Seale & Associates

RESTAURANT FRANCHISE INDUSTRY
VALUATION UPDATE
Q1 2026

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Introduction

We are pleased to share our Restaurant Franchise Industry Multiples Valuation Update for Q1 2026.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.


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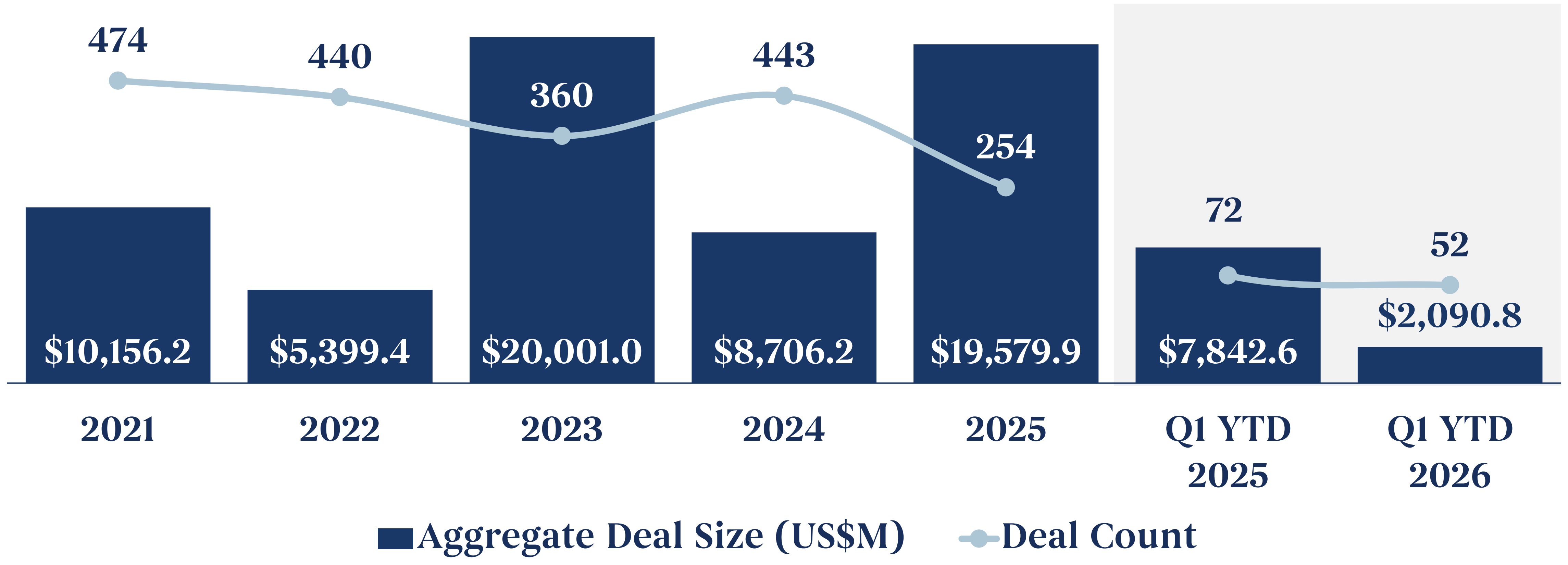
Restaurant Franchise Industry Overview

