



# THIRD QUARTER 2023 EARNINGS

November 9, 2023



# DISCLOSURES

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

This presentation contains forward-looking statements that involve risks and uncertainties. The words “believe,” “may,” “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 and assumptions relating to our operations, financial results, financial conditions, business, prospects, growth strategy and liquidity. Accordingly, there are, or will 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 January 1, 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**

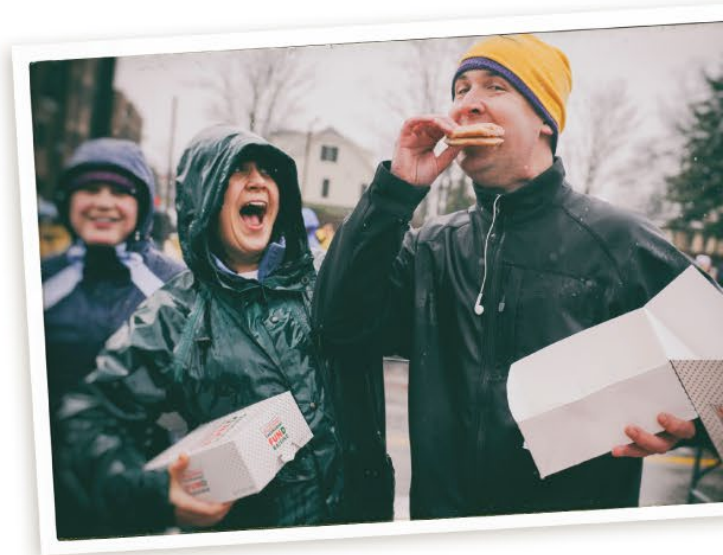
This presentation includes certain non-GAAP financial measures including organic revenue growth, Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS, Fresh Revenue from Hubs with Spokes and Sales per Hub, which differ from results using U.S. Generally Accepted Accounting Principles (“GAAP”). These 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.

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.



our purpose is...  
**TO TOUCH & ENHANCE LIVES**  
THROUGH THE *joy* THAT IS KRISPY KREME

we aspire to be...  
**THE MOST *loved* SWEET TREAT**  
**BRAND IN THE WORLD**



# Q3 2023 EARNINGS HIGHLIGHTS



Our third quarter results showed the strength of our team, business model, and the power of our brand. We delivered growth on both the top- and bottom-line, while delivering Adjusted EBITDA margin expansion through our hub and spoke model. Our global expansion continued, and our doughnuts became available in two new markets, Switzerland and Kazakhstan, and Insomnia Cookies expanded internationally into Canada and the United Kingdom. Overall, Global Points of Access growth accelerated, increasing by 1,691 or 14.4% year-over-year to 13,394.

- Mike Tattersfield, President and CEO

## KEY PERFORMANCE METRICS

Total Company Revenue

**\$407.4 M**

▲ 7.9% y/y

Organic Revenue Growth

**10.2%▲** U.S.    **8.2%▲** INTL.    **9.1%▲** MARKET DEVELOPMENT

Adjusted EBITDA

**\$43.7 M**

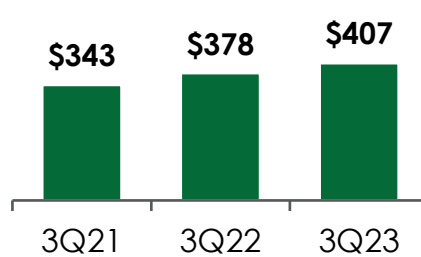
▲ 13.5% y/y  
▲ 11.8% y/y in constant currency

Points of Access Globally

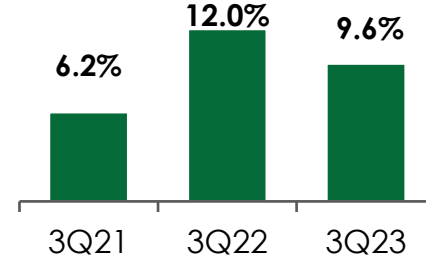
**13,394**

▲ 14.4% y/y

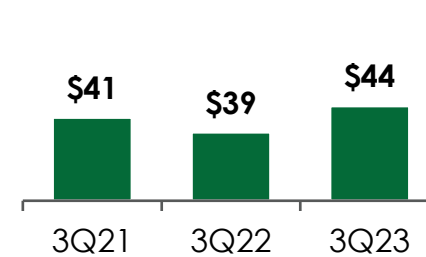
Net Revenue (\$M)



