543
Amortization of cloud computing arrangements	5,226	5,036	13,449	14,375
Portfolio and system optimization gains, net	(29)	(3,689)	(326)	(5,981)
Reorganization and realignment costs	316	2,794	(202)	2,642
Strategic initiative expenses (b)	—	11,852	—	11,852
Impairment of long-lived assets	2,257	1,725	5,364	7,417
Adjusted EBITDA	$ 138,039	$ 113,426	$ 409,195	$ 348,830
Revenues	$ 549,516	$ 546,993	$ 1,633,917	$ 1,658,201
Less:				
Advertising funds revenue	(107,013)	(111,373)	(318,738)	(347,135)
Adjusted revenues	$ 442,503	$ 435,620	$ 1,315,179	$ 1,311,066

(a) Excludes advertising funds expense of $191 and $533 for the three and nine months ended September 28, 2025 related to the Company's funding of incremental advertising. There was no funding of incremental advertising during the three and nine months ended September 27, 2026. In addition, excludes other international-related advertising (deficit) surplus of $(650) and $(1,769) for the three and nine months ended September 28, 2025, respectively, and $1,320 and $564 for the three and nine months ended September 27, 2026, respectively.

(b) These transformational costs, which are infrequent or unusual in nature and outside of the Company's normal ongoing operations, primarily include third-party consulting and professional fees related to *Dave's Way*, as well as costs associated with discrete senior management and organizational actions.

The Wendy's Company and Subsidiaries
Reconciliation of Net Income and Diluted Earnings Per Share to
Adjusted Income and Adjusted Earnings Per Share
Three and Nine Month Periods Ended September 28, 2025 and September 27, 2026
(In Thousands Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2025	2026	2025	2026
Net income	$ 44,252	$ 15,093	$ 138,594	$ 70,421
Plus (less):				
Advertising funds revenue	(107,013)	(111,373)	(318,738)	(347,135)
Advertising funds expense (a)	106,840	111,367	318,281	347,105
Portfolio and system optimization gains, net	(29)	(3,689)	(326)	(5,981)
Reorganization and realignment costs	316	2,794	(202)	2,642
Strategic initiative expenses (b)	—	11,852	—	11,852
Impairment of long-lived assets	2,257	1,725	5,364	7,417
Total adjustments	2,371	12,676	4,379	15,900
Income tax impact on adjustments (c)	(628)	(3,114)	(1,208)	(3,894)
Total adjustments, net of income taxes	1,743	9,562	3,171	12,006
Adjusted income	$ 45,995	$ 24,655	$ 141,765	$ 82,427
Diluted earnings per share	$ .23	$ .08	$ .71	$ .37
Total adjustments per share, net of income taxes	.01	.05	.02	.06
Adjusted earnings per share	$ .24	$ .13	$ .73	$ .43

(a) Excludes advertising funds expense of $191 and $533 for the three and nine months ended September 28, 2025 related to the Company's funding of incremental advertising. There was no funding of incremental advertising during the three and nine months ended September 27, 2026. In addition, excludes other international-related advertising (deficit) surplus of $(650) and $(1,769) for the three and nine months ended September 28, 2025, respectively, and $1,320 and $564 for the three and nine months ended September 27, 2026, respectively.

(b) These transformational costs, which are infrequent or unusual in nature and outside of the Company's normal ongoing operations, primarily include third-party consulting and professional fees related to *Dave's Way*, as well as costs associated with discrete senior management and organizational actions.

(c) Adjustments relate to the tax effect of non-GAAP adjustments, which were determined based on the nature of the underlying non-GAAP adjustments and their relevant jurisdictional tax rates.

The Wendy's Company and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow
Nine Month Periods Ended September 28, 2025 and September 27, 2026
(In Thousands)
(Unaudited)

	Nine Months Ended	
	2025	**2026**
Net cash provided by operating activities	$ 275,263	$ 238,950
Plus (less):		
Capital expenditures	(64,043)	(48,724)
Franchise development fund	(23,096)	(14,588)
Advertising funds impact (a)	7,481	(1,414)
Free cash flow	$ 195,605	$ 174,224

(a) Represents the net change in the restricted operating assets and liabilities of our advertising funds, which is included in "Changes in operating assets and liabilities and other, net," and the excess of advertising funds expense over advertising funds revenue, which is included in "Net income."