
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): May 8, 2026

THE WENDY'S COMPANY

(Exact name of registrant, as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-2207
(Commission
File Number)

38-0471180
(I.R.S. Employer
Identification No.)

One Dave Thomas Boulevard, Dublin, Ohio
(Address of principal executive offices)

43017
(Zip Code)

(614) 764-3100
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.10 par value	WEN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 8, 2026, The Wendy's Company (the "Company") issued a press release reporting its financial results for the fiscal quarter ended March 29, 2026 and other information. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 2.02, including the Exhibit 99.1 furnished under Item 9.01, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section. Furthermore, the information in this Item 2.02, including the Exhibit 99.1 furnished under Item 9.01, shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by The Wendy's Company on May 8, 2026.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE WENDY'S COMPANY

Date: May 8, 2026

By: /s/ Mark L. Johnson
Mark L. Johnson
Director – Corporate & Securities Counsel, and Assistant Secretary



THE WENDY'S COMPANY REPORTS FIRST QUARTER 2026 RESULTS

- Global systemwide sales were \$3.2 billion, a decrease of 5.5%
- International systemwide sales grew 6.0%
- Reported net income was \$22.7 million and adjusted EBITDA was \$111.3 million
- Reported diluted earnings per share and adjusted earnings per share were \$0.12
- Entered into a franchise agreement to build up to 1,000 restaurants across China
- Reaffirms full-year 2026 outlook

Dublin, Ohio (May 8, 2026) - The Wendy's Company (Nasdaq: WEN) today reported unaudited results for the first quarter ended March 29, 2026.

“We are taking decisive action to strengthen the Wendy's system and improve performance,” said Ken Cook, Interim CEO. “During the first quarter, we introduced a new Biggie platform, upgraded our premium hamburgers, and launched new chicken sandwiches. Additionally, our focus on operational excellence is driving improvement in order accuracy and key customer satisfaction metrics. While our first quarter results reflect a business in the early stages of a turnaround, we are making progress to improve our U.S. business and are confident in the direction we are heading.”

“Our international business continues to deliver strong results, with systemwide sales up 6.0% in the quarter supported by further expansion in key growth markets. We're also excited to announce today a new franchise agreement with an experienced restaurant operator to build up to 1,000 restaurants across China over the next 10 years and look forward to bringing Wendy's to more fans around the globe.”

“These actions are strengthening our foundation and positioning Wendy's to regain momentum and deliver sustainable growth and long-term value creation.”

Operational Highlights First Quarter

	2025			2026		
	US	Intl	Global	US	Intl	Global
Systemwide Sales Growth ⁽¹⁾ ⁽²⁾	(2.6)%	8.9%	(1.1)%	(7.3)%	6.0%	(5.5)%
Same-Restaurant Sales Growth ⁽¹⁾ ⁽²⁾	(2.8)%	2.3%	(2.1)%	(7.8)%	(0.4)%	(6.8)%
Systemwide Sales (In US\$ Millions) ⁽²⁾ ⁽³⁾	\$2,916.1	\$473.2	\$3,389.3	\$2,702.9	\$518.0	\$3,220.9
Restaurant Openings - Total / Net	28 / 25	46 / 43	74 / 68	23 / (164)	27 / 18	50 / (146)
Quarter End Restaurant Count	5,958	1,350	7,308	5,805	1,446	7,251

⁽¹⁾ Systemwide sales growth and same-restaurant sales growth are calculated on a constant currency basis and include sales by both Company-operated and franchise restaurants.

⁽²⁾ Excludes Argentina.

⁽³⁾ Systemwide sales include sales at both Company-operated and franchise restaurants.

