



Wendy's[®]

**Third Quarter
2025
Conference Call**

November 7, 2025



Wendy's®

Aaron Broholm

Head of Investor Relations

AGENDA

BUSINESS UPDATE

Q3 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 November 7, 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

GLOBALLY GREAT, LOCALLY EVEN BETTER

- **INTERNATIONAL SYSTEMWIDE SALES GROWTH**
Remained Strong with Continued Momentum
- **Key Actions Resulted in U.S. COMPANY-OPERATED**
STORE OUTPERFORMANCE Versus System
- **Launched PROJECT FRESH, a Comprehensive Strategic**
Plan to DRIVE PROFITABLE GROWTH and LONG-TERM
VALUE Across the U.S. System



PROJECT FRESH

1

**BRAND
REVITALIZATION**

2

**OPERATIONAL
EXCELLENCE**

3

**SYSTEM
OPTIMIZATION**

4

**CAPITAL
ALLOCATION**

**A COMPREHENSIVE STRATEGIC PLAN TO DRIVE PROFITABLE
GROWTH AND LONG-TERM VALUE ACROSS THE U.S. SYSTEM**



PROJECT FRESH **BRAND REVITALIZATION**

Enhancing Brand Positioning and
Marketing Effectiveness

Expanding Advanced Data Analytics to
Deepen Understanding of Consumer
Behavior



PROJECT FRESH OPERATIONAL EXCELLENCE

Enhancing Training Programs to Improve Hospitality and the Customer Experience

Progressing Digital and Delivery Business; Increasing Conversion, Satisfaction and App Ratings in 2025

Leveraging Technology to Deliver Better Drive-Thru Interactions

PROJECT FRESH

SYSTEM OPTIMIZATION

Partnering Closely with U.S. Franchisees to Strengthen the System and Improve Restaurant Profitability

Improving Productivity, Including Aligning Operating Hours to Match Demand

Prioritizing Resources Toward Restaurants with the Highest Potential for Profitable AUV Growth





PROJECT FRESH **CAPITAL ALLOCATION**

Redirecting Capital from U.S.
Development Towards Initiatives that
Drive Profitable AUV Growth

Continuing to Utilize the Build-to-Suit
Program in International Segment to
Drive Net Unit Growth

Q3 2025 RESULTS SUMMARY

Global Systemwide Sales Declined (2.6%) and SRS Declined (3.7%)

U.S Systemwide Sales Declined (4.4%) and SRS Declined (4.7%)

International Systemwide Sales Grew 8.6% and SRS Grew 3.0%

Opened 172 New Restaurants Globally Year-to-Date Through Q3

Returned \$40+ Million to Shareholders via Dividends & Share Repurchases



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



THIRD QUARTER FINANCIAL RESULTS

\$ Millions (except per share amounts)

	2024	2025	B/(W)
Global Systemwide Sales Growth	1.8%	(2.6)%	2-Yr (0.8)%
Global System SRS	0.2%	(3.7)%	2-Yr (3.5)%
U.S. Company Restaurant Margin	15.6%	13.1%	(250) bps
G&A	\$62.8	\$57.9	7.8%
Adjusted EBITDA ¹	\$135.2	\$138.0	2.1%
Adjusted EPS ¹	\$0.25	\$0.24	(4.0)%

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



THIRD QUARTER CAPEX AND FREE CASH FLOW

Q3 CapEx Investments

\$15.1M

Technology Initiatives

\$12.7M

Restaurant Development

	2024	2025	B/(W)
YTD Free Cash Flow ¹	\$213.0M	\$195.6M	(\$17.4M)

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 periods have been revised to conform to the current year presentation. See reconciliation of non-GAAP financial measures in Appendix.



THIRD QUARTER CAPITAL ALLOCATION

Share Repurchases
1.4M Shares

Dividend
\$0.14/share

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



2025 OUTLOOK

Global Systemwide Sales Growth	(5.0)% to (3.0)%
Adjusted EBITDA	\$505M to \$525M
Adjusted EPS	\$0.82 to \$0.89
Capital Expenditures and Franchise Development Fund Investments	\$135M to \$145M
Free Cash Flow ¹	\$195M to \$210M
Net Unit Growth	2% to 3%



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.



