

A close-up photograph of a tray filled with several golden-brown, glazed donuts. The donuts are arranged in rows, and the lighting highlights their glossy texture. The background is a soft, out-of-focus white.

# KRISPY KREME, INC.

THIRD QUARTER 2024 EARNINGS PRESENTATION  
NOVEMBER 7, 2024

*Krispy Kreme*

# FORWARD LOOKING STATEMENTS

## **Cautionary Note Regarding Forward-Looking Statements**

This presentation contains forward-looking statements that involve risks and uncertainties. The words “believe,” “may,” “focus,” “expand,” “continuing,” “guidance,” “could,” “will,” “should,” “anticipate,” “estimate,” “expect,” “outlook,” “guidance,” “working towards” or similar words, or the negative of these words, identify forward-looking statements. Such forward-looking statements are based on certain assumptions and estimates that we consider reasonable but are subject to various risks and uncertainties relating to our operations, financial results, financial conditions, business, prospects, growth strategy and liquidity. Accordingly, there are and may be important factors that could cause our actual results to differ materially from those indicated in these statements. The inclusion of this forward-looking information should not be regarded as a representation by us that the future plans, estimates or expectations contemplated by us will be achieved. Our actual results could differ materially from the forward-looking statements included herein. Factors that could cause actual results to differ from those expressed in forward-looking statements include, without limitation, the risks and uncertainties described under the headings “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, filed by us with the Securities and Exchange Commission (“SEC”) and described in the other filings we make from time to time with the SEC. We believe that these factors include, but are not limited to, the impact of pandemics, changes in consumer preferences, the impact of inflation, and our ability to execute on our omni-channel business strategy. These forward-looking statements are made only as of the date of this document, and we do not undertake any obligation, other than as may be required by applicable law, to update or revise any forward-looking or cautionary statement to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise.

## **Non-GAAP Measures**

This presentation includes certain non-GAAP financial measures including organic revenue growth, Adjusted EBITDA, Adjusted Net Income, Diluted, Adjusted Diluted EPS, Net Debt, Fresh Revenue from Hubs with Spokes and Sales per Hub, which differ from results using U.S. Generally Accepted Accounting Principles (“GAAP”). These non-GAAP financial measures are not universally consistent calculations, limiting their usefulness as comparative measures. Other companies may calculate similarly titled financial measures differently than we do or may not calculate them at all. Additionally, these non-GAAP financial measures are not measurements of financial performance under GAAP. In order to facilitate a clear understanding of our consolidated historical operating results, you should examine our non-GAAP financial measures in conjunction with our historical consolidated financial statements and notes thereto filed with the SEC.

Please see the Earnings Press Release filed with the SEC on November 7, 2024 for a reconciliation of non-GAAP financial measures and additional information for metrics in the accompanying slides. All metrics are as of September 29, 2024, unless stated otherwise.

The Company does not provide reconciliations of forward-looking non-GAAP measures to GAAP due to the inability to predict the amount and timing of impacts outside of the Company's control on certain items, such as net income and other charges reflected in our reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.