<i>Financial Highlights</i>	First Quarter		
	2025	2026 (Unaudited)	B / (W)
(\$ In Millions Except Per Share Amounts)			
Total Revenues	\$523.5	\$540.6	3.3%
Adjusted Revenues ⁽¹⁾	\$423.1	\$432.3	2.2%
U.S. Company-Operated Restaurant Margin	14.8%	11.4%	(340)bps
General and Administrative Expense	\$ 68.2	\$ 72.8	(6.7)%
Operating Profit	\$ 83.1	\$ 64.9	(21.9)%
Net Income	\$ 39.2	\$ 22.7	(42.1)%
Adjusted EBITDA ⁽¹⁾	\$124.5	\$111.3	(10.6)%
Reported Diluted Earnings Per Share	\$ 0.19	\$ 0.12	(36.8)%
Adjusted Earnings Per Share ⁽¹⁾	\$ 0.20	\$ 0.12	(40.0)%
Cash Flow from Operations	\$ 85.4	\$ 59.4	(30.4)%
Free Cash Flow ⁽¹⁾	\$ 68.0	\$ 36.5	(46.3)%

(1) See “Disclosure Regarding Non-GAAP Financial Measures” and the reconciliation tables that accompany this release for a discussion and reconciliation of the non-GAAP financial measures included in this release.

First Quarter Financial Highlights

Systemwide Sales

Global systemwide sales decreased, driven largely by lower U.S. same-restaurant sales, partially offset by contributions from new restaurant openings.

Total Revenues

The increase in total reported revenues resulted primarily from an increase in franchise fees related to the system optimization program, higher advertising funds revenue due to local advertising funds being reallocated to U.S. national advertising, and higher Company-operated restaurant sales reflecting the Company’s acquisition of franchise-operated restaurants during the third quarter of 2025. These were partially offset by lower franchise royalty revenue.

U.S. Company-Operated Restaurant Margin

The decrease in U.S. Company-operated restaurant margin was primarily due to a decline in traffic, commodity inflation, and labor rate inflation. These were partially offset by an increase in average check and labor efficiencies.

General and Administrative Expense

The increase in general and administrative expense was primarily due to an increase in employee compensation and benefits and higher professional fees.

Operating Profit

The decrease in operating profit was primarily due to a decrease in U.S. Company-operated restaurant margin, lower franchisee royalty revenue, an increase in general and administrative expense, and an increase in depreciation and amortization expense. These were partially offset by higher net franchisee fees.

Net Income

The decrease in reported net income was primarily due to a decrease in operating profit and an increase in interest expense, partially offset by lower income taxes.

Adjusted EBITDA

The decrease in adjusted EBITDA was primarily driven by a decrease in U.S. Company-operated restaurant margin, lower franchise royalty revenue, and an increase in general and administrative expense. These were partially offset by higher net franchise fees.

Adjusted Earnings Per Share

The decrease in adjusted earnings per share was primarily driven by a decrease in adjusted EBITDA, an increase in depreciation, and an increase in interest expense.

Free Cash Flow

The decrease in free cash flow was driven by a decrease in net cash provided by operating activities, partially offset by a decrease in capital expenditures and investments associated with the Company's franchise development fund.

Company Declares Quarterly Dividend

The Company announced today the declaration of its regular quarterly cash dividend of \$0.14 per share. The dividend is payable on June 15, 2026, to shareholders of record as of June 1, 2026.

Share Repurchases

The Company did not repurchase any shares in the first quarter of 2026 and has not repurchased any shares in the second quarter of 2026 as of the date of this release. As of May 1, approximately \$35.0 million remained available under the Company's existing share repurchase authorization that expires in February 2027.

2026 Outlook

During 2026 the Company Continues to Expect:

Global systemwide sales growth	Approximately Flat
Adjusted EBITDA	\$460 to \$480 million
Adjusted earnings per share	\$0.56 to \$0.60
Capital expenditures and franchise development fund investments	\$120 to \$130 million
Free cash flow	\$190 to \$205 million

Conference Call and Webcast Scheduled for 8:30 a.m. Today, May 8

The Company will host a conference call on Friday, May 8 at 8:30 a.m. ET, with a simultaneous webcast from the Company's Investor Relations website at www.irwendys.com. The related presentation materials are now available on the Company's Investor Relations website. The live conference call will be available by telephone at (844) 200-6205 for domestic callers and (929) 526-1599 for international callers, both using event ID 280384. A replay of the webcast will be available on the Company's Investor Relations website.