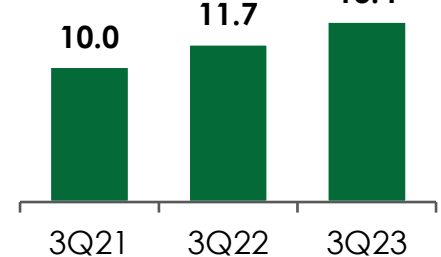
Organic Revenue Growth



Adjusted EBITDA (\$M)



Fresh Points of Access (in 1000s)

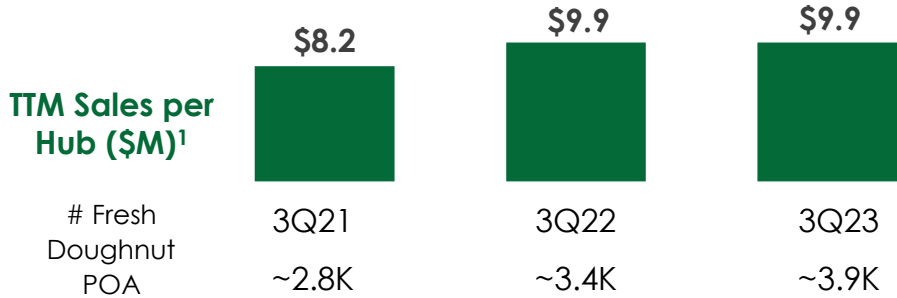
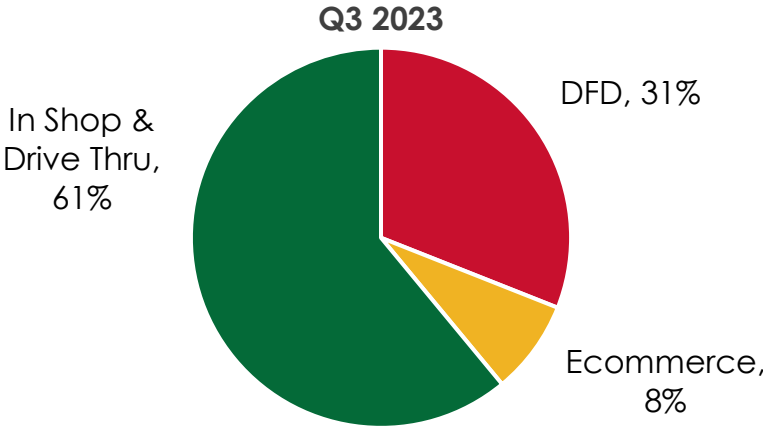


