# Wendy's Co.

**WEN**

Nasdaq; shops; SIC 5810, Retail-Eating & Drinking Places; CIK 0000030697

**D**

**fourth fifth of 254 graded peers in shops**

rank 182 of 254; percentile 71.5; sampling error 3.0 points; lower is stronger

A B C D E

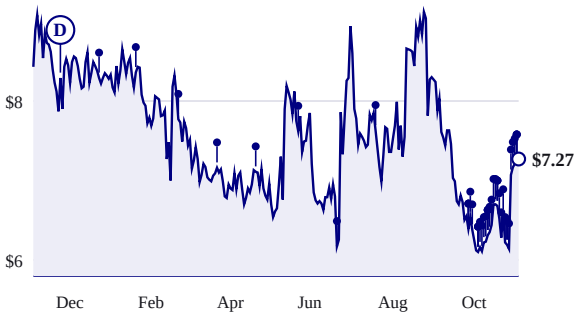
**D, the sloth**



## Scoreboard

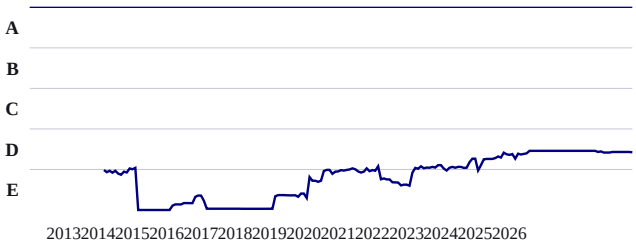
| | | |
|---|---|---|
| **Profitability** | D | percentile 63.5 |
| **Solvency** | C/D | percentile 60.4 |
| **Growth and financing** | C | percentile 52.6 |
| **Reliability** | 0.94 AUC | filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year | Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets | total assets $5.0B |
| **Standard universe** | inside | revenue above $1M and assets above $10M |
| **Warnings** | none triggered | not computable: distress |
| **Inputs computable** | 12 of 14 | |
| **Graded from** | filings received through Feb 23, 2026 | 254 days before the rescan; latest periodic filing 10-Q received Aug 7, 2026 |
| **Last close** | $7.28 | 2026-11-03; market equity $1.4B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 23, 2026*

Wendy's is primarily engaged in the business of operating, developing and franchising a system of distinctive quick-service restaurants serving high quality food. Wendy's opened its first restaurant in Columbus, Ohio in 1969. Today, Wendy's is the second largest quick-service restaurant company in the hamburger sandwich segment in the United States (the "U.S.") based on traffic and dollar share, and the third largest globally with 7,397 restaurants in the U.S. and 38 foreign countries and U.S. territories as of December 28, 2025. At December 28, 2025, there were 5,969 Wendy's restaurants in operation in the U.S.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 63.5** | | | | | | |
| Gross profitability | 27.9% | 42.6% | | 70.5 | 238 | 2025-12-28 |
| Return on invested capital | 9.7% | 10.9% | | 57.8 | 84 | 2025-12-28 |
| Accruals ratio | (3.6%) | (4.8%) | | 65.6 | 283 | 2025-12-28 |

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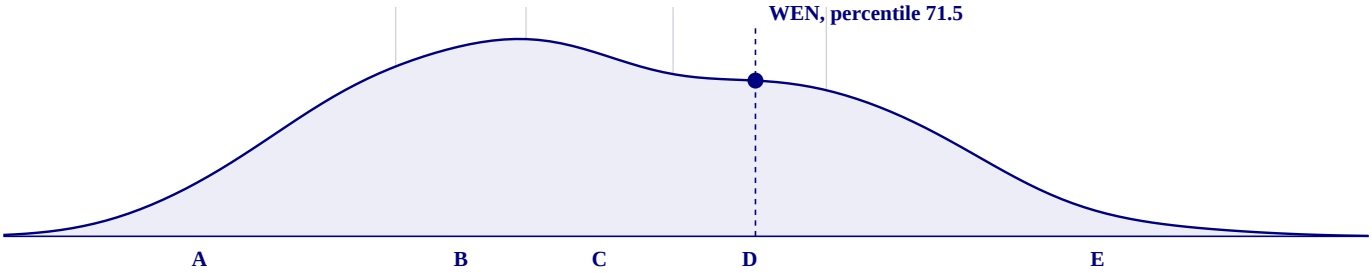
| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 1.7 pts | 1.2 pts | 60.0 | 216 | 2025-12-28 |
| **Solvency, sleeve percentile 60.4** | | | | | |
| Twelve-month failure probability | not computable | 0.03% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | 1.13 | 1.93 | 56.2 | 204 | 2025-12-28 |
| Net debt to EBITDA | 4.96x | 1.88x | 91.8 | 99 | 2025-12-28 |
| Interest coverage | not computable | 2.49x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-28* | | | | | |
| Current ratio | 1.76x | 1.37x | 33.1 | 291 | 2025-12-28 |
| **Growth and financing, sleeve percentile 52.6** | | | | | |
| Revenue growth, three-year compound | 1.3% | 1.6% | 52.3 | 265 | 2025-12-28 |
| Free cash flow growth, three-year compound | 11.6% | 4.8% | 37.7 | 147 | 2025-12-28 |
| Reinvestment rate | (48.8%) | 8.4% | 84.1 | 152 | 2025-12-28 |
| Asset growth, three years | (3.4%) | 3.4% | 75.2 | 267 | 2025-12-28 |
| Net share issuance, one year | (5.1%) | (0.6%) | 13.9 | 210 | 2026-02-16 |