About Wendy's

The Wendy's Company (Nasdaq: WEN) and Wendy's® franchisees employ hundreds of thousands of people across more than 7,000 restaurants worldwide. Founded in 1969, Wendy's is committed to the promise of Fresh Famous Food, Made Right, For You, delivered to customers through its craveable menu including made-to-order square hamburgers using fresh beef*, and fan favorites like the Spicy Chicken Sandwich and nuggets, Baconator®, and the Frosty® dessert. Wendy's supports the Dave Thomas Foundation for Adoption®, established by its founder, which seeks to dramatically increase the number of adoptions of children waiting in North America's foster care system. Learn more about Wendy's at www.wendys.com. For details on franchising, visit www.wendys.com/franchising. Connect with Wendy's on X, Instagram and Facebook.

*Fresh beef available in the contiguous U.S. and Alaska, as well as Canada, Mexico, Puerto Rico, the UK, and other select international markets.

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Forward-Looking Statements

This release contains certain statements that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). Generally, forward-looking statements include the words “may,” “believes,” “plans,” “expects,” “anticipates,” “intends,” “estimate,” “goal,” “upcoming,” “outlook,” “guidance” or the negation thereof, or similar expressions. In addition, all statements that address future operating, financial or business performance, strategies or initiatives, future efficiencies or savings, anticipated costs or charges, future capitalization, anticipated impacts of recent or pending investments or transactions and statements expressing general views about future results or brand health are forward-looking statements within the meaning of the Reform Act. Forward-looking statements are based on the Company’s expectations at the time such statements are made, speak only as of the dates they are made and are susceptible to a number of risks, uncertainties and other factors. For all such forward-looking statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Reform Act. The Company’s actual results, performance and achievements may differ materially from any future results, performance or achievements expressed or implied by the Company’s forward-looking statements.

Many important factors could affect the Company’s future results and cause those results to differ materially from those expressed in or implied by the Company’s forward-looking statements. Such factors include, but are not limited to, the following: (1) the impact of competition or poor customer experiences at Wendy’s restaurants; (2) adverse economic conditions or volatility or disruptions, including in regions with a high concentration of Wendy’s restaurants; (3) changes in discretionary consumer spending and consumer tastes and preferences; (4) conditions beyond the Company’s control, such as adverse weather conditions, natural disasters, hostilities, social unrest, health epidemics or pandemics or other catastrophic events; (5) impacts to the Company’s corporate reputation or the value and perception of the Company’s brand; (6) the effectiveness of the Company’s marketing and advertising programs and new product development; (7) the Company’s ability to manage the impact of social or digital media; (8) the Company’s ability to protect its intellectual property; (9) food safety events or health concerns involving the Company’s products; (10) the Company’s ability to successfully implement important strategic initiatives, including its *Project Fresh* plan, effectively managing or maintaining growth and market share across its dayparts or executing strategic transactions; (11) the Company’s ability to grow its business through new restaurant development; (12) the Company’s ability to effectively manage the acquisition and disposition of restaurants and other restaurant activity; (13) risks associated with leasing and owning significant amounts of real estate, including environmental matters; (14) risks associated with the Company’s international operations, including the ability to execute its international growth strategy; (15) changes in commodity and other operating costs; (16) shortages or interruptions in the supply or distribution of the Company’s products and other risks associated with the Company’s independent supply chain purchasing co-op; (17) the impact of increased labor costs or labor shortages; (18) the continued succession and retention of key personnel and the effectiveness of the Company’s leadership and organizational structure; (19) risks associated with the Company’s digital commerce strategy, platforms and technologies, including its ability to adapt to changes in industry trends and consumer preferences; (20) the Company’s and its franchisees’ dependence on computer systems and information technology, including risks associated with the failure or interruption of its systems or technology or the occurrence of cybersecurity incidents or deficiencies; (21) risks associated with the Company’s securitized financing facility and other debt agreements, including compliance with operational and financial covenants, restrictions on its ability to raise additional capital, the impact of its overall debt levels and the Company’s ability to generate sufficient cash flow to meet its debt service obligations and operate its business; (22) risks associated with the Company’s capital allocation policy, including the amount and timing of equity and debt repurchases and dividend payments; (23) risks associated with complaints and litigation, compliance with legal and regulatory requirements and a focus on corporate responsibility issues; (24) risks associated with the availability and cost of insurance, the recognition of impairment or other charges, changes in tax rates or tax laws and fluctuations in foreign currency exchange rates; (25) risks associated with the Company’s predominantly franchised business model; (26) Trian Fund Management, L.P. and certain of its affiliates filed a Schedule 13D/A with the Securities and Exchange Commission on February 18, 2026 indicating, among other things, that they intend to explore and evaluate the possibility of participating, alone or with third parties, in certain potential transactions with respect to the Company to enhance stockholder value; there can be no assurance that (i) any such potential transactions will occur or result in additional value for the Company’s stockholders or (ii) that the exploration of potential transactions will not have an adverse impact on the Company’s business; and (27) other risks and uncertainties cited in the Company’s releases, public statements and/or filings with the Securities and Exchange Commission, including those identified in the “Risk Factors” sections of the Company’s Forms 10-K and 10-Q.

