



Seale & Associates

RESTAURANT FRANCHISE INDUSTRY
VALUATION UPDATE
Q2 2025

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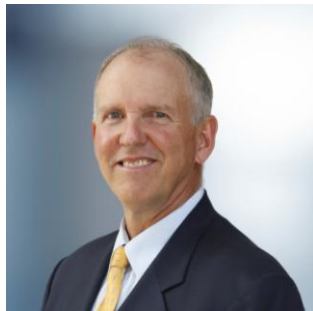
Introduction

We are pleased to share our Restaurant Franchise Industry Valuation Multiples Update for Q2 2025.

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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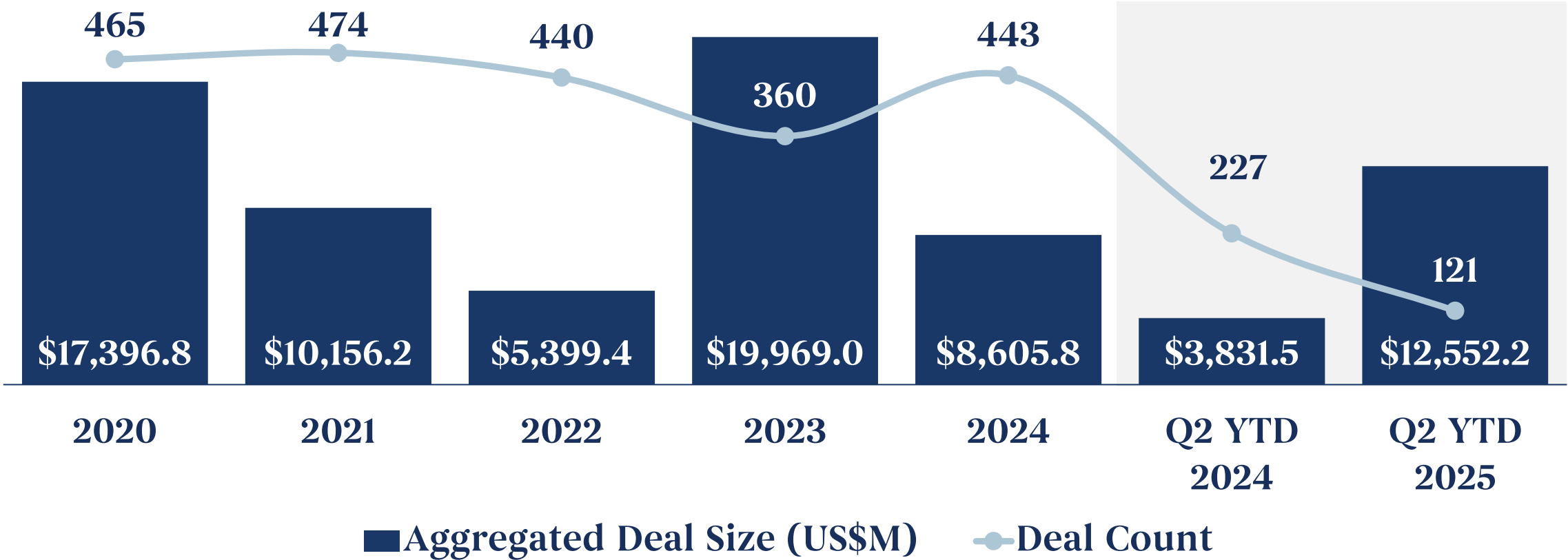
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Restaurant Franchise Industry Overview

