

Second Quarter 2024
Conference Call

August 1, 2024

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Nick Waters

Manager – Investor Relations

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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 August 1, 2024 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, adjusted earnings per share, free cash flow, 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

Business Update

Q2 Financial Results

2024 Financial Outlook

IR Calendar

Q&A





Kirk Tanner

President & Chief Executive Officer

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Q2 2024 Performance Highlights

Global Systemwide Sales Growth of **2.6%** and Global SRS Growth of **0.8%**

Maintained QSR Burger Category **Dollar and Traffic Share** in the U.S.[1]

Continued Breakfast Sales Growth Year-Over-Year

Global Digital Sales **Grew >40%** Year-Over-Year, Delivering Mix of ~17%

Net Unit Growth In Line With Expectations, **Opened 99 Restaurants Q2 YTD**

Made Meaningful Progress Towards Solidifying Growth Plans

[1]Source: Circana Group/Crest®, 3 months ending June 2024 versus year ago

Leadership Structure Evolving To Drive Accountability & Accelerate Growth

President, U.S
Abigail Pringle



President, International
E.J. Wunsch



Plans In Place To Drive Sales In 2H 2024

Craveable Core



Impactful Innovation



Relevant Value



Now Expect Global SRS of 1% to 3% in 2024



Made Significant Progress Towards Solidifying Long-Term Development Plans

- On track to deliver our 2024 global new restaurant openings of 250 to 300 units
- Added >250 new restaurants year-to-date to our global development commitments
- Launched enhanced development incentive structure in US to appeal to franchisees of all sizes and increase reach
- Now have 100% of expected new builds through 2025 tied to development commitments



Gunther Plosch

Chief Financial Officer

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Second Quarter Financial Results

$ Mils (except per share amounts)

	2023	2024	B/(W)
Global Systemwide Sales Growth	6.9%	2.6%	2-Yr 9.5%
Global System SRS	5.1%	0.8%	2-Yr 5.9%
US Company Restaurant Margin	17.3%	16.5%	(80) bps
G&A	$62.7	$61.5	1.9%
Adjusted EBITDA[1]	$144.5	$143.1	(1.0)%
Adjusted EPS[1]	$0.28	$0.27	(3.6)%
Year to Date Free Cash Flow[1]	$133.5	$124.4	(6.8)%

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

2024 Financial Outlook

Global Systemwide Sales Growth	**3% to 5%** *Previous: 5% to 6%*
Adjusted EBITDA	**$535M to $545M** *Unchanged*
Free Cash Flow	**$275M to $285M** *Previous: $280M to $290M*
Adjusted EPS	**$0.98 to $1.02** *Unchanged*
Capital Expenditures	**$90M to $100M** *Unchanged*

Capital Allocation Policy **Remains Unchanged**

1

Continue to
Invest in the Business for Growth

2

Sustain an Attractive Dividend
Quarterly dividend rate held at $0.25 per share
Expect $1 per share dividend for FY 2024[1]

3

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

[1]Assumes the Company pays regular quarterly cash dividends for the remainder of 2024 at the same rate as declared in Q3 (25 cents per share). Future dividend payments, if any, will be made at the discretion of our Board of Directors.



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Investor Relations Calendar



August 27: Bernstein Investor Call

September 12: JPM Conference (Miami)

September 24: Stifel NDR (Toronto)

October 31: Q3 2024 Earnings Release & 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, adjusted earnings per share, free cash flow, and systemwide sales). These non-GAAP financial measures exclude certain expenses and benefits as detailed in the accompanying reconciliation tables.