- Now in 37 countries, following expansion into Switzerland & Kazakhstan

- Representing >500 additional targeted Points of Access

# SALES PER HUB GROWTH DRIVEN BY CAPITAL-LIGHT DELIVERED FRESH DAILY DOORS

## International Segment



**More Points of Access**

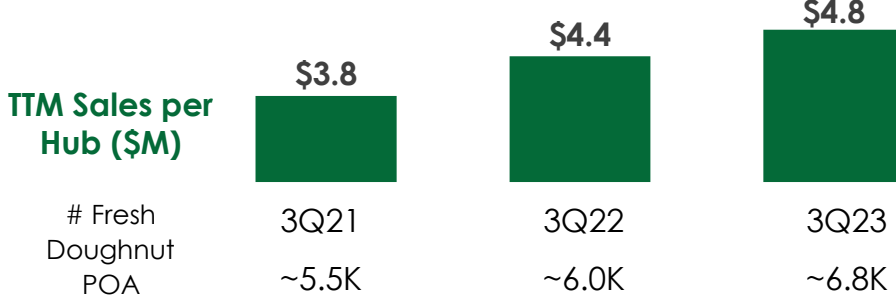
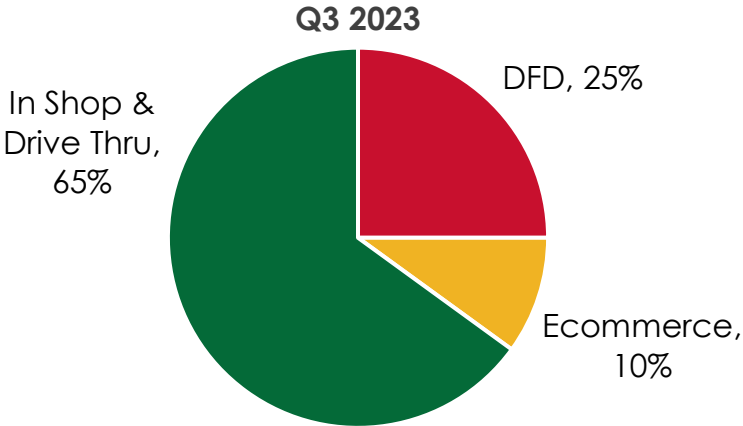


**Higher Sales per Hub**



**Higher EBITDA Margin**

## U.S. Fresh Doughnut Business



<sup>1</sup> International Sales per Hub comparative data has been restated in constant currency based on current exchange rates.

# CREATING A HIGH GROWTH & MORE PROFITABLE BUSINESS

A global omni-channel fresh doughnut business strategy...



## Expand availability

Global Points of Access increased 14.4% year-over year

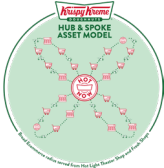
522 new Points of Access in Q3



## Increased purchase frequency

28 billion media impressions year-to-date

M&Ms collection  
Pumpkin Spice  
Strawberry Glazed



## Drive hub and spoke productivity

Reduced total product and distribution costs by 230 bps

US Sales per hub increased 9% year over year



## Improve capital efficiency

Added 5 hubs with spokes through new DFD routes at existing locations

Drove productivity through operational excellence and automation

# 3Q 2023 BUZZWORTHY SPECIAL OFFERINGS DROVE FIFTH QUARTER OF DOUBLE-DIGIT ORGANIC GROWTH



Chile – Choco Flavors



U.S. – Strawberry Glazed



AUS – International Friendship Day



U.S. – Pumpkin Spice



17 Markets Globally – M&M's



Mexico – Coffee Doughnuts



Japan – Sweet Summer Vacation



Australia – Maxibon

# 2023 OUTLOOK RE-AFFIRMED<sup>1</sup>



## Financial Outlook<sup>2</sup>

✓ **\$1,650 million to \$1,680 million**  
**Net Revenue** (growth of 8% to 10%, or 9% to 11% in constant currency)  
**Organic Revenue** (growth of 9% to 11%)

✓ **\$52 million - \$58 million**  
**Adjusted Net Income Diluted**  
(growth of 5% to 17%, or 9% to 21% in constant currency)

✓ **\$205 million to \$215 million**  
**Adjusted EBITDA** (growth of 8% to 13%, or 10% to 14% in constant currency)

✓ **\$0.31 to \$0.34**  
**Adjusted Diluted EPS** (growth of 7% to 17%, or 10% to 21% in constant currency)

## Other Metrics

- 10-15% Points of Access increase; 30-40 new Insomnia Cookie Shops
- Signed contracts for 3-5 new international countries
- Open in 5-7 new countries
- Capital Expenditures of 7 – 8% of revenue
- Adjusted Tax Rate of 24.5% to 26.0%
- Net Interest Expense of \$47 to \$51 million

<sup>1</sup> With the exception of Capital Expenditures and Net Interest Expense, the Company is reaffirming its outlook for 2023

<sup>2</sup> Outlook as of November 9, 2023





**THANK YOU**