Seale & Associates

RESTAURANT FRANCHISE INDUSTRY
VALUATION UPDATE
Q2 2026

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Introduction

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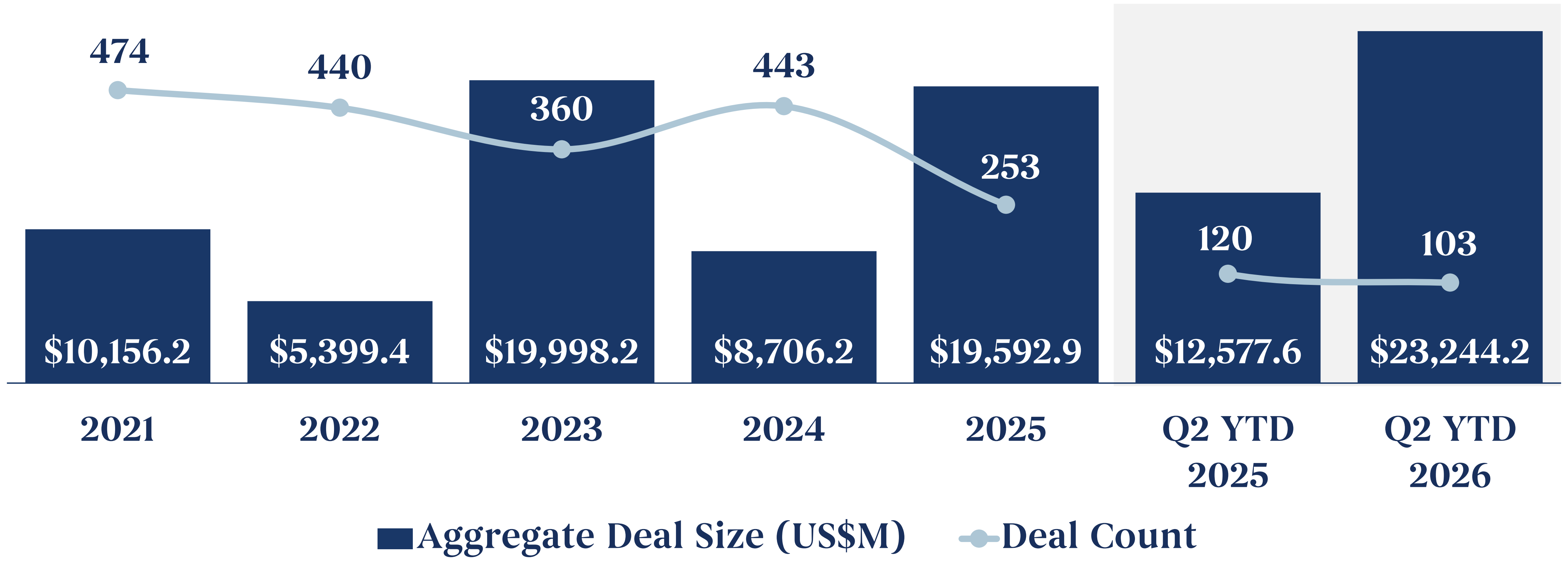
Restaurant Franchise Industry Overview