McDonald's



McDonald's

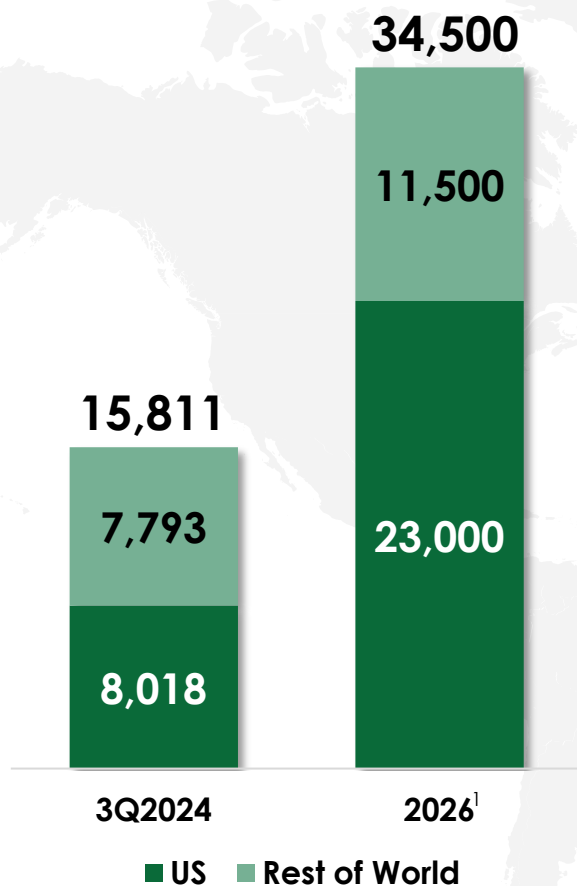


*Krispy Kreme*  
DOUGHNUTS

DELIVERED Fresh DAILY



# A BIGGER AND BETTER KRISPY KREME



## BIGGER:

- Profitable U.S. DFD expansion
- Capital light international growth

## BETTER:

- Align capital and talent to U.S.
- Wider adoption of international franchise model