Reconciliations of Net Income to Adjusted EBITDA and Revenue to Adjusted Revenues

The Wendy's Company and Subsidiaries
Reconciliations of Net Income to Adjusted EBITDA and Revenues to Adjusted Revenues
Three and Six Month Periods Ended July 2, 2023 and June 30, 2024
(In Thousands)
(Unaudited)

	Three Months Ended		Six Months Ended	
	2023	2024	2023	2024
Net income	$ 59,632	$ 54,643	$ 99,453	$ 96,636
Provision for income taxes	19,252	20,180	34,712	35,644
Income before income taxes	78,884	74,823	134,165	132,280
Other income, net	(7,573)	(6,300)	(14,909)	(13,136)
Investment loss (income), net	6,827	(11)	10,389	(11)
Loss on early extinguishment of debt	—	—	1,266	—
Interest expense, net	31,136	30,995	62,841	61,530
Operating profit	109,274	99,507	193,752	180,663
Plus (less):				
Advertising funds revenue	(109,796)	(115,064)	(211,170)	(220,008)
Advertising funds expense (a)	108,481	114,810	208,749	219,547
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	33,498	37,492	66,970	73,010
Amortization of cloud computing arrangements	2,266	3,519	3,848	7,061
System optimization losses (gains), net	6	(280)	1	(153)
Reorganization and realignment costs	681	2,452	7,489	8,125
Impairment of long-lived assets	78	689	454	2,695
Adjusted EBITDA	$ 144,488	$ 143,125	$ 270,093	$ 270,940
Revenues	$ 561,565	$ 570,727	$ 1,090,372	$ 1,105,480
Less:				
Advertising funds revenue	(109,796)	(115,064)	(211,170)	(220,008)
Adjusted revenues	$ 451,769	$ 455,663	$ 879,202	$ 885,472

(a) Excludes advertising funds expense of $658 and $1,206 for the three and six months ended July 2, 2023, respectively, and $5,687 and $8,174 for the three and six months ended and June 30, 2024, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising deficit of $479 and $1,324 for the three and six months ended July 2, 2023, respectively, and $320 and $470 for the three and six months ended June 30, 2024, respectively.

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 Six Month Periods Ended July 2, 2023 and June 30, 2024
(In Thousands Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	2023	2024	2023	2024
Net income	$ 59,632	$ 54,643	$ 99,453	$ 96,636
Plus (less):				
Advertising funds revenue	(109,796)	(115,064)	(211,170)	(220,008)
Advertising funds expense (a)	108,481	114,810	208,749	219,547
System optimization losses (gains), net	6	(280)	1	(153)
Reorganization and realignment costs	681	2,452	7,489	8,125
Impairment of long-lived assets	78	689	454	2,695
Loss on early extinguishment of debt, net	—	—	1,266	—
Total adjustments	(550)	2,607	6,789	10,206
Income tax impact on adjustments (b)	(154)	(604)	(2,085)	(2,248)
Total adjustments, net of income taxes	(704)	2,003	4,704	7,958
Adjusted income	$ 58,928	$ 56,646	$ 104,157	$ 104,594
Diluted earnings per share	$ .28	$ .27	$ .46	$ .47
Total adjustments per share, net of income taxes	—	—	.03	.04
Adjusted earnings per share	$ .28	$ .27	$ .49	$ .51

(a) Excludes advertising funds expense of $658 and $1,206 for the three and six months ended July 2, 2023, respectively, and $5,687 and $8,174 for the three and six months ended June 30, 2024, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising deficit of $479 and $1,324 for the three and six months ended July 2, 2023, respectively, and $320 and $470 for the three and six months ended June 30, 2024, respectively.

(b) 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.

Reconciliation of Net Income and Diluted Earnings Per Share to Adjusted Income and Adjusted Earnings Per Share

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

The Wendy's Company and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow
Six Month Periods Ended July 2, 2023 and June 30, 2024
(In Thousands)
(Unaudited)

	Six Months Ended	
	2023	2024
Net cash provided by operating activities	$ 141,504	$ 145,463
Plus (less):		
Capital expenditures	(30,164)	(34,465)
Advertising funds impact (a)	22,117	13,353
Free cash flow	$ 133,457	$ 124,351

(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."



The Wendy's Company