## Among 254 peers

*shops; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 177 | Willis Lease Finance Corp. (WLFC) | 69.6 | D | |
| 178 | OneWater Marine Inc. (ONEW) | 70.0 | D | |
| 179 | Seaboard Corp. (SEB) | 70.4 | D | |
| 180 | Builders FirstSource, Inc. (BLDR) | 70.8 | D | |
| 181 | Lands' END, Inc. (LE) | 71.1 | D | short runway |
| 182 | Wendy's Co. (WEN) | 71.5 | D | |
| 183 | Ingram Micro Holding Corp. (INGM) | 71.9 | D | |
| 184 | HF Foods Group Inc. (HFFG) | 72.3 | D | |
| 185 | Team Inc. (TISI) | 72.7 | D | |
| 186 | El Pollo Loco Holdings, Inc. (LOCO) | 73.1 | D | |
| 187 | Target Corp. (TGT) | 73.5 | D | |

## What the price implies

*at the 2026-11-03 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (21.2%) | (0.7%) | 31 |
| Distance from 52-week high | (20.3%) | (18.8%) | 47 |
| EBIT to enterprise value | 9.1% | 5.2% | 84 |
| Free cash flow yield | 17.5% | 3.9% | 94 |
| Book value to price | 0.09 | 0.35 | 23 |
| Sales to price | 1.57 | 1.56 | 50 |
| Composite equity issuance, five years | (40.5%) | (16.6%) | 10 |
| Relative strength against the sector, log excess return | (0.15) | 0.08 | 31 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 4 of 9, period end 2025-12-28** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $341.2M |
| Operating cash flow, four quarters | $358.5M |
| Months of runway | not finite |
| Days since last periodic filing | 89 (10-Q received Aug 7, 2026) |
| Median daily dollar volume, 63 sessions | $40.3M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | revenue | us-gaap:Revenues | $2.2B | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $791.7M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 3 | assets | us-gaap:Assets | $5.0B | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $343.5M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $227.2M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $62.2M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 7 | total debt | us-gaap:LongTermDebt | $2.8B | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 8 | book equity | us-gaap:StockholdersEquity | $117.4M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $300.8M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 10 | total debt | us-gaap:LongTermDebt | $2.7B | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 11 | book equity | us-gaap:StockholdersEquity | $259.4M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $450.5M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 13 | net income | us-gaap:NetIncomeLoss | $165.1M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $344.5M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 15 | assets | us-gaap:Assets | $5.0B | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 16 | revenue | us-gaap:Revenues | $2.2B | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 17 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $783.2M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 18 | revenue | us-gaap:Revenues | $2.2B | 2023-12-31 | 2026-02-23 | 10-K | 26-000009 |
| 19 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $794.5M | 2023-12-31 | 2026-02-23 | 10-K | 26-000009 |
| 20 | revenue | us-gaap:Revenues | $2.1B | 2023-01-01 | 2025-02-21 | 10-K | 25-000003 |
| 21 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $773.2M | 2023-01-01 | 2025-02-21 | 10-K | 25-000003 |
| 22 | revenue | us-gaap:Revenues | $1.9B | 2022-01-02 | 2024-02-26 | 10-K | 24-000004 |
| 23 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $611.7M | 2022-01-02 | 2024-02-26 | 10-K | 24-000004 |
| 24 | current assets | us-gaap:AssetsCurrent | $618.0M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $351.1M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $435.1M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 27 | liabilities | us-gaap:Liabilities | $4.8B | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $152.2M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | $382.0M | 2023-12-31 | 2026-02-23 | 10-K | 26-000009 |
| 30 | interest expense | us-gaap:InterestExpense | $124.1M | 2023-12-31 | 2024-02-26 | 10-K | 24-000004 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $101.9M | 2025-12-28 | 2026-02-23 | 10-K | 26-000009 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $355.3M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $94.4M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $345.4M | 2023-12-31 | 2026-02-23 | 10-K | 26-000009 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $85.0M | 2023-12-31 | 2026-02-23 | 10-K | 26-000009 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $259.9M | 2023-01-01 | 2025-02-21 | 10-K | 25-000003 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $85.5M | 2023-01-01 | 2025-02-21 | 10-K | 25-000003 |
| 38 | current assets | us-gaap:AssetsCurrent | $736.1M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $397.6M | 2024-12-29 | 2026-02-23 | 10-K | 26-000009 |
| 40 | assets | us-gaap:Assets | $5.2B | 2023-12-31 | 2025-02-21 | 10-K | 25-000003 |
| 41 | assets | us-gaap:Assets | $5.5B | 2023-01-01 | 2024-02-26 | 10-K | 24-000004 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 190,360,557 | 2026-02-16 | 2026-02-23 | 10-K | 26-000009 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 200,485,068 | 2025-02-19 | 2025-02-21 | 10-K | 25-000003 |

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