1) Long-term management estimates

# BUSINESS PRIORITIES



## DRIVE CONSUMER RELEVANCE

Give our consumers  
more reasons to  
love us, more often



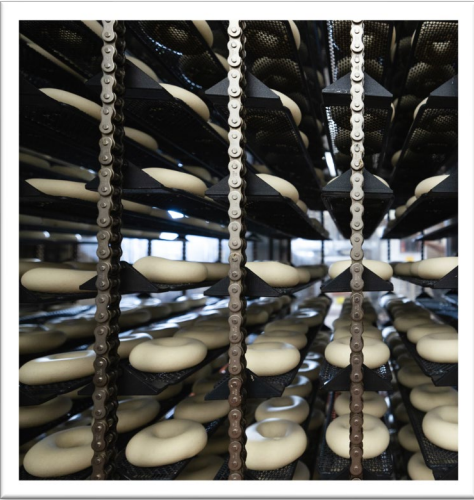
## EXPAND AVAILABILITY

Bring our joy to more  
markets, channels,  
and consumers



## INCREASE HUB & SPOKE EFFICIENCY

Master the craft  
of hub & spoke  
operations



## IMPROVE CAPITAL EFFICIENCY

Deliver sweet returns  
on every investment  
we make



## INSPIRE ENGAGEMENT

Be a sweet place  
to work for all Krispy  
Kremers

# DRIVE CONSUMER RELEVANCE



SPOTLIGHT  
ON ICONIC  
ORIGINAL  
GLAZED  
DOUGHNUT™



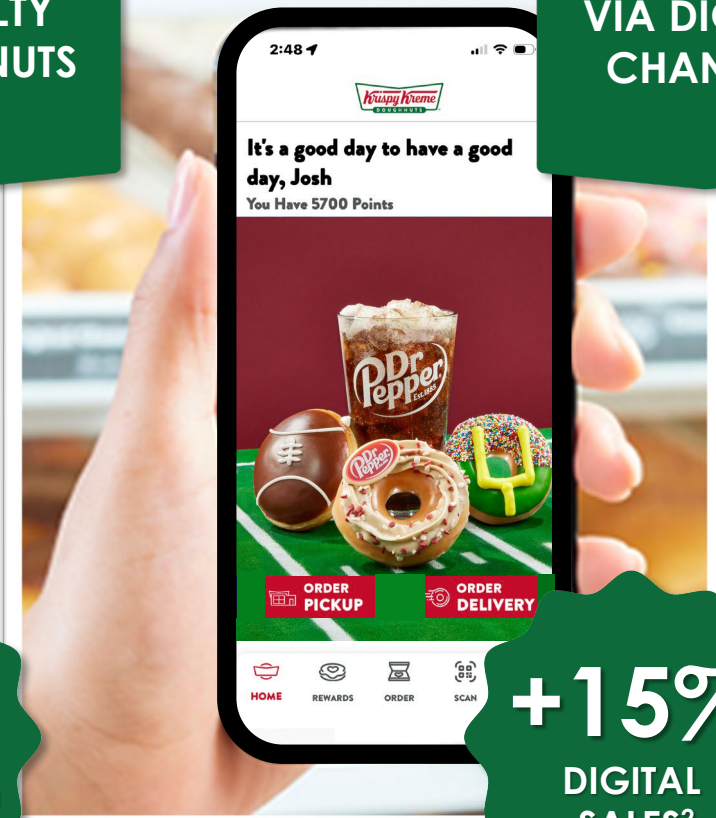
>50%  
SALES<sup>1</sup>

BUZZWORTHY  
INNOVATIVE  
SPECIALTY  
DOUGHNUTS



28B  
MEDIA  
IMPRESSIONS<sup>1</sup>

DELIVERING  
CONVENIENCE  
VIA DIGITAL  
CHANNEL



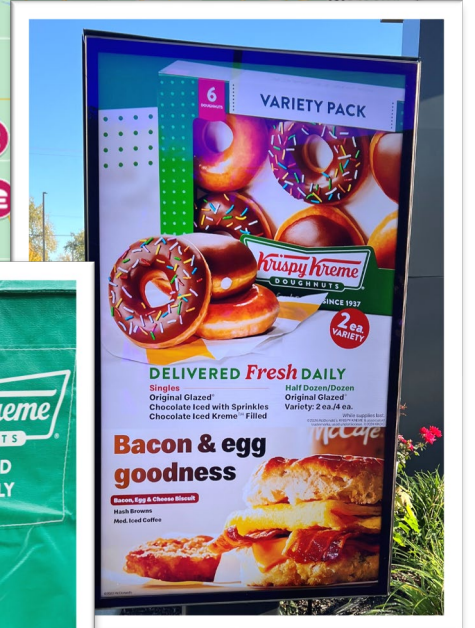
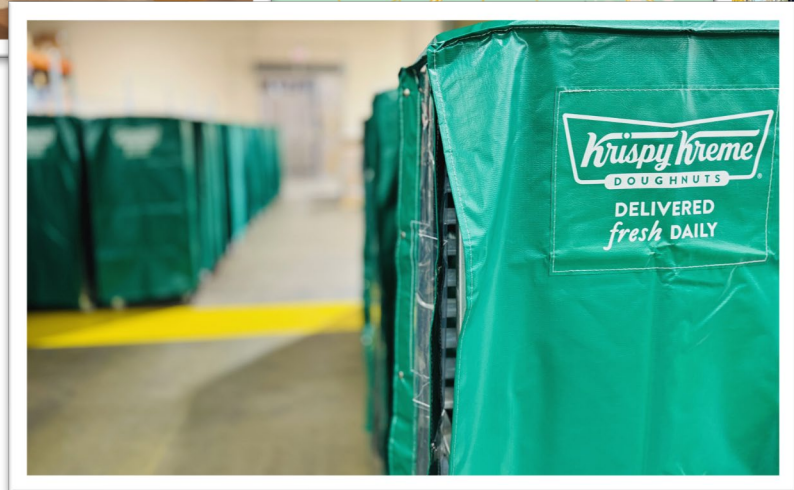
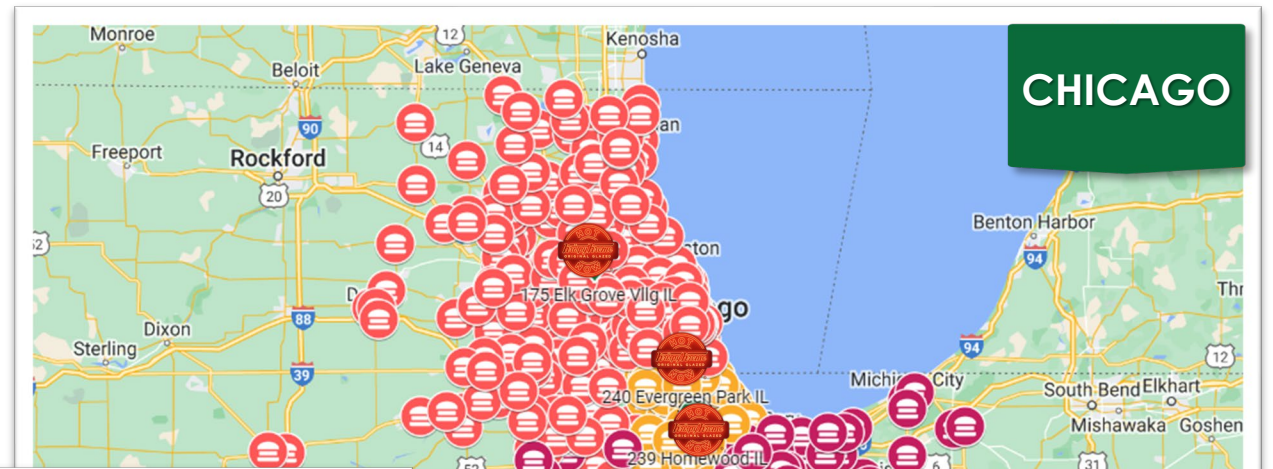
+15%  
DIGITAL  
SALES<sup>2</sup>