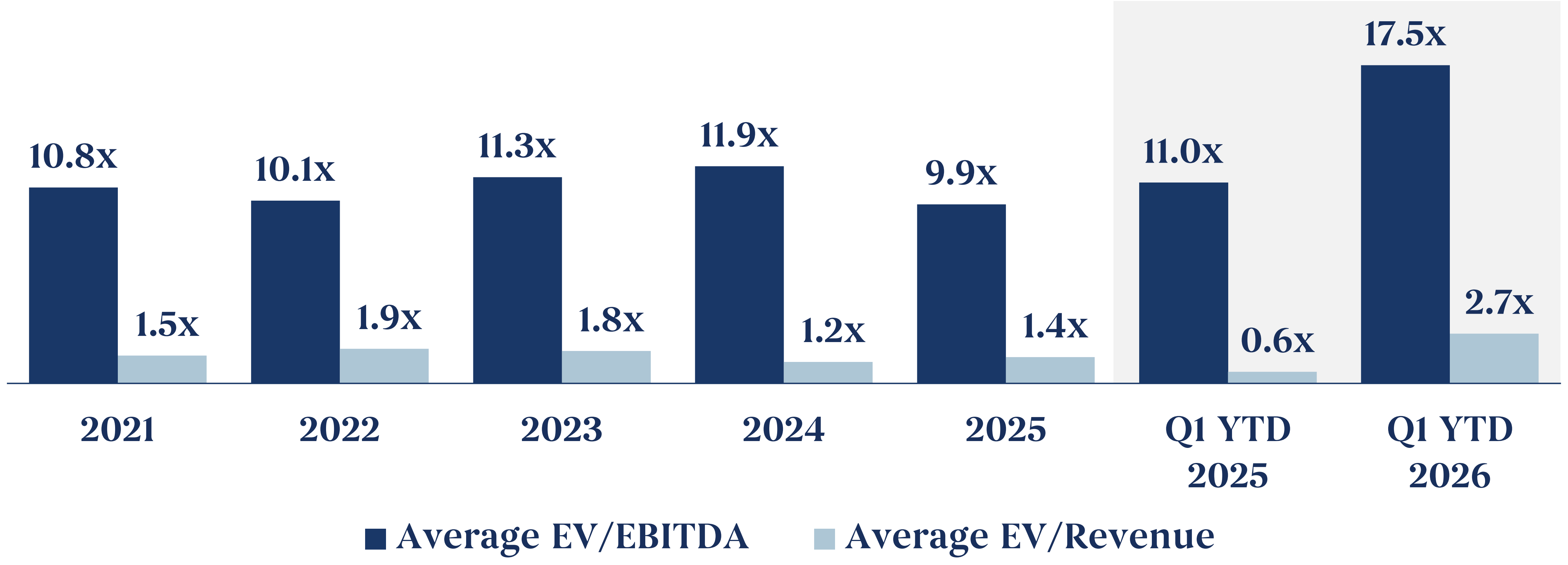
M&A Trends and Market Intelligence

- **The global quick-service restaurant (QSR) market is estimated to grow from approximately US$1.2T in 2026 to around US$1.7T by 2031, reflecting a CAGR of 8.4%.** Growth continues to be supported by expansion in off-premise dining formats, rising urbanization and increasing demand for convenience-oriented foodservice solutions
- **Market expansion is being driven by continued growth in drive-thru, delivery and takeaway channels**, alongside rising **adoption of digital ordering and loyalty programs**. Operators are increasingly optimizing restaurant footprints and fulfillment models to improve throughput, reduce labor intensity and strengthen customer retention
- Technology integration and automation continue reshaping the competitive landscape, as **QSR operators expand investment in AI-powered ordering systems, kiosks, robotic kitchen equipment and hybrid fulfillment formats**. At the same time**, brands are strengthening digital engagement strategies through subscription models, mobile applications and personalized promotions**
- **M&A activity in the restaurant sector remained cautious in 2025** as tariff uncertainty and macroeconomic pressures weighed on discretionary spending and transaction activity. **Buyers continued prioritizing asset-light franchise systems with stable cash flows and scalable operations**
- **Acquisition activity increasingly favored franchisors with strong unit economics, operational discipline and clear value positioning**. Health- and value-oriented concepts continued attracting investor interest across the restaurant market

Restaurant Franchise Industry M&A Deal Size and Volume



Restaurant Franchise Industry M&A Average EV/EBITDA and EV/Revenue



Source: Capital IQ, Mordor Intelligence, and Other Industry Reports

Franchises - Global Comparable Public Companies (1/2)