All future written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. New risks and uncertainties arise from time to time, and factors that the Company currently deems immaterial may become material, and it is impossible for the Company to predict these events or how they may affect the Company.

The Company assumes no obligation to update any forward-looking statements after the date of this release as a result of new information, future events or developments, except as required by federal securities laws, although the Company may do so from time to time. The Company does not endorse any projections regarding future performance that may be made by third parties.

Disclosure Regarding Non-GAAP Financial Measures

In addition to the financial measures presented in this release in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”), the Company has included certain non-GAAP financial measures in this release, including adjusted revenue, adjusted EBITDA, adjusted earnings per share, and free cash flow.

The Company uses adjusted revenue, adjusted EBITDA and adjusted earnings per share as internal measures of business operating performance and as performance measures for benchmarking against the Company’s peers and competitors. Adjusted EBITDA is also used by the Company in establishing performance goals for purposes of executive compensation. The Company believes its presentation of adjusted revenue, adjusted EBITDA and adjusted earnings per share provides a meaningful perspective of the underlying operating performance of our current business and enables investors to better understand and evaluate our historical and prospective operating performance. The Company believes these non-GAAP financial measures are important supplemental measures of operating performance because they eliminate items that vary from period to period without correlation to our core operating performance and highlight trends in our business that may not otherwise be apparent when relying solely on GAAP financial measures. Due to the nature and/or size of the items being excluded, such items do not reflect future gains, losses, expenses or benefits and are not indicative of our future operating performance. The Company believes investors, analysts and other interested parties use adjusted revenue, adjusted EBITDA, and adjusted earnings per share in evaluating issuers, and the presentation of these measures facilitates a comparative assessment of the Company’s operating performance in addition to the Company’s performance based on GAAP results.

This release also includes disclosure regarding the Company’s free cash flow. Free cash flow is a non-GAAP financial measure that is used by the Company as an internal measure of liquidity. The Company defines free cash flow as cash flows from operations minus (i) capital expenditures, (ii) expenditures related to the Company’s franchise development fund and (iii) the net change in the restricted operating assets and liabilities of the advertising funds and any excess/deficit of advertising funds revenue over advertising funds expense included in net income, as reported under GAAP. The impact of our advertising funds is excluded because the funds are used solely for advertising and are not available for the Company’s working capital needs. The Company may also make additional adjustments for certain non-recurring or unusual items to the extent identified in the reconciliation tables that accompany this release. The Company believes free cash flow is an important liquidity measure for investors and other interested persons because it communicates how much cash flow is available for working capital needs or to be used for repurchasing shares, paying dividends, repaying or refinancing debt, financing possible acquisitions or investments or other uses of cash.

Adjusted revenue, adjusted EBITDA, adjusted earnings per share, and free cash flow are not recognized terms under GAAP, and the Company's presentation of these non-GAAP financial measures does not replace the presentation of the Company's financial results in accordance with GAAP. Because all companies do not calculate adjusted revenue, adjusted EBITDA, adjusted earnings per share, and free cash flow (and similarly titled financial measures) in the same way, those measures as used by other companies may not be consistent with the way the Company calculates such measures. The non-GAAP financial measures included in this release should not be construed as substitutes for or better indicators of the Company's performance than the most directly comparable GAAP financial measures. See the reconciliation tables that accompany this release for additional information regarding certain of the non-GAAP financial measures included herein.