1) 3Q24  
2) 3Q24 vs 3Q23

# EXPAND AVAILABILITY

## SUCCESSFUL START TO NATIONWIDE MCDONALD'S ROLLOUT

- Strong operational execution
- Positive consumer response
- Expanding through the Midwest



# EXPAND AVAILABILITY

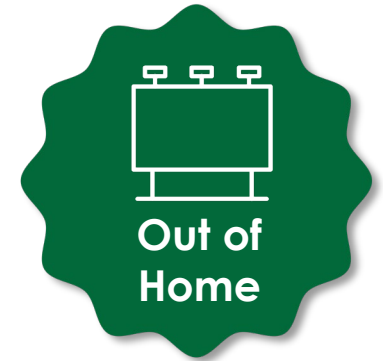
## 360° MULTIMEDIA CAMPAIGN



TV



Social



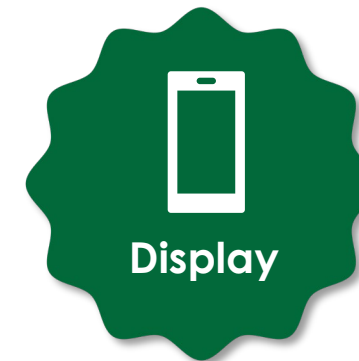
Out of Home



AT



Online Video



Display



Streaming Audio



# EXPAND AVAILABILITY

## STRONG MOMENTUM WITH U.S. DFD EXPANSION



ILLUSTRATIVE FINANCIAL IMPACT <sup>1</sup>	LOW	HIGH
ANNUALIZED INCREMENTAL REVENUE (\$MM)	+\$340	+\$430
ANNUALIZED INCREMENTAL ADJ. EBITDA (\$MM)	+\$70	+\$100

# INCREASE HUB & SPOKE EFFICIENCY

# MODERNIZING FRESH DOUGHNUT PRODUCTION



# IMPROVE CAPITAL EFFICIENCY

## INCREASING UTILIZATION OF PRODUCTION HUBS



~25%  
UTILIZATION<sup>1</sup>

## EXPAND BETTER WITH THIRD PARTY DELIVERY

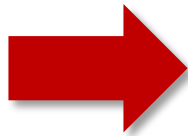
- RFP launched in October
- Focus on what we do best: Making fresh doughnuts