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2026	
						2024	2025	EV/ EBITDA	EV/ Revenue
Alsea	MEX	$2,566	$5,075	$4,712	21.3%	5.9x	7.1x	5.0x	1.1x
AmRest	ESP	$657	$2,336	$2,949	15.9%	6.6x	5.8x	5.0x	0.8x
Arcos Dorados	URY	$1,738	$3,563	$4,678	14.3%	5.7x	5.4x	5.3x	0.8x
Bloomin' Brands	USA	$460	$2,426	$3,956	11.9%	5.6x	5.3x	5.2x	0.6x
Brinker International	USA	$6,218	$7,966	$5,734	18.7%	7.7x	9.2x	7.4x	1.4x
CMR	MEX	$46	$145	$214	18.4%	4.6x	4.3x	3.7x	0.7x

Source: Capital IQ

Franchises - Global Comparable Public Companies (2/2)

Company		Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/ EBITDA	First Quarter Mar. 31, 2026 EV/ Revenue
create restaurants		JPN	$2,020	$2,352	$1,041	14.5%	12.4x	14.2x	15.6x	2.3x
Restaurant Brands International		USA	$25,607	$41,640	$9,434	29.7%	15.9x	14.4x	14.8x	4.4x
Skylark Holdings		JPN	$4,870	$6,211	$2,879	18.7%	8.8x	10.3x	11.5x	2.2x
Yum! Brands		USA	$42,979	$55,459	$8,486	35.6%	18.6x	18.5x	18.4x	6.5x
Excluded from mean						**Mean**	8.6x	9.0x	8.7x	1.2x
						Median	7.1x	8.1x	6.4x	1.2x

Source: Capital IQ

Franchisors - Global Comparable Public Companies (1/2)

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2026	
						2024	2025	EV/ EBITDA	EV/ Revenue
BJ's Restaurants	USA	$744	$1,211	$1,399	13.5%	8.4x	7.5x	6.4x	0.9x
Chipotle Mexican Grill	USA	$41,691	$45,717	$12,139	25.2%	31.2x	22.4x	15.0x	3.8x
Cracker Barrel Old Country Store	USA	$628	$1,826	$3,361	7.4%	7.4x	7.3x	7.3x	0.5x
Darden Restaurants	USA	$22,453	$30,370	$12,764	19.3%	11.8x	13.1x	12.3x	2.4x
Dine Brands Global	USA	$341	$1,812	$879	21.2%	9.2x	9.3x	9.7x	2.1x
Domino's Pizza	USA	$12,066	$16,988	$4,979	22.2%	21.2x	19.4x	15.4x	3.4x
El Pollo Loco	USA	$415	$650	$490	17.6%	7.7x	7.1x	7.5x	1.3x
Jack in the Box	USA	$184	$2,742	$1,444	34.6%	7.6x	6.5x	5.5x	1.9x
McDonald's	USA	$220,785	$274,841	$26,885	61.1%	16.5x	17.1x	16.7x	10.2x

Source: Capital IQ

Franchisors - Global Comparable Public Companies (2/2)

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/ EBITDA	First Quarter Mar. 31, 2026 EV/ Revenue
Noodles & Company	USA	$50	$318	$495	12.9%	5.4x	5.3x	5.0x	0.6x
Papa John's International	USA	$1,066	$1,978	$2,054	12.2%	10.2x	8.1x	7.9x	1.0x
Red Robin Gourmet Burgers	USA	$53	$554	$1,210	13.0%	4.6x	4.4x	3.5x	0.5x
Shake Shack	USA	$3,562	$4,132	$1,445	20.0%	21.9x	19.2x	14.3x	2.9x
Starbucks	USA	$102,066	$123,964	$38,472	23.2%	11.9x	13.4x	13.9x	3.2x
Texas Roadhouse	USA	$10,887	$11,750	$5,878	13.4%	18.1x	15.6x	14.9x	2.0x
The Wendy's Company	USA	$1,323	$5,167	$2,177	23.1%	12.6x	11.4x	10.3x	2.4x
TORIDOLL Holdings	JPN	$2,409	$3,077	$1,742	17.7%	11.4x	10.4x	10.0x	1.8x
Wingstop	USA	$4,259	$5,333	$709	31.9%	72.8x	44.0x	23.6x	7.5x
					Mean	11.6x	11.6x	11.5x	1.9x
					Median	11.6x	10.9x	10.1x	2.0x