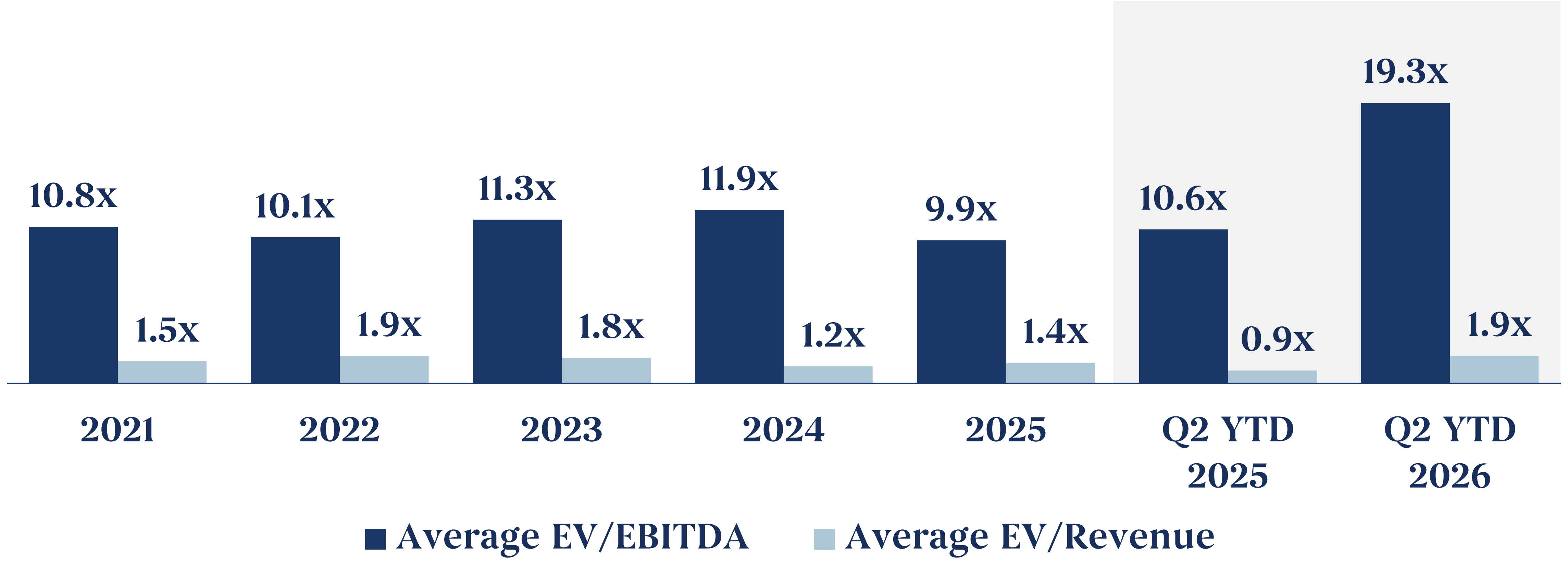
M&A Trends and Market Intelligence

- **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		Second Quarter Jun. 30, 2026	
						2024	2025	EV/ EBITDA	EV/ Revenue
Alsea	MEX	$2,092	$4,746	$4,889	21.3%	5.9x	7.1x	4.6x	1.0x
AmRest	ESP	$639	$2,368	$2,887	15.9%	6.6x	5.8x	5.2x	0.8x
Arcos Dorados	URY	$1,698	$3,599	$4,818	15.4%	5.7x	5.4x	4.8x	0.7x
Bloomin' Brands	USA	$783	$2,698	$3,966	12.1%	5.6x	5.3x	5.6x	0.7x
Brinker International	USA	$7,205	$8,896	$5,734	19.0%	7.7x	9.1x	8.2x	1.6x
CMR	MEX	$43	$174	$221	19.0%	4.6x	4.3x	4.2x	0.8x

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	Second Quarter Jun. 30, 2026 EV/ EBITDA	Second Quarter Jun. 30, 2026 EV/ Revenue
Create Restaurants	JPN	$1,906	$2,224	$1,018	15.5%	12.4x	14.2x	14.1x	2.2x
Restaurant Brands International	USA	$25,160	$41,373	$9,589	30.0%	15.9x	14.4x	14.4x	4.3x
Skylark Holdings	JPN	$3,921	$4,497	$2,875	18.7%	8.8x	10.3x	8.4x	1.6x
Yum! Brands	USA	$44,061	$56,516	$8,486	36.6%	18.6x	18.5x	18.2x	6.7x
					Mean	8.6x	9.0x	9.3x	1.2x
					Median	7.1x	8.1x	6.9x	1.3x

Excluded from mean

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 2024	Annual Average EV/EBITDA 2025	Second Quarter Jun. 30, 2026 EV/ EBITDA	Second Quarter Jun. 30, 2026 EV/ Revenue
BJ's Restaurants	USA	$1,276	$1,716	$1,409	13.6%	8.4x	7.5x	9.0x	1.2x
Chipotle Mexican Grill	USA	$43,613	$47,987	$12,139	24.7%	31.2x	22.4x	16.0x	4.0x
Cracker Barrel Old Country Store	USA	$1,191	$2,313	$3,337	7.2%	7.4x	7.3x	9.7x	0.7x
Darden Restaurants	USA	$23,595	$31,375	$13,211	19.7%	11.8x	13.1x	12.1x	2.4x
Dine Brands Global	USA	$455	$1,968	$890	20.5%	9.2x	9.3x	10.8x	2.2x
Domino's Pizza	USA	$9,847	$14,750	$4,979	22.5%	21.2x	19.4x	13.2x	3.0x
El Pollo Loco	USA	$517	$746	$497	18.2%	7.7x	7.1x	8.3x	1.5x
Jack in the Box	USA	$302	$2,869	$1,432	34.0%	7.6x	6.5x	5.9x	2.0x
McDonald's	USA	$192,057	$245,782	$27,446	61.0%	16.5x	17.1x	14.7x	9.0x

