



Preliminary Fourth Quarter 2022 Earnings Conference Call

January 13, 2023



Kelsey Freed

Director – Investor Relations

Forward-Looking Statements and Non-GAAP Financial Measures

This presentation, and certain information that management may discuss in connection with this presentation, contains certain statements that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). For all such forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Reform Act.

Many important factors could affect our future results and could cause those results to differ materially from those expressed in or implied by our forward-looking statements. Such factors include, but are not limited to, those identified under the caption “Forward-Looking Statements” in our release issued on January 13, 2023 and in the “Special Note Regarding Forward-Looking Statements and Projections” and “Risk Factors” sections of our most recent Form 10-K / Form 10-Qs.

In addition, this presentation and certain information management may discuss in connection with this presentation reference non-GAAP financial measures (*i.e.* adjusted revenue, adjusted EBITDA, and systemwide sales). These non-GAAP financial measures exclude certain expenses and benefits. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided in the Appendix to this presentation.





Agenda

2022 Preliminary Financial Results

Capital Allocation Update

Q&A





Todd Penegor

President & Chief Executive Officer



Preliminary Financial Highlights

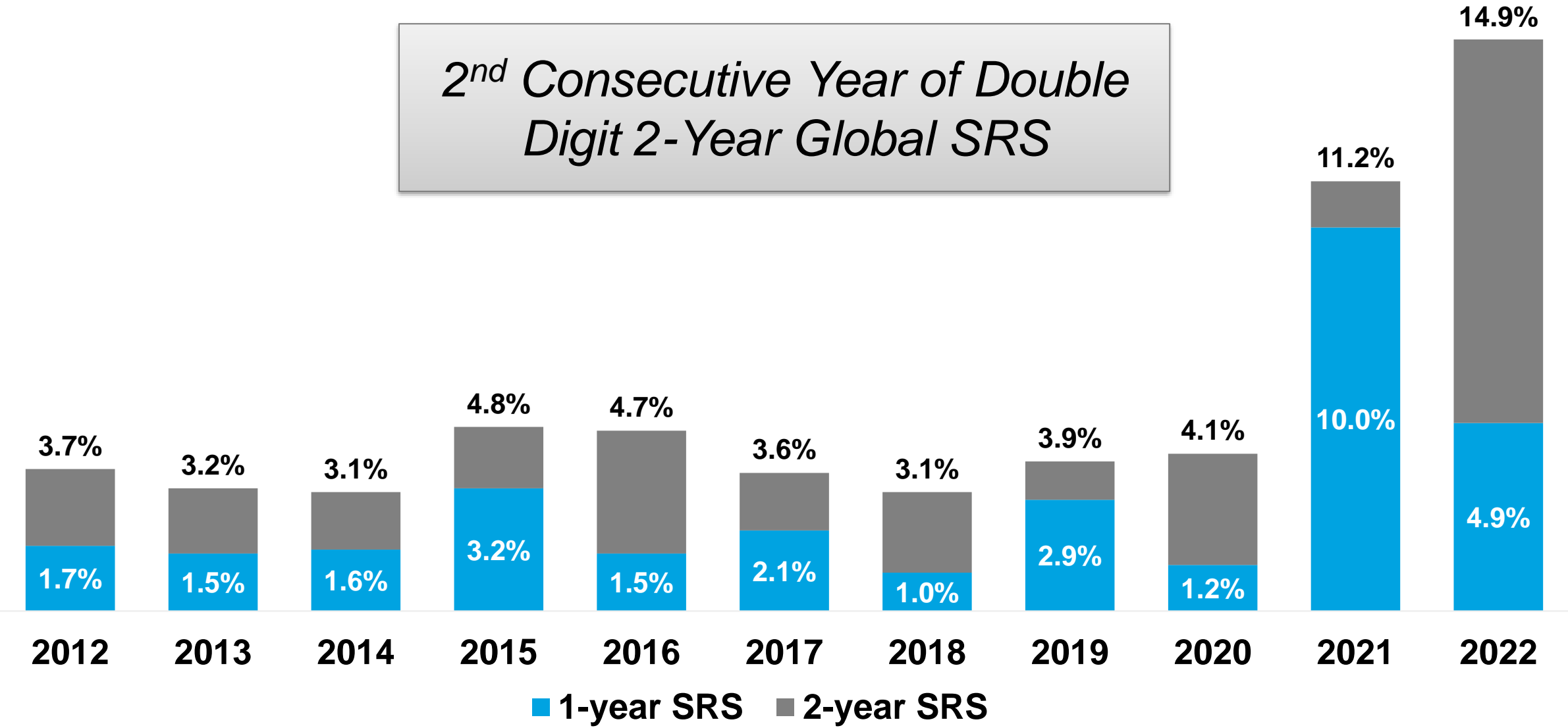
- Q4 & FY global SRS reached double-digits on a 2-year basis
- Opened over 275 new restaurants in '22
- Almost 300 bps improvement in Company-operated restaurant margin in Q4 vs. Q1
- 6.6% increase in FY adj. EBITDA¹

¹ See reconciliation of non-GAAP financial measures in the Appendix.