Excluded from mean

Source: Capital IQ

Restaurant Franchises - Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q1 2026, illustrating strategic acquisitions focused on scale, product diversification, or geographic expansion within the sector

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US$M	EV/ EBITDA	EV/ Revenue
Mar-26	Logan's Roadhouse	USA	**SSCP Management**, a franchise operator of restaurant brands, acquired **Logan's Roadhouse**, an operator and franchisor of casual dining steakhouse restaurants	SSCP	SPB Hospitality	100.0%	-	-	-
Mar-26*	C-United	JPN	**COLOWIDE**, an operator of restaurant and foodservice brands, agreed to acquire **C-United**, an operator of café and coffeehouse restaurant chains	COLOWIDE	**Multiple Sellers**	100.0%	$279.7	16.3x	1.4x
Feb-26	Blue Ribbon Fried Chicken	USA	**Wonder Group**, an operator of food delivery and restaurant brands, acquired **Blue Ribbon Fried Chicken**, an operator of fried chicken restaurant locations	wonder	Bromberg Bros. Blue Ribbon Restaurants	100.0%	-	-	-
Jan-26*	Nathan's Famous	USA	**Smithfield Foods**, a producer of packaged meats and food products, agreed to acquire **Nathan's Famous**, an operator and franchisor of quick-service hot dog restaurant locations	Smithfield	**Multiple Sellers**	100.0%	$450.0	12.4x	2.9x
Jan-26	Mr. Gatti's Pizza	USA	**OneRyan Global**, a franchise investment and management company, acquired a majority stake in **Mr. Gatti's Pizza**, an operator and franchisor of pizza restaurant locations	**OneRyan Global**	-	>50.0%	-	-	-
Jan-26*	rba restaurant brands asia	IND	**Inspira Global**, an investment firm, agreed to acquire an 11.3% stake in **Restaurant Brands Asia**, an operator and franchisor of quick-service restaurant brands	Inspira Global	-	11.3%	$50.3	-	-

Source: Capital IQ, Companies' Press Releases, Mergermarket

Restaurant Franchises - Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US$M	EV/ EBITDA	EV/ Revenue
Jan-26	GAMN	USA	**Green Matter BioTech**, a developer of biodegradable and plant-based materials, has merged with **Great American Food Chain**, an operator of restaurant and foodservice brands	GreenMatter Biotech	-	Merger	-	-	-
Jan-26	protein bar & kitchen	USA	**Founders Table Restaurant Group**, an operator of restaurant brands, acquired **Protein Bar & Kitchen**, an operator of healthy fast-casual restaurant locations	Founders Table	L Catterton	100.0%	-	-	-
Jan-26		USA	**Dutch Bros**, an operator and franchisor of drive-thru coffee shops, acquired **Clutch Coffee**, an operator of drive-thru coffeehouse locations	Dutch Bros Coffee	-	100.0%	-	-	-
Jan-26*	SapphireFoods	IND	**Devyani International**, an operator of quick-service restaurant brands, agreed to acquire an 81.5% stake in **Sapphire Foods India**, an operator of quick-service restaurant brands	Devyani International Limited	**Multiple Sellers**	81.5%	$915.5	21.1x	3.2x

**Announced transaction pending approval and other customary closing conditions*

Source: Capital IQ, Companies' Press Releases, Mergermarket

KFC COSTA RICA

TARGET
Franchise of KFC in Costa Rica (KFC Costa Rica)

TRANSACTION TYPE
Buy-side advisory

INDUSTRIES
Restaurant Franchises

GEOGRAPHY
Costa Rica

SITUATION

Seale & Associates was engaged by Grupo Inversor Intelectiva, a Mexican investment group with diversified interests in media, energy, and real estate, to advise them on the acquisition of the Costa Rican KFC franchise, which was being sold under an auction process.