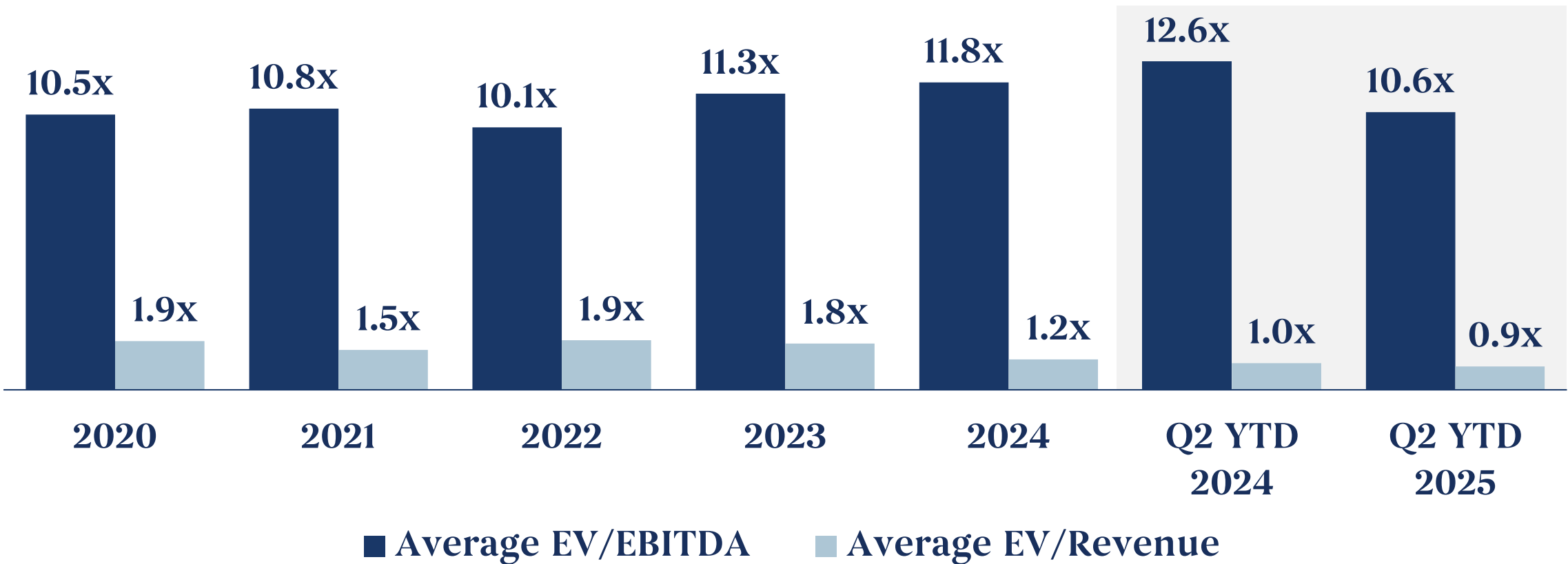
M&A Trends and Market Intelligence

- **The global quick-service restaurant (QSR) market is projected to reach approximately US\$1.1T in 2025 and expand to about US\$1.6T by 2030,** representing a **CAGR of 8.4%** over the forecast period. This growth trajectory highlights the sector’s growing importance in delivering accessible, scalable foodservice models, especially as **urbanization and time-constrained lifestyles fuel demand** worldwide
- Market **expansion is being driven by evolving consumer preferences** that prioritize **convenience, customization, and health-conscious options**. Brands are responding with menu innovations, transparent labeling, and enhanced ordering flexibility. At the same time, rapid growth in drive-thru and off-premise dining formats is helping operators serve high-volume traffic with greater operational efficiency
- **Operators are embracing digital transformation** across the value chain, from AI-powered drive-thrus and mobile ordering apps to loyalty programs and kitchen automation. While large franchise systems continue to scale, **independent QSRs are** also gaining share by **leveraging niche cuisines and localized branding strategies**
- **The M&A landscape in the restaurant franchise space remains cautious** but strategic as operators contend with inflation, labor constraints, and shifting consumer traffic patterns. **Activity is concentrated among franchisors pursuing scale, operational synergies, and portfolio diversification,** with a focus on brands that demonstrate strong unit economics and consistent customer loyalty
- **Private equity and strategic buyers continue to show interest in QSR platforms** with streamlined operations, tech-forward infrastructure, and international growth potential

Restaurant Franchise Industry M&A Deal Size and Volume









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







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		Second Quarter Jun. 30, 2025 EV/ EBITDA		EV/ Revenue
							2023	2024			
Alsea		MEX	\$2,172	\$4,749	\$4,285	10.3%	6.0x	5.9x	10.8x		1.1x
AmRest		ESP	\$944	\$2,694	\$3,035	16.6%	6.3x	6.6x	5.3x		0.9x
Arcos Dorados		URY	\$1,662	\$3,370	\$4,465	13.0%	5.9x	5.7x	5.8x		0.8x
Bloomin' Brands		USA	\$732	\$2,868	\$3,931	13.7%	5.9x	5.6x	5.3x		0.7x
Brinker International		USA	\$8,016	\$9,717	\$5,131	18.3%	6.6x	7.7x	10.4x		1.9x
CMR		MEX	\$52	\$150	\$193	18.4%	5.5x	4.4x	4.2x		0.8x

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		Second Quarter Jun. 30, 2025 EV/ EBITDA	
							2023	2024	EV/ EBITDA	EV/ Revenue
create restaurants		JPN	\$2,075	\$2,422	\$1,084	16.5%	16.5x	12.4x	13.6x	2.2x
Restaurant Brands International		CAN	\$21,719	\$38,445	\$8,776	30.4%	16.6x	15.9x	14.4x	4.4x
Skylark Holdings		JPN	\$4,757	\$5,458	\$2,892	18.0%	14.4x	8.8x	10.5x	1.9x
Yum! Brands		USA	\$41,189	\$52,808	\$7,738	36.7%	19.9x	18.6x	18.6x	6.8x
■ Excluded from mean						Mean	10.4x	9.7x	10.5x	1.3x
						Median	6.5x	7.1x	10.4x	1.5x










