



Wendy's®

**Second Quarter
2025**

Conference Call

August 8, 2025



Wendy's®

Aaron Broholm

Head of Investor Relations

Agenda

Business Update

Q2 Financial Results

2025 Financial Outlook

IR Calendar

Q&A



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 8, 2025 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 and free cash flow). 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.





Wendy's[®]

KEN COOK

INTERIM CEO

OUR STRONG FOUNDATION

Iconic Brand Loved Around the World with Highest Quality Food in QSR

Track Record of Successful Innovation for More than 55 years

7,300+ Restaurants in 35 Countries and U.S. Territories with Significant Opportunity to Expand Global Footprint

Deeply Committed Franchisees and Employees Passionate About the Long-Term Success of the Business

Solid Financial Foundation with \$315+ Million of Cash on Balance Sheet, \$500+ Million in Annual Adjusted EBITDA and Significant FCF Generation



MOMENTUM IN DEVELOPMENT, INTERNATIONAL BUSINESS, AND OPERATIONAL EXCELLENCE INITIATIVES

**Remain on Track for 2% to 3%
Net Unit Growth in 2025**
Opened 118 Units Globally in 1H

**8%+ International Systemwide
Sales Growth YoY**
23%+ International Segment Profit Growth YoY

**Improved Traditional and Digital
Customer Satisfaction Scores**
Driven by Operational Excellence Investments



KEY ACTIONS TO IMPROVE U.S. SALES IN 2H

- **Leveraging NEW DATA ANALYTICS CAPABILITIES** to Improve Insights and Respond More Effectively to Changing Consumer Behavior
- **REDUCING PROGRAMMING COMPLEXITY and INCREASING FOCUS** to Improve Execution
- **Unlock Our Full Potential as ONE WENDY'S** with a Focus on Strengthening Our Partnerships with Franchisees



Q2 2025 RESULTS SUMMARY

Opened 44 New Restaurants Globally; 118 New Restaurants Globally YTD

Global Systemwide Sales Declined (1.8%) and Global SRS Declined (2.9%)

U.S Systemwide Sales Declined (3.3%) and SRS Declined (3.6%)

International Systemwide Sales Growth of 8.7% and SRS Growth of 1.8%

Returned \$88+ Million to Shareholders via Dividends & Share Repurchases



DELIVERING AGAINST LONG-TERM STRATEGY

DOUBLE DOWN ON FRESH, FAMOUS FOOD

Launched New Frosty Platform; Drove Frosty Sales +30% YoY in Q2

Launched Collaboration with hit Netflix show Wednesday featuring “Meal of Misfortune”

Launched Beverage Innovation – Cold Brew, Cold Foam and Sparkling Energy Drinks

Launching Chicken Tenders and Modernized Sauces in Q4



DELIVERING AGAINST LONG-TERM STRATEGY

DELIVER AN EXCEPTIONAL CUSTOMER EXPERIENCE

Fully Staffed U.S. Field Teams and Continuing Progress on Restaurant Assessments

FreshAi Order Recommendations Driving Sales and Improving Customer Experience

Digital Ecosystem Driving Loyalty Program Growth and Supporting Global Digital Mix Growth



DELIVERING AGAINST LONG-TERM STRATEGY

ACCELERATE GLOBAL UNIT GROWTH

Remain On Track to Achieve 2025 Net Unit Growth between 2% to 3%

In Q2 Opened 44 New Restaurants Globally; 118 New Restaurant Opened Globally YTD

Recently Announced Development Agreements to Build 190 Restaurants Outside the U.S.



At Wendy's, our focus
is on serving the
BEST FOOD
and creating a
GREAT
EXPERIENCE
for our customers.

Dave Thomas





Wendy's

SUZIE THUERK

CHIEF ACCOUNTING
OFFICER & HEAD OF GLOBAL
FP&A

SECOND QUARTER FINANCIAL RESULTS

\$ Mils (except per share amounts)

	2024	2025	B/(W)
Global Systemwide Sales Growth	2.6%	(1.8)%	2-Yr 0.8%
Global System SRS	0.8%	(2.9)%	2-Yr (2.1)%
US Company Restaurant Margin	16.5%	16.2%	(30) bps
G&A	\$61.5	\$59.5	3.3%
Adjusted EBITDA ¹	\$143.1	\$146.6	2.5%
Adjusted EPS ¹	\$0.27	\$0.29	7.4%

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



SECOND QUARTER CAPEX AND FREE CASH FLOW

Q2 CapEx and Build-to-Suit Investments

\$10.0M

Technology Initiatives

\$6.2M

Development of
Company-Operated
Restaurants

\$10.7M

Build-to-Suit

	2024	2025	B/(W)
YTD Free Cash Flow¹	\$112.9M	\$109.5M	(\$3.4M)

¹ Beginning with the three months ended March 30, 2025, the Company modified its definition of free cash flow to reflect expenditures related to its franchise development fund. The prior period has been revised to conform to the current year presentation. See reconciliation of non-GAAP financial measures in Appendix.