12 Years of Global Same-Restaurant Sales Growth

2nd Consecutive Year of Double Digit 2-Year Global SRS



2-Year SRS Momentum Accelerated in Q4

Q4 International SRS

9.9% 1 Year
28.0% 2 Year, +2.5% vs. Q3

Q4 US SRS

5.9% 1 Year
12.0% 2 Year, +3.5% vs. Q3



Global Development Update

- Opened over 275 new restaurants globally in '22
- Net unit growth accelerated for 2nd consecutive year
- Growth driven by both US and Int'l segments
- 1st traditional franchise-operated UK restaurant opened in Q4
- Approved nearly 40 new franchisees in '22



Remain Fully Committed to Long Term Growth Initiatives

Investing in Accelerated Global Growth



BUILD OUR BREAKFAST
DAYPART

Fast Food
Done Right



DIGITAL ACCELERATION

Operational
Excellence



EXPAND OUR FOOTPRINT

Good
Done Right

Restaurant Economic Model





Gunther Plosch

Chief Financial Officer

Capital Allocation Policy Remains Unchanged

1

**Continue to Invest in the
Business for Growth**

2

Sustain an Attractive Dividend

*Quarterly dividend rate increased 100% to \$0.25 per share
Expect \$1 per share dividend for FY 2023¹*

3

Utilize Excess Cash to Repurchase Shares and/or Reduce Debt
\$500M Share Repurchase Authorization Expiring Feb 2027

¹Assumes the Company pays regular quarterly cash dividends for the remainder of 2023 at the same rate as declared in Q1 (25 cents per share). Future dividend payments, if any, will be made at the discretion of our Board of Directors.





Kelsey Freed

Director – Investor Relations



March 1, 2023

**Audited Fourth Quarter and
Full Year 2023 Earnings
Release and Conference Call**



Q&A

Appendix

Reconciliation of Non-GAAP Financial Measures

In addition to the GAAP financial measures included in this presentation, the Company has presented certain non-GAAP financial measures (i.e., adjusted revenues, adjusted EBITDA, and systemwide sales). These non-GAAP financial measures exclude certain expenses and benefits as detailed in the accompanying reconciliation tables.



The Wendy's Company and Subsidiaries
Reconciliations of Operating Profit to Adjusted EBITDA and Revenues to Adjusted Revenues
Three and Twelve Month Periods Ended January 1, 2023 and January 2, 2022
(In Thousands)
(Unaudited)

Reconciliations of Operating Profit to Adjusted EBITDA and Revenues to Adjusted Revenues

	Three Months Ended		Twelve Months Ended	
	2022	2021	2022	2021
Operating profit	84,017	76,897	353,314	366,960
Plus (less):				
Advertising funds revenue	(105,244)	(99,822)	(406,220)	(389,521)
Advertising funds expense (a)	109,512	92,612	414,545	386,751
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	32,503	32,297	133,414	125,540
Amortization of cloud computing arrangements	1,506	—	2,394	—
System optimization gains, net	(2,641)	(826)	(6,779)	(33,545)
Reorganization and realignment costs	70	1,167	698	8,548
Impairment of long-lived assets	3,738	420	6,420	2,251
Adjusted EBITDA	<u>\$ 123,461</u>	<u>\$ 102,745</u>	<u>\$ 497,786</u>	<u>\$ 466,984</u>
Revenues	\$ 536,510	\$ 473,203	\$ 2,095,505	\$ 1,896,998
Less:				
Advertising funds revenue	(105,244)	(99,822)	(406,220)	(389,521)
Adjusted revenues	<u>\$ 431,266</u>	<u>\$ 373,381</u>	<u>\$ 1,689,285</u>	<u>\$ 1,507,477</u>

(a) Excludes advertising funds expense of \$4,091 and \$15,116 for the three and twelve months ended January 1, 2023, respectively, and \$8,497 and \$25,000 for the three and twelve months ended January 2, 2022, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising deficit of \$115 and \$1,099 for the three and twelve months ended January 1, 2023, respectively.





Wendy's®

THE WENDY'S COMPANY