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		Second Quarter Jun. 30, 2025 EV/ EBITDA		EV/ Revenue
							2023	2024			
BJ's Restaurants		USA	\$986	\$1,474	\$1,368	12.9%	9.1x	8.4x	8.4x		1.1x
Chipotle Mexican Grill		USA	\$75,654	\$78,873	\$11,487	25.8%	25.5x	31.2x	26.6x		6.9x
Cracker Barrel Old Country Store		USA	\$1,360	\$2,547	\$3,510	9.0%	9.2x	7.4x	8.1x		0.7x
Darden Restaurants		USA	\$25,508	\$33,018	\$12,077	19.6%	12.7x	11.8x	14.0x		2.7x
Denny's		USA	\$210	\$623	\$454	16.2%	11.4x	9.4x	8.5x		1.4x
Dine Brands Global		USA	\$380	\$1,831	\$821	24.5%	11.2x	9.2x	9.1x		2.2x
Domino's Pizza		USA	\$15,429	\$20,331	\$4,734	21.7%	19.2x	21.2x	19.8x		4.3x
El Pollo Loco		USA	\$331	\$588	\$476	16.6%	8.0x	7.7x	7.4x		1.2x
Jack in the Box		USA	\$330	\$3,459	\$1,525	36.3%	8.0x	7.6x	6.3x		2.3x
McDonald's		USA	\$208,911	\$260,468	\$25,707	60.9%	17.5x	16.5x	16.6x		10.1x




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		Second Quarter Jun. 30, 2025 EV/ EBITDA		EV/ Revenue
							2023	2024			
Noodles & Company		USA	\$33	\$322	\$496	12.5%	6.9x	5.4x	5.2x		0.6x
Papa John's International		USA	\$1,602	\$2,559	\$2,064	14.5%	13.8x	10.2x	8.6x		1.2x
Red Robin Gourmet Burgers		USA	\$103	\$631	\$1,252	11.6%	5.1x	4.7x	4.4x		0.5x
Shake Shack		USA	\$5,655	\$6,201	\$1,283	19.2%	20.4x	21.9x	25.2x		4.8x
Starbucks		USA	\$104,128	\$127,156	\$36,347	26.2%	14.6x	11.9x	13.4x		3.5x
Texas Roadhouse		USA	\$12,433	\$13,135	\$5,500	14.5%	14.1x	18.1x	16.4x		2.4x
The Wendy's Company		USA	\$2,193	\$5,940	\$2,235	23.4%	15.7x	12.6x	11.3x		2.7x
TORIDOLL Holdings		JPN	\$2,534	\$3,325	\$1,859	17.5%	12.6x	11.4x	10.2x		1.8x
Wingstop		USA	\$9,396	\$10,412	\$651	30.8%	53.2x	72.8x	51.9x		16.0x
Excluded from mean						Mean	12.3x	11.5x	10.5x		1.7x
						Median	12.7x	11.4x	10.2x		2.3x

Restaurant Franchises - Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q2 2025, 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
Jun-25		CAN	QuickBite Collective , an operator of fast-food restaurant chains, acquired Teriyaki Experience , an operator of Japanese cuisine restaurants		-	100.0%	-	-	-
May-25	16 Restaurants of Whataburger Restaurants	USA	KMO Burger , an operator of burger restaurant franchises, acquired 16 restaurants from Whataburger Restaurants LLC , an operators of burger restaurants			100.0%	-	-	-
May-25*		USA	Pappas Restaurants , an operator of casual dining restaurants, agreed to acquire OTB Acquisition , an operator of Mexican casual dining restaurants		-	100.0%	-	-	-
Apr-25*		GBR	DoorDash , a food delivery service provider, agreed to acquire Deliveroo , a food delivery service provider		 	100.0%	\$3,900.0	-	-
Apr-25	Sky Gate Hospitality	IND	Devyani , an operator of quick-service restaurant franchises, acquired Sky Gate Hospitality , an operator of restaurants		-	80.7%	\$49.0	-	-

Restaurant Franchises - Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Apr-25*	Noroshi	JPN	create restaurants , an operator of restaurant chains, agreed to acquire Noroshi , an operator of restaurants		-	100.0%	-	-	-
Apr-25		USA	Bain Capital , a private equity firm, acquired Sizzling Platter , an operator of foodservice franchises		capital spring	ND	\$1,000.0	-	-
Apr-25	P.F.S.	ITA	Burger King Restaurants Italia , an operator of quick-service restaurant franchises, acquired P.F.S. , an operator of restaurants		-	100.0%	-	-	-

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

ND: Not Disclosed

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 Intellectiva, 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 Intellectiva 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 Intellectiva'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”



“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 Intellectiva, S.A.P.I. de C.V.