# INSPIRE ENGAGEMENT

**KRISPY KREMERS ARE THE HEART  
OF THE JOYFUL MOMENTS WE  
CREATE FOR CONSUMERS**

**KRISPY  
KREMER  
ENGAGEMENT  
75%<sup>1</sup>**



**CONSUMER  
SATISFACTION  
78%<sup>2</sup>**



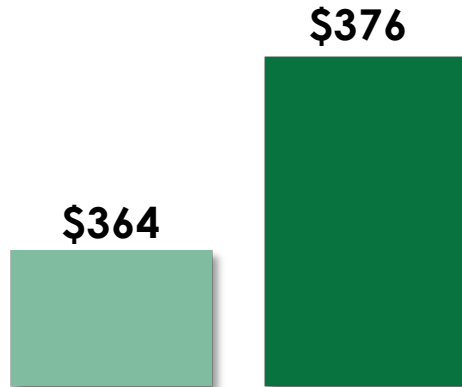
# FINANCIAL UPDATE

Krispy Kreme®

# FINANCIAL RESULTS REFLECT A MORE FOCUSED BUSINESS IN PREPARATION FOR ACCELERATION OF U.S. GROWTH

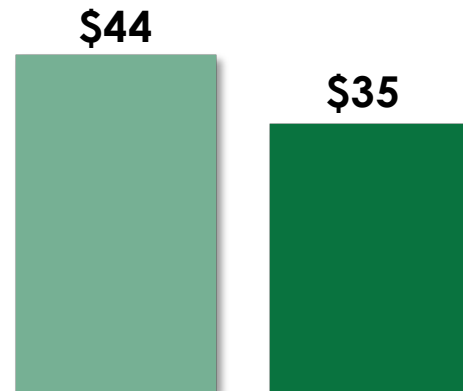
## ORGANIC REVENUE

+3.5%



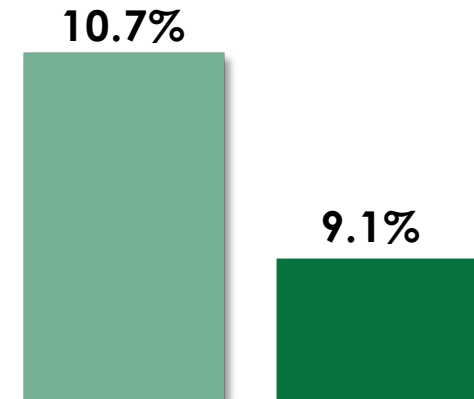
## ADJ EBITDA

(20.7)%



## ADJ EBITDA MARGIN

(160) bps

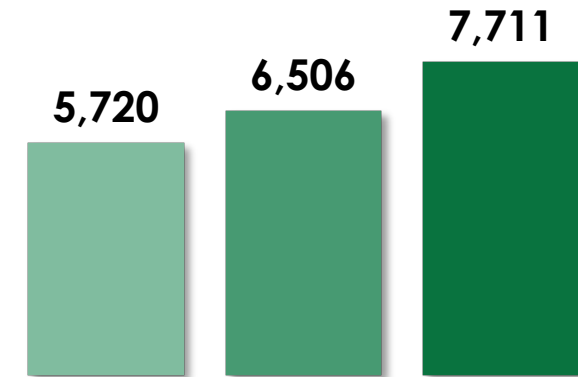


3Q23 3Q24

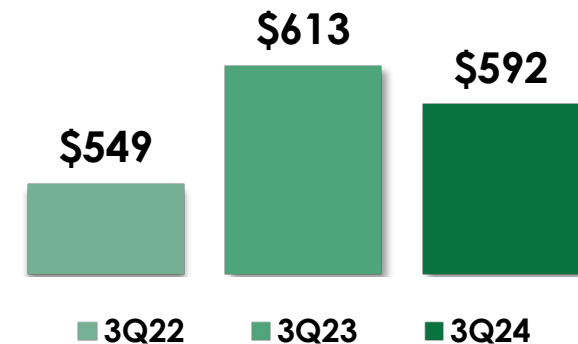
# U.S. SEGMENT

	3Q22	3Q23	3Q24
POINTS OF ACCESS	6,249	7,049	8,018
SALES PER HUB (\$MM)	\$4.4	\$4.8	\$4.9
NET REVENUE (\$MM)	\$246.8	\$260.2	\$228.4
ORGANIC GROWTH %	8.9%	10.2%	2.5%
ADJ EBITDA (\$MM)	\$20.5	\$22.3	\$13.9
ADJ EBITDA MARGIN	8.3%	8.6%	6.1%

## DFD DOORS



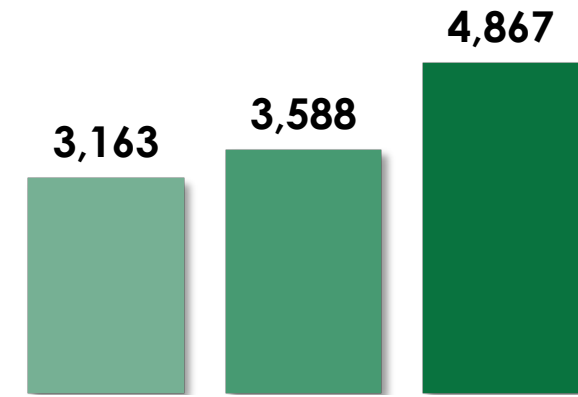
## AVERAGE REVENUE PER DOOR PER WEEK



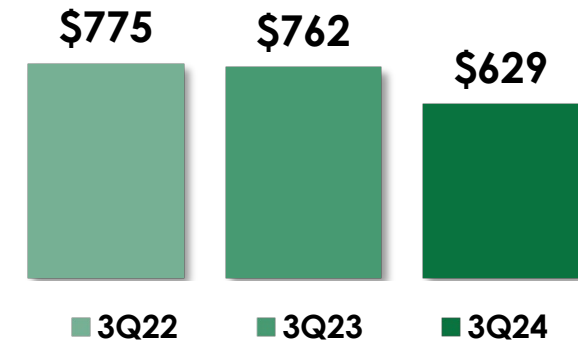
# INTERNATIONAL SEGMENT<sup>1</sup>

	3Q22	3Q23	3Q24
POINTS OF ACCESS	3,662	4,128	5,440
SALES PER HUB (\$MM)	\$9.8	\$9.9	\$10.1
NET REVENUE (\$MM)	\$107.6	\$126.1	\$130.7
ORGANIC GROWTH %	16.6%	11.7%	4.2%
ADJ EBITDA (\$MM)	\$19.9	\$25.0	\$22.8
ADJ EBITDA MARGIN	18.5%	19.8%	17.4%

