



KRISPY KREME EXPLORES STRATEGIC ALTERNATIVES FOR INSOMNIA COOKIES

Decision will allow Krispy Kreme to unlock value in the highly successful Insomnia platform and focus on its core strategy of producing, selling and distributing fresh doughnuts daily

Insomnia has tripled its revenue since 2017

CHARLOTTE, N.C. --(BUSINESS WIRE) -- Krispy Kreme, Inc. (NASDAQ: DNUT) today announced it is exploring strategic alternatives for Insomnia Cookies, to include considering an all-cash sale. Krispy Kreme acquired a majority stake in Insomnia Cookies in 2018 and expects revenues of approximately \$230 million in fiscal year 2023. Today's decision enables Krispy Kreme to unlock shareholder value and focus on its core strategy of producing, selling and distributing fresh doughnuts daily.

"We acquired a majority stake in Insomnia Cookies to build our e-commerce and digital capability as well as assist Insomnia's U.S. and International expansion. Both efforts have been successful and it's time for the next strategic step for both companies," said Mike Tattersfield, Krispy Kreme CEO.

"Krispy Kreme has expanded rapidly through our capital light omni-channel model, and the brand is now in 37 countries selling fresh doughnuts through nearly 13,000 points of access daily," continued Tattersfield. "Looking ahead, our goal is to expand to more than 75,000 points both by entering 3-5 new countries each year and developing new channels like quick service restaurants."

Insomnia Cookies, the cookie brand known for serving warm cookies all day and late into the night, has rapidly grown since the 2018 acquisition, operating in three countries with over 250 bakeries. It is a pioneer and industry leader in digital marketing and e-commerce revenue, with 45% of revenue generated digitally while driving industry leading capital return over the past few years.

"It has been an honor to partner with Krispy Kreme in an unprecedented chapter of growth for Insomnia Cookies," said Founder and Insomnia CEO Seth Berkowitz. "As we enter our 20th year of delivering warm, delicious cookies, we are now a sizeable multi-channel enterprise but still have a huge runway ahead in the attractive \$700 billion indulgence industry*, and I look forward to leading our Insomniacs in our next phase of significant domestic and global expansion."

Krispy Kreme has hired Evercore and Morgan Stanley & Co. LLC to act as financial advisors.

**Source: Euromonitor, June 2023*

About Krispy Kreme

Headquartered in Charlotte, N.C., Krispy Kreme is one of the most beloved and well-known sweet treat brands in the world. Our iconic Original Glazed® doughnut is universally recognized for its hot-off-the-line, melt-in-your-mouth experience. Krispy Kreme operates in more than 30 countries through its unique network of fresh doughnut shops, partnerships with leading retailers, and a rapidly growing

Ecommerce and delivery business with nearly 13,000 fresh points of access. Our purpose of touching and enhancing lives through the joy that is Krispy Kreme guides how we operate every day and is reflected in the love we have for our people, our communities, and the planet. Connect with Krispy Kreme Doughnuts at WWW.KRISPYKREME.COM, or on one of its many social media channels, including WWW.FACEBOOK.COM/KRISPYKREME and WWW.TWITTER.COM/KRISPYKREME.

About Insomnia Cookies

Insomnia Cookies is a rapidly expanding late-night bakery concept headquartered in Philadelphia, PA. Founded at the University of Pennsylvania by then-student Seth Berkowitz, Insomnia Cookies has been feeding the insatiable hunger of loyal Insomniacs since 2003. Today, with over 250 locations worldwide, Insomnia Cookies offers a wide variety of delicious cookies, ice cream, and other sweet treats in-store, for local delivery, and nationwide shipping. Details about Insomnia's menu, delivery, and nationwide shipping options can be found here (late-night delivery until 1 a.m. or later). To place an order or learn more about Insomnia Cookies, visit www.InsomniaCookies.com. Keep up-to-date on the latest cookie news and grand opening deals by following Insomnia Cookies on Instagram, Facebook, Twitter, and TikTok.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. The words “expect,” “goal,” 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, changes in consumer preferences, the impact of inflation, the inability to identify strategic partners, 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.

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Investor Relations

Stephanie Daukus
IR@KRISPYKREME.COM

Financial Media

Edelman Smithfield for Krispy Kreme, Inc.
Ashley Firlan & Ashna Vasa
KRISPYKREMEIR@EDELMAN.COM