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	Second Quarter Jun. 30, 2026 EV/ EBITDA	Second Quarter Jun. 30, 2026 EV/ Revenue
Noodles & Company		USA	$88	$340	$495	13.9%	5.4x	5.3x	5.0x	0.7x
Papa John's International		USA	$1,210	$2,135	$2,014	12.3%	10.2x	8.1x	8.6x	1.1x
Red Robin Gourmet Burgers		USA	$145	$636	$1,196	13.0%	4.6x	4.4x	4.1x	0.5x
Shake Shack		USA	$2,260	$2,913	$1,491	19.4%	21.9x	19.2x	10.1x	2.0x
Starbucks		USA	$116,466	$139,182	$38,472	23.3%	11.9x	13.4x	15.5x	3.6x
Texas Roadhouse		USA	$12,701	$13,562	$6,064	13.3%	18.1x	15.6x	16.8x	2.2x
The Wendy's Company		USA	$1,579	$5,397	$2,194	22.4%	12.6x	11.4x	11.0x	2.5x
TORIDOLL Holdings		JPN	$2,080	$2,719	$1,715	19.0%	11.4x	10.4x	8.3x	1.6x
Wingstop		USA	$4,722	$5,864	$709	32.9%	72.8x	44.0x	25.1x	8.3x
Excluded from mean						**Mean**	11.6x	11.6x	10.5x	1.9x
						Median	11.6x	10.9x	10.4x	2.1x

Source: Capital IQ

Restaurant Franchises - Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q2 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
Jun-26*	Alice Pizza	ITA	**Capdesia Group**, a private equity investment firm, agreed to acquire **Alice Pizza**, an Italian fast-casual pizza restaurant chain	capdesia	DeA Capital Real Estate SGR	100.0%	-	-	-
Jun-26*	Pizza Hut	CHN	**Yum China Holdings**, a restaurant operator and franchisor, agreed to acquire **Pizza Hut China**, a quick-service pizza restaurant chain operating in Mainland China	YumChina	Yum!	100.0%	$1,200.0	-	0.5x
Jun-26*	Pizza Hut	USA	**LongRange Capital**, a private equity investment firm, agreed to acquire **Pizza Hut**, a global quick-service pizza restaurant chain operating outside Mainland China	LongRange Capital	Yum!	100.0%	$1,575.0	-	-
Jun-26	Kinton Ramen	CAN	**Foodtastic**, a restaurant holding company, acquired **Kinton Ramen**, a Japanese ramen brand	Foodtastic	-	100.0%	-	-	-
May-26*	Delivery Hero	DEU	**Uber Technologies,** a provider of ride-hailing, food delivery, and mobility services, agreed to acquire an 80% stake of **Delivery Hero**, an online food delivery and quick commerce company	Uber	-	80.5%	$15,029.9	28.3x	0.9x
May-26	Daddy's Chicken Shack	USA	**Esperto Hospitality Group**, a restaurant operator and hospitality company, acquired **Daddy's Chicken Shack**, a fast-casual restaurant chain specializing in chicken sandwiches and comfort food	Esperto Hospitality Group	Area 15 Ventures	100.0%	-	-	-

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
May-26*	Ghost Taco	CAN	**Happy Belly Food Group**, a restaurant operator and franchisor, agreed to acquire a 50% stake in **Ghost Taco**, a fast-casual Mexican restaurant chain specializing in tacos and burritos	Happy Belly Food Group	-	50.0%	-	-	-
Apr-26	FAT Brands	USA	**FBG Bid Co.**, an acquisition vehicle backed by investment firms, acquired **FAT Brands**, a franchisor and operator of casual dining, fast-casual, and quick-service restaurant brands	**FBG Bid Co**	-	100.0%	$595.0	-	-
Apr-26	Joe & The Juice	DNK	**Emirates International Investment Company**, a private investment company, acquired a minority stake in **Joe & The Juice**, a fast-casual restaurant chain specializing in fresh juices, coffee, and sandwiches	EIIC	General Atlantic	<50%	$1,800.0	-	-
Apr-26	SFP Holdings	JPN	**Create Restaurants Holdings**, a restaurant operator and franchisor, merged with **SFP Holdings**, an operator of Japanese-style restaurant brands	create restaurants inc.	**Multiple sellers**	**Merger**	$144.4	22.1x	1.7x