Wendy's[®]

KEN COOK

INTERIM CEO



Investor Relations Calendar

**November 20th: Stephens Consumer Conference
(Nashville)**

**December 4th: Barclays Eat, Sleep, and Play Conference
(NYC)**

**December 11th: KeyBanc Capital Markets Conference
(Virtual)**



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 Nine Month Periods Ended September 29, 2024 and September 28, 2025
(In Thousands)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2024	2025	2024	2025
Net income	\$ 50,224	\$ 44,252	\$ 146,860	\$ 138,594
Provision for income taxes	19,427	18,984	55,071	55,459
Income before income taxes	69,651	63,236	201,931	194,053
Other income, net	(6,246)	(2,730)	(19,382)	(10,301)
Investment (income) loss, net	—	—	(11)	1,718
Interest expense, net	31,270	31,543	92,800	93,965
Operating profit	94,675	92,049	275,338	279,435
Plus (less):				
Advertising funds revenue	(123,154)	(107,013)	(343,162)	(318,738)
Advertising funds expense (a)	122,963	106,840	342,510	318,281
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	36,996	38,393	110,006	111,932
Amortization of cloud computing arrangements	3,576	5,226	10,637	13,449
System optimization gains, net	(420)	(29)	(573)	(326)
Reorganization and realignment costs	354	316	8,479	(202)
Impairment of long-lived assets	178	2,257	2,873	5,364
Adjusted EBITDA	<u>\$ 135,168</u>	<u>\$ 138,039</u>	<u>\$ 406,108</u>	<u>\$ 409,195</u>
Revenues	\$ 566,739	\$ 549,516	\$ 1,672,219	\$ 1,633,917
Less:				
Advertising funds revenue	(123,154)	(107,013)	(343,162)	(318,738)
Adjusted revenues	<u>\$ 443,585</u>	<u>\$ 442,503</u>	<u>\$ 1,329,057</u>	<u>\$ 1,315,179</u>

(a) Excludes advertising funds expense of \$6,599 and \$14,773 for the three and nine months ended September 29, 2024, respectively, and \$191 and \$533 for the three and nine months ended September 28, 2025, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising deficit of \$170 and \$640 for the three and nine months ended months ended September 29, 2024, respectively, and \$650 and \$1,769 for the three and nine months ended September 28, 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 Nine Month Periods Ended September 29, 2024 and September 28, 2025
(In Thousands Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	2024	2025	2024	2025
Net income	\$ 50,224	\$ 44,252	\$ 146,860	\$ 138,594
Plus (less):				
Advertising funds revenue	(123,154)	(107,013)	(343,162)	(318,738)
Advertising funds expense (a)	122,963	106,840	342,510	318,281
System optimization gains, net	(420)	(29)	(573)	(326)
Reorganization and realignment costs	354	316	8,479	(202)
Impairment of long-lived assets	178	2,257	2,873	5,364
Total adjustments	(79)	2,371	10,127	4,379
Income tax impact on adjustments (b)	(5)	(628)	(2,253)	(1,208)
Total adjustments, net of income taxes	(84)	1,743	7,874	3,171
Adjusted income	\$ 50,140	\$ 45,995	\$ 154,734	\$ 141,765
Diluted earnings per share	\$.25	\$.23	\$.71	\$.71
Total adjustments per share, net of income taxes	—	.01	.04	.02
Adjusted earnings per share	\$.25	\$.24	\$.75	\$.73

(a) Excludes advertising funds expense of \$6,599 and \$14,773 for the three and nine months ended September 29, 2024, respectively, and \$191 and \$533 for the three and nine months ended September 28, 2025, respectively, related to the Company's funding of incremental advertising. In addition, excludes other international-related advertising deficit of \$170 and \$640 for the three and nine months ended September 29, 2024, respectively, and \$650 and \$1,769 for the three and nine months ended September 28, 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
Nine Month Periods Ended September 29, 2024 and September 28, 2025
(In Thousands)
(Unaudited)

	Nine Months Ended	
	2024	2025
Net cash provided by operating activities	\$ 286,681	\$ 275,263
Plus (less):		
Capital expenditures	(52,361)	(64,043)
Franchise development fund	(21,040)	(23,096)
Advertising funds impact (a)	(244)	7,481
Free cash flow	<u>\$ 213,036</u>	<u>\$ 195,605</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."