SEALE & ASSOCIATES' APPROACH

Seale advised Grupo Intelectiva during each step of the acquisition process. First, Seale helped design a non-binding indication of interest that incentivized the seller to complete stores that were under development while mitigating the buyer's risk. This incentive made the seller choose Grupo Intelectiva's indication of interest over another that offered a higher upfront value. Second, Seale proved to be invaluable during negotiations, ensuring that all their clients' needs were met under an open, amicable, and direct discussion setting at all times.

OUTCOME

The process resulted in the acquisition of 32 KFC stores located across the Costa Rican territory. Further, both buyers and sellers developed a good relationship that is expected to create attractive joint investment opportunities in the future.

"We look forward to working with them on our M&A and corporate finance initiatives in the future"

intelectiva

has acquired

KFC

KFC Costa Rica

from

QSR

"We are excited about the acquisition of the Costa Rica KFC franchise, a highly successful and fast-growing quick-service restaurant chain with fantastic growth prospects in a country we know very well.

We received valuable advice and exceptional service from our advisors at Seale & Associates, and we look forward to working with them on our M&A and corporate finance initiatives in the future."

Roberto González Alcalá
President of Grupo Inversor Intelectiva, S.A.P.I. de C.V.

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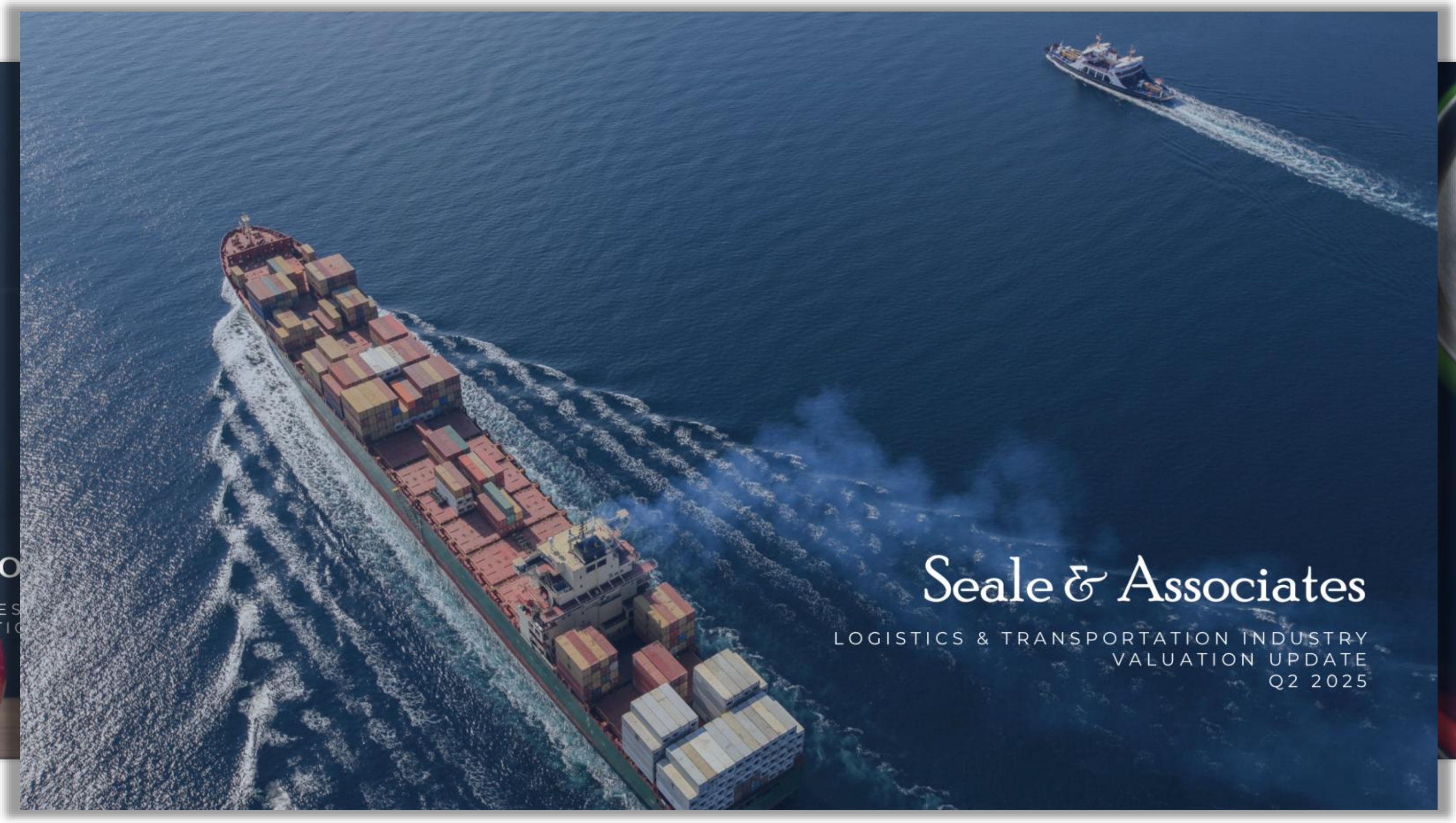