In addition, this release includes forward-looking projections for certain non-GAAP financial measures, including adjusted EBITDA, adjusted earnings per share and free cash flow. The Company excludes certain expenses and benefits from adjusted EBITDA, adjusted earnings per share and free cash flow, such as the impact from our advertising funds, including the net change in the restricted operating assets and liabilities and any excess or deficit of advertising fund revenues over advertising fund expenses, impairment of long-lived assets, reorganization and realignment costs, system optimization gains, net, amortization of cloud computing arrangements, gain on early extinguishment of debt, net, and the timing and resolution of certain tax matters. Due to the uncertainty and variability of the nature and amount of those expenses and benefits, the Company is unable without unreasonable effort to provide projections of net income, earnings per share or net cash provided by operating activities, or a reconciliation of those projected measures.

Key Business Measures

The Company tracks its results of operations and manages its business using certain key business measures, including same-restaurant sales, systemwide sales and Company-operated restaurant margin, which are measures commonly used in the quick-service restaurant industry that are important to understanding Company performance.

Same-restaurant sales and systemwide sales each include sales by both Company-operated and franchise restaurants. The Company reports same-restaurant sales for new restaurants after they have been open for 15 continuous months and for reimaged restaurants as soon as they reopen. Restaurants temporarily closed for more than one fiscal week are excluded from same-restaurant sales.

Franchise restaurant sales are reported by our franchisees and represent their revenues from sales at franchised Wendy's restaurants. Sales by franchise restaurants are not recorded as Company revenues and are not included in the Company's consolidated financial statements. However, the Company's royalty revenues are computed as percentages of sales made by Wendy's franchisees and, as a result, sales by franchisees have a direct effect on the Company's royalty revenues and profitability.

Same-restaurant sales and systemwide sales exclude sales from Argentina due to the highly inflationary economy of that country.

The Company calculates same-restaurant sales and systemwide sales growth on a constant currency basis. Constant currency results exclude the impact of foreign currency translation and are derived by translating current year results at prior year average exchange rates. The Company believes excluding the impact of foreign currency translation provides better year over year comparability.

U.S. Company-operated restaurant margin is defined as sales from U.S. Company-operated restaurants less cost of sales divided by sales from U.S. Company-operated restaurants. Cost of sales includes food and paper, restaurant labor and occupancy, advertising and other operating costs. Cost of sales excludes certain costs that support restaurant operations that are not allocated to individual restaurants, which are included in "General and administrative." Cost of sales also excludes depreciation and amortization expense and impairment of long-lived assets. Therefore, as restaurant margin as presented excludes certain costs as described above, its usefulness may be limited and may not be comparable to other similarly titled measures of other companies in our industry.

The Wendy's Company and Subsidiaries
Condensed Consolidated Statements of Operations
Three Month Periods Ended March 30, 2025 and March 29, 2026
(In Thousands Except Per Share Amounts)
(Unaudited)

	<u>Three Months Ended</u>	
	<u>2025</u>	<u>2026</u>
Revenues:		
Sales	\$219,510	\$225,497
Franchise royalty revenue	121,675	116,190
Franchise fees	23,473	31,705
Franchise rental income	58,454	58,904
Advertising funds revenue	100,360	108,341
	<u>523,472</u>	<u>540,637</u>
Costs and expenses:		
Cost of sales	188,169	201,049
Franchise support and other costs	16,596	21,991
Franchise rental expense	30,701	30,176
Advertising funds expense	101,528	108,615
General and administrative	68,204	72,843
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	36,549	40,575
Amortization of cloud computing arrangements	4,167	4,762
System optimization losses (gains), net	90	(1,625)
Reorganization and realignment costs	(692)	(162)
Impairment of long-lived assets	1,421	2,572
Other operating income, net	(6,387)	(5,080)
	<u>440,346</u>	<u>475,716</u>
Operating profit	83,126	64,921
Interest expense, net	(31,477)	(34,106)
Investment loss, net	(1,718)	—
Other income, net	4,986	3,350
Income before income taxes	54,917	34,165
Provision for income taxes	(15,685)	(11,453)
Net income	<u>\$ 39,232</u>	<u>\$ 22,712</u>
Net income per share:		
Basic	\$.20	\$.12
Diluted	.19	.12
Number of shares used to calculate basic income per share	<u>200,643</u>	<u>190,293</u>
Number of shares used to calculate diluted income per share	<u>201,617</u>	<u>190,900</u>