*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 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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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
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
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

HG
HARRISON GYPSUM, LLC
has been recapitalized by
H.I.G.
PRIVATE EQUITY

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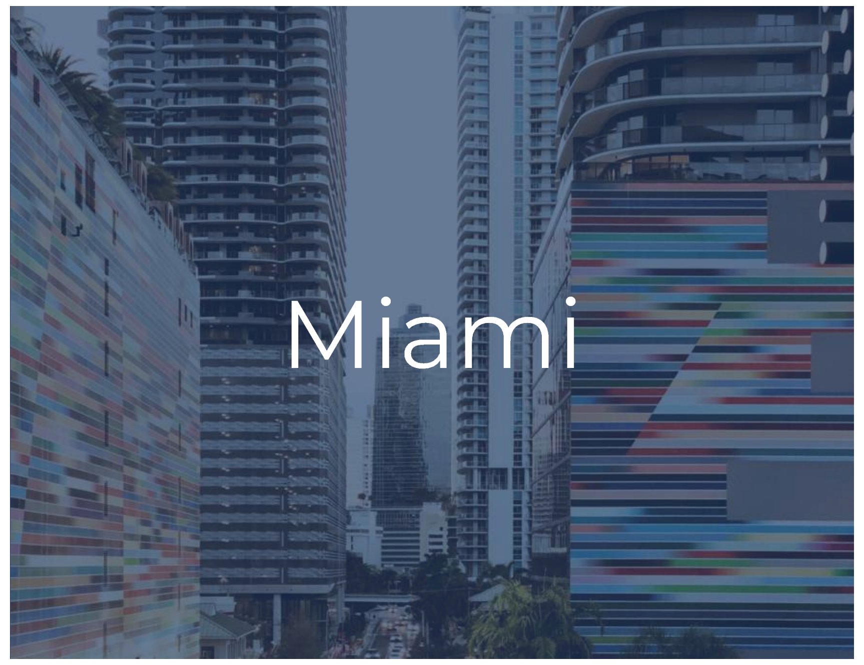

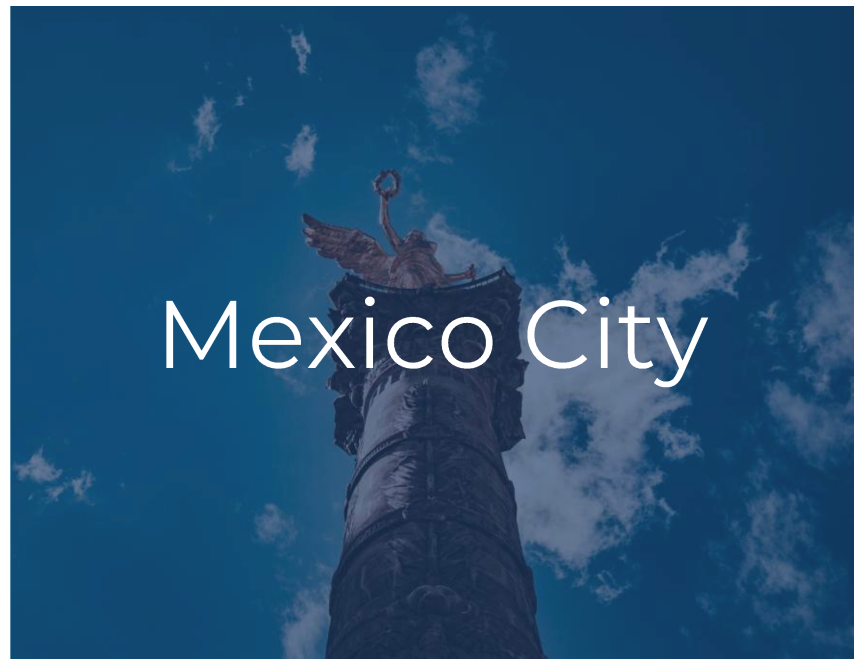

Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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
Years of Experience

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