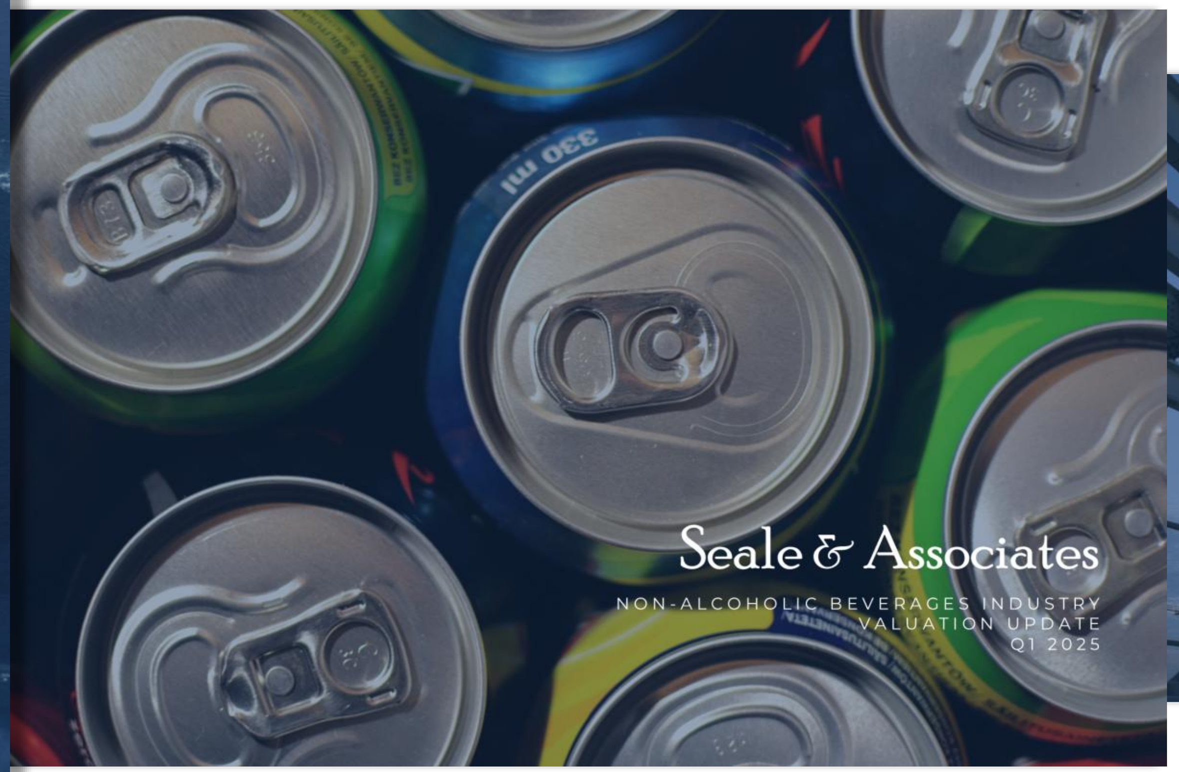

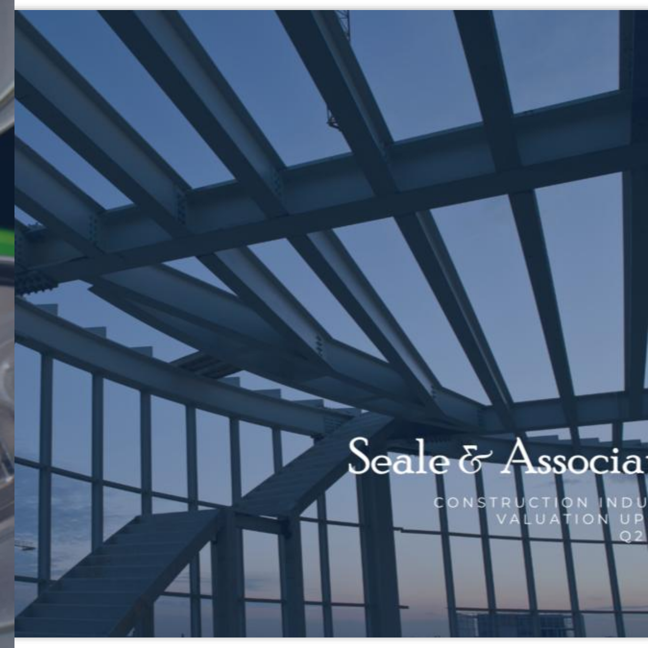

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Global M&A Representative Engagements

BEIJER REF *has been acquired by* HERITAGE DISTRIBUTION HOLDINGS	avangard innovative (MOVING THE CIRCULAR ECONOMY FORWARD) *has sold a controlling interest to* WM WASTE MANAGEMENT	ZN ZINC NACIONAL *has sold* GSDK Zinc Oxide Corporation *a subsidiary of* Korea Zinc	Electrolux PROFESSIONAL *has acquired* unified brands (a DOVER company) *from* DOVER	Port Contractors (Stevedores · Terminal Operators) *has been acquired by* ENSTRUCTURE	Oxbow *Oxbow's Senior Subordinated debt issued by* H.J.BAKER *was refinanced by* BMO	Hertz *has acquired* DONLEN
Standex *has sold* Enginetics *to* Enjet AERO	ITT *has sold* BURNY KALIBURN *and* CMC Cleveland Motion Controls *to* LINCOLN ELECTRIC	Honeywell *has sold* TENSOR *to* GE Power Systems	TRIUMPH *has sold* Triumph Processing - Embee Division *to* AMP ALL METALS PROCESSING	TRIUMPH *has sold* Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services – Asia, and Triumph Engines businesses *to* TGG The Gores Group	Rheem *has acquired* HTPG	GRACE *has sold its* GRACE Membranes business *to* UOP *a subsidiary of* Honeywell
convatec — forever caring — *has sold* SENSI CARE *and* ALOE VESTA *to* MEDLINE	United Technologies *has sold* MobileView *to* SAFE FLEET Driving Safety Forward™	United Technologies *has sold* HTPG A division of Carrier Commercial Refrigeration, Inc. *to* MONOMOY CAPITAL PARTNERS *and* Starboard Capital Partners	LOCKHEED MARTIN *has sold* Commercial Flight Training Business *to* ALTEON A BOEING COMPANY	FLOWSERVE *has sold* D&B *to* DB DaviesBaird	KBR *has acquired* Wabi Wabi Development Corporation	HARRISON GYPSUM, LLC *has been recapitalized by* H.I.G. PRIVATE EQUITY