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 <p>has sold</p>  <p>to</p> 	 <p>has sold</p>  <p>and</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p>  <p>GE Power Systems</p>	 <p>has sold</p>  <p>to</p>  <p>ALL METALS PROCESSING</p>	 <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services – Asia, and Triumph Engines businesses</p> <p>to</p>  <p>THE GORES GROUP</p>	 <p>has acquired</p> 	 <p>has sold its GRACE Membranes business</p>  <p>a subsidiary of</p> 
 <p>has sold</p>  <p>and</p>  <p>to</p> 	 <p>has sold</p>  <p>to</p>  <p>Driving Safety Forward™</p>	 <p>has sold</p>  <p>A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> 	 <p>has sold</p>  <p>to</p>  <p>A BOEING COMPANY</p>	 <p>has sold</p>  <p>to</p> 	 <p>has acquired</p> 	 <p>has been recapitalized by</p> 



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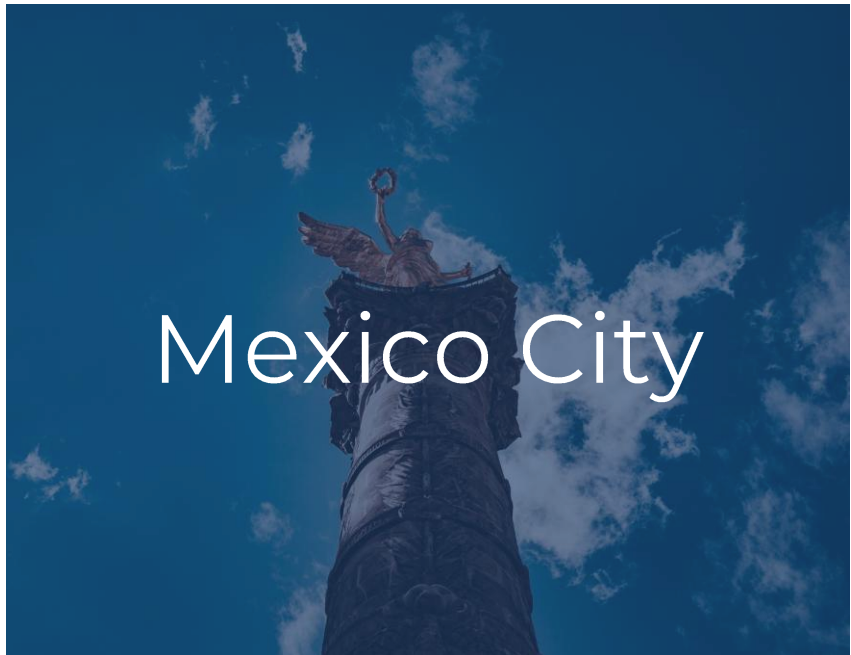
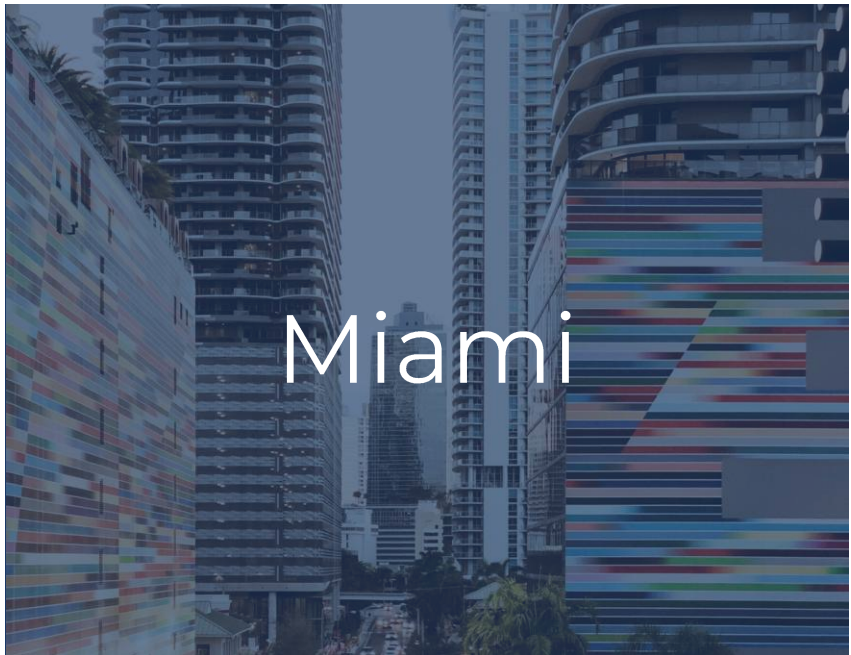


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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and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

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Years of Experience

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