The Wendy's Company and Subsidiaries
Condensed Consolidated Balance Sheets
As of December 28, 2025 and March 29, 2026
(In Thousands Except Par Value)
(Unaudited)

	<u>December 28, 2025</u>	<u>March 29, 2026</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 300,833	\$ 298,740
Restricted cash	39,207	39,295
Accounts and notes receivable, net	117,333	125,055
Inventories	7,387	6,604
Prepaid expenses and other current assets	55,412	73,419
Advertising funds restricted assets	97,867	109,149
Total current assets	<u>618,039</u>	<u>652,262</u>
Properties	937,795	908,478
Finance lease assets	312,844	325,538
Operating lease assets	642,589	611,376
Goodwill	774,088	773,710
Other intangible assets	1,170,671	1,158,395
Investments	25,227	24,499
Net investment in sales-type and direct financing leases	284,891	279,671
Other assets	190,417	190,693
Total assets	<u>\$ 4,956,561</u>	<u>\$ 4,924,622</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 29,750	\$ 29,750
Current portion of finance lease liabilities	26,673	27,334
Current portion of operating lease liabilities	51,119	52,318
Accounts payable	30,450	23,596
Accrued expenses and other current liabilities	116,655	114,812
Advertising funds restricted liabilities	96,454	108,348
Total current liabilities	<u>351,101</u>	<u>356,158</u>
Long-term debt	2,730,502	2,724,896
Long-term finance lease liabilities	646,715	655,082
Long-term operating lease liabilities	660,257	627,213
Deferred income taxes	287,753	288,492
Deferred franchise fees	87,956	84,426
Other liabilities	74,894	72,804
Total liabilities	<u>4,839,178</u>	<u>4,809,071</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.10 par value; 1,500,000 shares authorized; 470,424 shares issued; 190,324 and 190,450 shares outstanding, respectively	47,042	47,042
Additional paid-in capital	2,986,150	2,989,355
Retained earnings	435,124	431,173
Common stock held in treasury, at cost; 280,100 and 279,974 shares, respectively	(3,286,965)	(3,285,255)
Accumulated other comprehensive loss	(63,968)	(66,764)
Total stockholders' equity	<u>117,383</u>	<u>115,551</u>
Total liabilities and stockholders' equity	<u>\$ 4,956,561</u>	<u>\$ 4,924,622</u>

The Wendy's Company and Subsidiaries
Condensed Consolidated Statements of Cash Flows
Three Month Periods Ended March 30, 2025 and March 29, 2026
(In Thousands)
(Unaudited)

	<u>Three Months Ended</u>	
	<u>2025</u>	<u>2026</u>
Cash flows from operating activities:		
Net income	\$ 39,232	\$ 22,712
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	36,549	40,575
Amortization of cloud computing arrangements	4,167	4,762
Share-based compensation	5,572	5,246
Impairment of long-lived assets	1,421	2,572
Deferred income tax	306	956
Non-cash rental expense, net	10,350	10,925
Change in operating lease liabilities	(12,131)	(12,584)
Net receipt (recognition) of deferred vendor incentives	11,178	(2,535)
System optimization losses (gains), net	90	(1,625)
Distributions received from joint ventures, net of equity in earnings	717	341
Long-term debt-related activities, net	1,873	1,832
Cloud computing arrangements expenditures	(2,417)	(4,157)
Changes in operating assets and liabilities and other, net	(11,492)	(9,631)
Net cash provided by operating activities	<u>85,415</u>	<u>59,389</u>
Cash flows from investing activities:		
Capital expenditures	(17,679)	(11,881)
Franchise development fund	(5,813)	(4,580)
Dispositions	55	2,796
Notes receivable, net	1,949	—
Net cash used in investing activities	<u>(21,488)</u>	<u>(13,665)</u>
Cash flows from financing activities:		
Proceeds from long-term debt	15,000	15,100
Repayments of long-term debt	(15,813)	(22,538)
Repayments of finance lease liabilities	(5,238)	(5,970)
Repurchases of common stock	(122,784)	—
Dividends	(49,432)	(26,648)
Proceeds from stock option exercises	273	—
Payments related to tax withholding for share-based compensation	(1,326)	(423)
Net cash used in financing activities	<u>(179,320)</u>	<u>(40,479)</u>
Net cash (used in) provided by operations before effect of exchange rate changes on cash	(115,393)	5,245
Effect of exchange rate changes on cash	744	(886)
Net (decrease) increase in cash, cash equivalents and restricted cash	(114,649)	4,359
Cash, cash equivalents and restricted cash at beginning of period	503,608	357,672
Cash, cash equivalents and restricted cash at end of period	<u>\$ 388,959</u>	<u>\$362,031</u>