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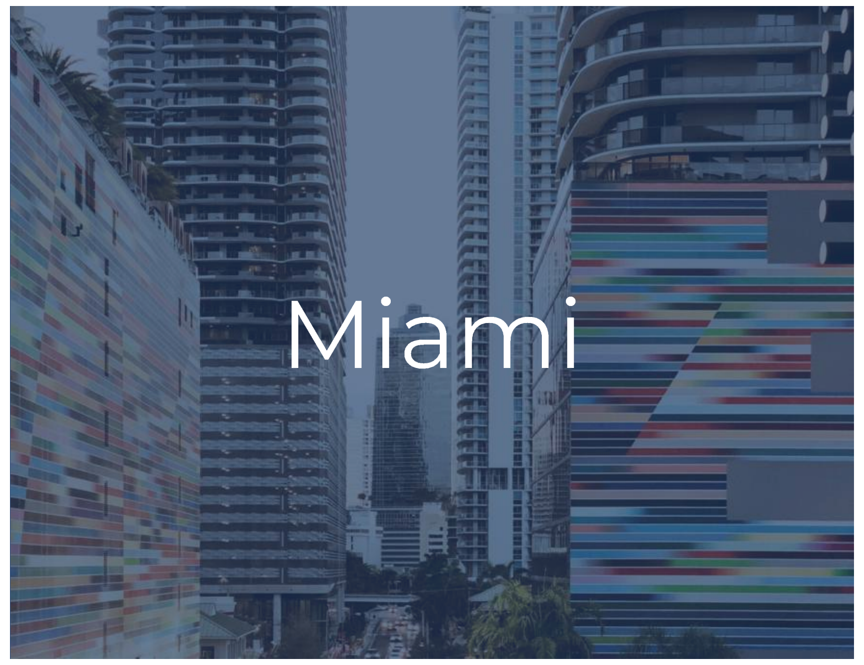

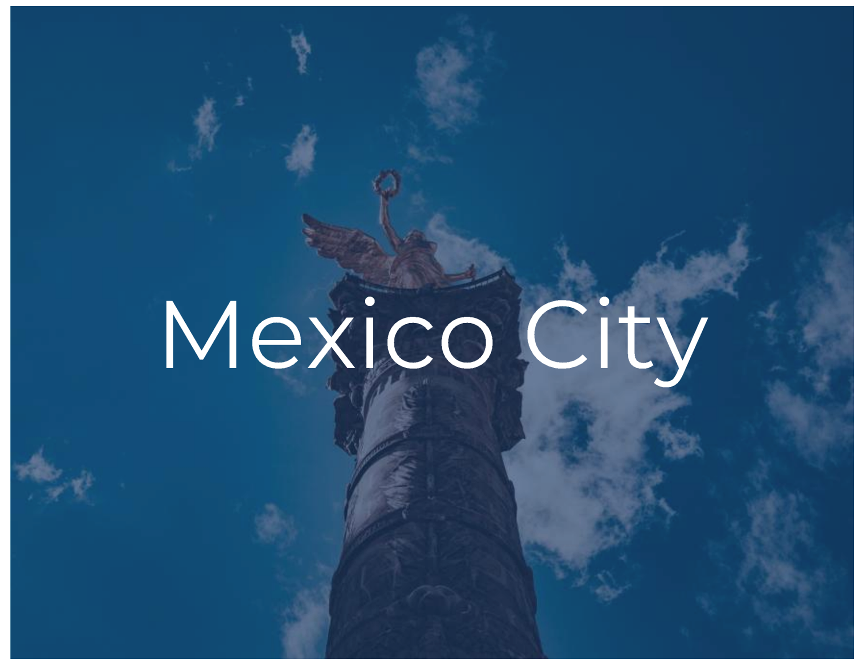

Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings

+25
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