## DFD DOORS



## AVERAGE REVENUE PER DOOR PER WEEK

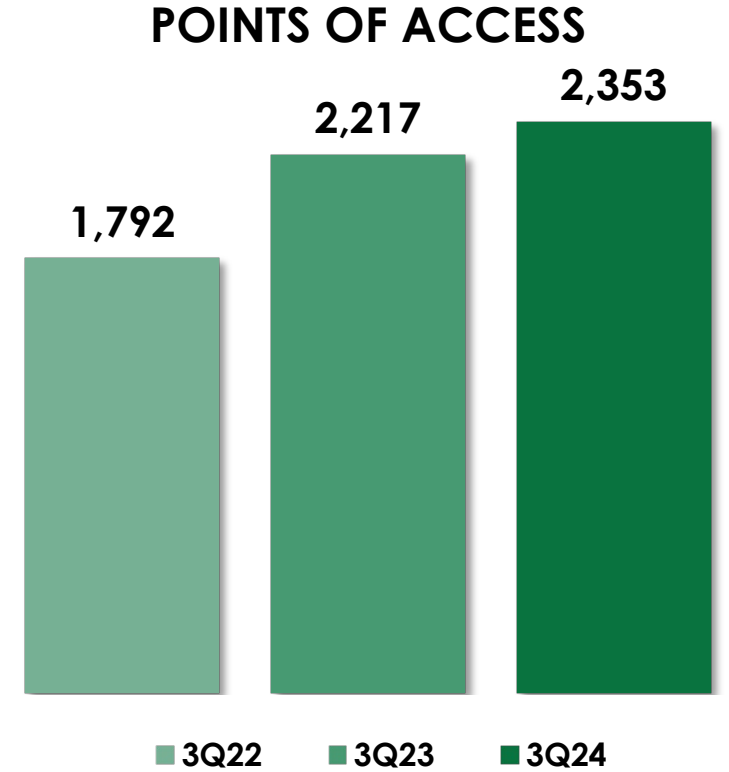


1) Reflects move of Canada and Japan to International segment from Market Development in 1Q24



# MARKET DEVELOPMENT SEGMENT<sup>1</sup>

	3Q22	3Q23	3Q24
<b>POINTS OF ACCESS</b>	<b>1,792</b>	<b>2,217</b>	<b>2,353</b>
<b>NET REVENUE (\$MM)</b>	<b>\$23.1</b>	<b>\$21.2</b>	<b>\$20.8</b>
<b>ORGANIC GROWTH %</b>	<b>25.9%</b>	<b>(6.7)%</b>	<b>8.6%</b>
<b>ADJ EBITDA (\$MM)</b>	<b>\$10.2</b>	<b>\$9.8</b>	<b>\$11.3</b>
<b>ADJ EBITDA MARGIN</b>	<b>44.0%</b>	<b>46.5%</b>	<b>54.2%</b>



1) Reflects move of Canada and Japan to International segment from Market Development in 1Q24