The Wendy's Company and Subsidiaries
Reconciliations of Net Income to Adjusted EBITDA and Revenues to Adjusted Revenues
Three Month Periods Ended March 30, 2025 and March 29, 2026
(In Thousands)
(Unaudited)

	Three Months Ended	
	2025	2026
Net income	\$ 39,232	\$ 22,712
Provision for income taxes	15,685	11,453
Income before income taxes	54,917	34,165
Other income, net	(4,986)	(3,350)
Investment loss, net	1,718	—
Interest expense, net	31,477	34,106
Operating profit	83,126	64,921
Plus (less):		
Advertising funds revenue	(100,360)	(108,341)
Advertising funds expense (a)	100,216	108,612
Depreciation and amortization (exclusive of amortization of cloud computing arrangements shown separately below)	36,549	40,575
Amortization of cloud computing arrangements	4,167	4,762
System optimization losses (gains), net	90	(1,625)
Reorganization and realignment costs	(692)	(162)
Impairment of long-lived assets	1,421	2,572
Adjusted EBITDA	<u>\$ 124,517</u>	<u>\$ 111,314</u>
Revenues	\$ 523,472	\$ 540,637
Less:		
Advertising funds revenue	(100,360)	(108,341)
Adjusted revenues	<u>\$ 423,112</u>	<u>\$ 432,296</u>

- (a) Excludes advertising funds expense of \$159 for the three months ended March 30, 2025 related to the Company's funding of incremental advertising. There was no funding of incremental advertising during the three months ended March 29, 2026. In addition, excludes other international-related advertising deficit of \$1,153 and \$3 for the three months ended March 30, 2025 and March 29, 2026, 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 Month Periods Ended March 30, 2025 and March 29, 2026
(In Thousands Except Per Share Amounts)
(Unaudited)

	<u>Three Months Ended</u>	
	<u>2025</u>	<u>2026</u>
Net income	\$ 39,232	\$ 22,712
Plus (less):		
Advertising funds revenue	(100,360)	(108,341)
Advertising funds expense (a)	100,216	108,612
System optimization losses (gains), net	90	(1,625)
Reorganization and realignment costs	(692)	(162)
Impairment of long-lived assets	1,421	2,572
Total adjustments	675	1,056
Income tax impact on adjustments (b)	(209)	(192)
Total adjustments, net of income taxes	466	864
Adjusted income	<u>\$ 39,698</u>	<u>\$ 23,576</u>
Diluted earnings per share	\$.19	\$.12
Total adjustments per share, net of income taxes	.01	—
Adjusted earnings per share	<u>\$.20</u>	<u>\$.12</u>

- (a) Excludes advertising funds expense of \$159 for the three months ended March 30, 2025 related to the Company's funding of incremental advertising. There was no funding of incremental advertising during the three months ended March 29, 2026. In addition, excludes other international-related advertising deficit of \$1,153 and \$3 for the three months ended March 30, 2025 and March 29, 2026, 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.

The Wendy's Company and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow
Three Month Periods Ended March 30, 2025 and March 29, 2026
(In Thousands)
(Unaudited)

	Three Months Ended	
	2025	2026
Net cash provided by operating activities	\$ 85,415	\$ 59,389
Plus (less):		
Capital expenditures	(17,679)	(11,881)
Franchise development fund	(5,813)	(4,580)
Advertising funds impact (a)	6,093	(6,399)
Free cash flow	\$ 68,016	\$ 36,529

- (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."