SECOND QUARTER CAPITAL ALLOCATION

Q2 Share Repurchases

4.8M Shares

Q3 Dividend

\$0.14/share

On track to return approximately **\$325M** to shareholders in 2025

U.S. & CANADIAN FRANCHISEE SALES & EBITDA GROWTH VS 2023

2024 FRANCHISE ECONOMICS

Net Sales Growth	
vs. 2023	
US	+1%
Canada	+4%

Franchisee EBITDA Growth	
vs. 2023	
US	+2%
Canada	+12%

2025 OUTLOOK

Net Unit Growth	2% to 3%
Global Systemwide Sales Growth	(5.0%) to (3.0%)
Adjusted EBITDA	\$505M to \$525M
Adjusted EPS	\$0.82 to \$0.89
Free Cash Flow ¹	Prior Definition: \$225M to \$240M Updated Definition: \$160M to \$175M ¹
Capital Expenditures and Franchise Development Fund Investments	\$165M to \$175M



¹ Beginning with the three months ended March 30, 2025, the Company modified its definition of free cash flow to reflect expenditures related to its franchise development fund. The prior period has been revised to conform to the current year presentation.



Wendy's[®]

Aaron Broholm

Head of Investor Relations



Investor Relations Calendar

September 18th: NDR with JPM (NYC)

September 24th: NDR with Truist (Boston)



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 and free cash flow). 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 June 30, 2024 and June 29, 2025
(In Thousands)
(Unaudited)

	Three Months Ended		Six Months Ended	
	2024	2025	2024	2025
Net income	\$ 54,643	\$ 55,110	\$ 96,636	\$ 94,342
Provision for income taxes	20,180	20,790	35,644	36,475
Income before income taxes	74,823	75,900	132,280	130,817
Other income, net	(6,300)	(2,585)	(13,136)	(7,571)
Investment (income) loss, net	(11)	—	(11)	1,718
Interest expense, net	30,995	30,945	61,530	62,422
Operating profit	99,507	104,260	180,663	187,386
Plus (less):				
Advertising funds revenue	(115,064)	(111,365)	(220,008)	(211,725)
Advertising funds expense (a)	114,810	111,225	219,547	211,441
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	37,492	36,990	73,010	73,539
Amortization of cloud computing arrangements	3,519	4,056	7,061	8,223
System optimization gains, net	(280)	(387)	(153)	(297)
Reorganization and realignment costs	2,452	174	8,125	(518)
Impairment of long-lived assets	689	1,686	2,695	3,107
Adjusted EBITDA	\$ 143,125	\$ 146,639	\$ 270,940	\$ 271,156
Revenues	\$ 570,727	\$ 560,929	\$ 1,105,480	\$ 1,084,401
Less:				
Advertising funds revenue	(115,064)	(111,365)	(220,008)	(211,725)
Adjusted revenues	\$ 455,663	\$ 449,564	\$ 885,472	\$ 872,676

(a) Excludes advertising funds expense of \$5,687 and \$8,174 for the three and six months ended June 30, 2024, respectively, and \$183 and \$342 for the three and six months ended June 29, 2025, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising (deficit) surplus of \$(320) and \$(470) for the three and six months ended months ended June 30, 2024, respectively, and \$34 and \$(1,119) for the three and six months ended June 29, 2025, 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 June 30, 2024 and June 29, 2025
(In Thousands Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	2024	2025	2024	2025
Net income	\$ 54,643	\$ 55,110	\$ 96,636	\$ 94,342
Plus (less):				
Advertising funds revenue	(115,064)	(111,365)	(220,008)	(211,725)
Advertising funds expense (a)	114,810	111,225	219,547	211,441
System optimization gains, net	(280)	(387)	(153)	(297)
Reorganization and realignment costs	2,452	174	8,125	(518)
Impairment of long-lived assets	689	1,686	2,695	3,107
Total adjustments	2,607	1,333	10,206	2,008
Income tax impact on adjustments (b)	(604)	(371)	(2,248)	(580)
Total adjustments, net of income taxes	2,003	962	7,958	1,428
Adjusted income	\$ 56,646	\$ 56,072	\$ 104,594	\$ 95,770
Diluted earnings per share	\$.27	\$.29	\$.47	\$.48
Total adjustments per share, net of income taxes	—	—	.04	.01
Adjusted earnings per share	\$.27	\$.29	\$.51	\$.49

(a) Excludes advertising funds expense of \$5,687 and \$8,174 for the three and six months ended June 30, 2024, respectively, and \$183 and \$342 for the three and six months ended June 29, 2025, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising (deficit) surplus of \$(320) and \$(470) for the three and six months ended June 30, 2024, respectively, and \$34 and \$(1,119) for the three and six months ended June 29, 2025, 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 June 30, 2024 and June 29, 2025
(In Thousands)
(Unaudited)

	Six Months Ended	
	2024	2025
Net cash provided by operating activities	\$ 145,463	\$ 146,008
Plus (less):		
Capital expenditures	(34,465)	(39,050)
Franchise development fund	(11,477)	(16,518)
Advertising funds impact (a)	13,353	19,065
Free cash flow	<u>\$ 112,874</u>	<u>\$ 109,505</u>

(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."