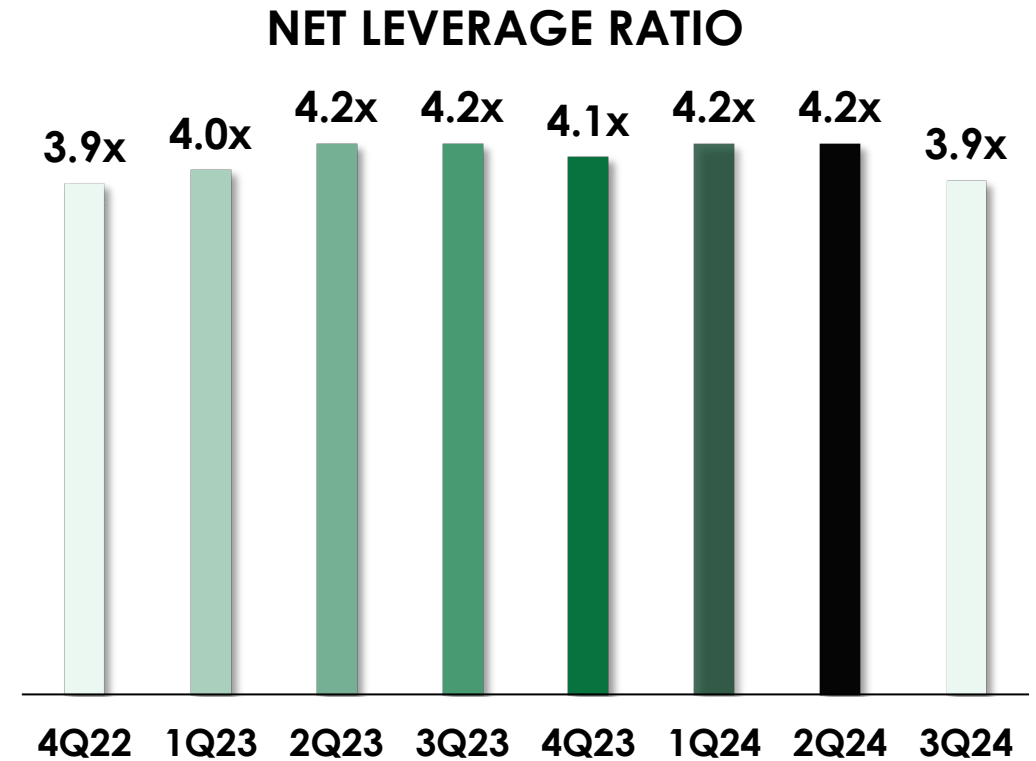
# EARNINGS PER SHARE

	3Q23	3Q24
ADJ EBITDA	\$43.7	\$34.7
DEPRECIATION & AMORTIZATION	(24.6)	(23.6)
INTEREST & TAX	(14.5)	(15.6)
NONCONTROLLING INTEREST	(0.2)	2.0
WEIGHTED AVERAGE SHARES OUTSTANDING	170.6	169.6
ADJ DILUTED EPS	\$0.03	\$(0.01)

All metrics are \$MM, except Adjusted Diluted EPS (\$s) and Weighted Average Shares Outstanding (MM)

# POSITIVE OPERATING CASH FLOWS

	FY 2023	YTD 2024
CASH, CASH EQUIVALENTS & RESTRICTED CASH AT BEGINNING OF THE FISCAL YEAR	\$35.7	\$38.6
NET CASH PROVIDED BY OPERATIONS	45.5	18.8
NET CASH (USED FOR)/PROVIDED BY INVESTING	(112.6)	44.7
NET CASH PROVIDED BY/(USED FOR) FINANCING	71.9	(77.3)
EFFECT OF EXCHANGE RATE CHANGES ON CASH, CASH EQUIVALENTS & RESTRICTED CASH	(1.9)	1.1
CASH, CASH EQUIVALENTS & RESTRICTED CASH	\$38.6	\$25.9



# UPDATED 2024 GUIDANCE

2024 FULL YEAR	PREVIOUS GUIDANCE <sup>1</sup>	UPDATED GUIDANCE
NET REVENUE GROWTH	\$1,650 – \$1,685	\$1,650 – \$1,685
ORGANIC REVENUE GROWTH	5 – 7%	5 – 7%
ADJ EBITDA GROWTH	\$215 – \$220	\$205 – \$210
ADJ DILUTED EPS	\$0.24 – \$0.28	\$0.18 – \$0.22

## ASSUMPTIONS

INCOME TAX RATE	28 – 30%
CAPITAL EXPENDITURES	7 – 8%
INTEREST EXPENSE	\$55 – \$60MM

1) Dollars metrics in \$MMs except Adjusted Diluted EPS





BIGGER  
*Krispy Kreme*  
ORIGINAL GLAZED  
BETTER

# KEY MESSAGES



**BUILDING A BIGGER AND BETTER KRISPY KREME**



**SUCCESSFUL LAUNCH, ACCELERATING NATIONWIDE DFD ROLLOUT**



**CONFIDENT IN PROFITABLE U.S. DFD GROWTH STRATEGY**



**PURSUING THIRD PARTY MANAGED DELIVERY**



# Q&A