



# Seale & Associates

RESTAURANT FRANCHISE INDUSTRY  
VALUATION UPDATE  
Q4 2025

# Table of Contents

**Industry Overview** 4

**Global Comparable Public Companies** 5  
*Franchises, Franchisors*

**Global Transactions** 9

**About Seale** 11



# Introduction

We are pleased to share our Restaurant Franchise Industry Multiples Valuation Update for Q4 2025.

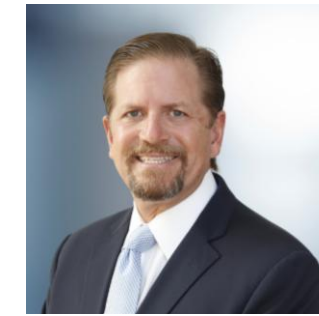
At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among 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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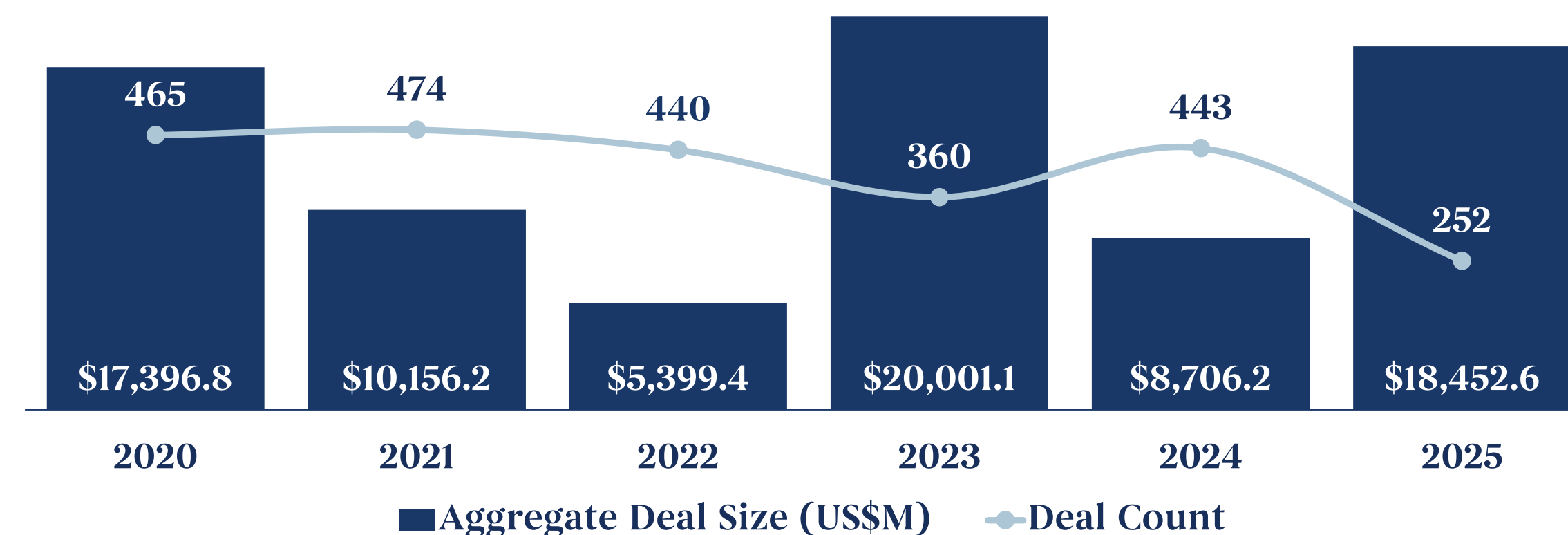
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# Restaurant Franchise Industry Overview

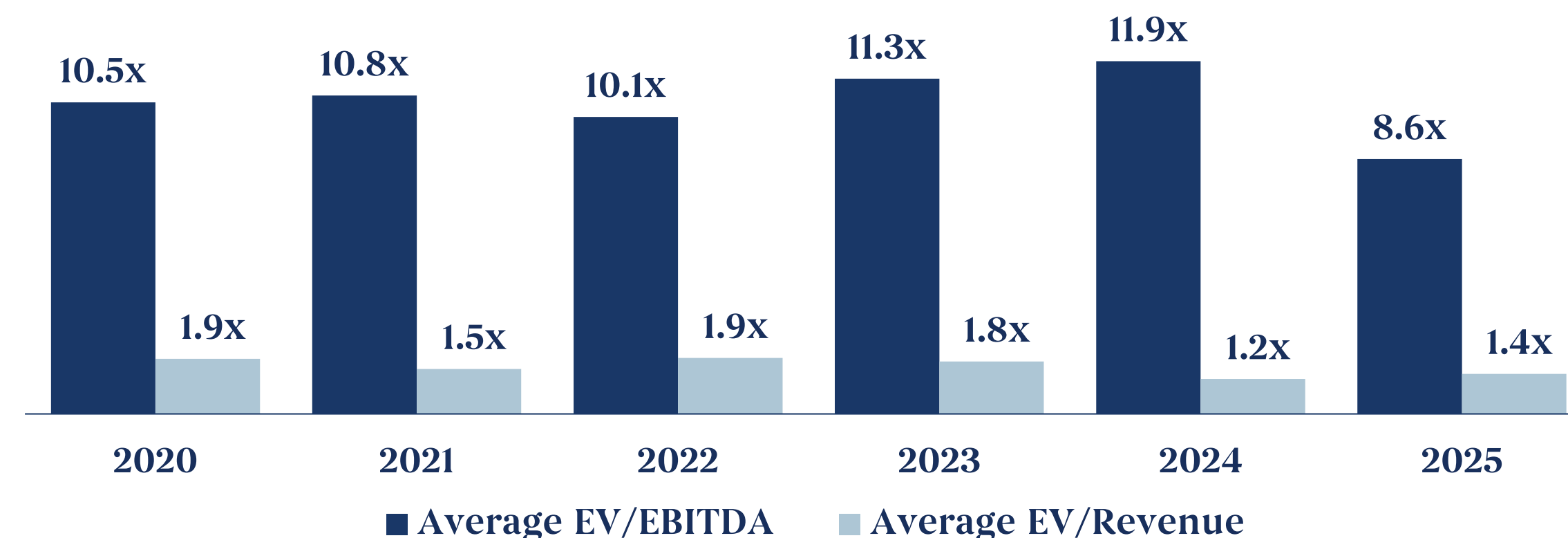
## M&A Trends and Market Intelligence

- **The global quick-service restaurants (QSR) market is expected to generate approximately US\$1.1T in 2025 and reach US\$1.9T by 2032, reflecting a CAGR of 9.0%.** North America accounted for 37.5% of global market share in 2024, supported by rising consumer preference for quick-service formats
- **Market expansion is being driven by rapid growth in food delivery platforms and digital ordering systems,** as QSRs capitalize on faster service models compared with traditional restaurants. **Delivery apps and optimized logistics,** such as real-time order tracking and accelerated fulfillment, **are enabling higher volumes of at-home consumption**
- **QSR operators continue adopting advanced digital tools across ordering, fulfillment and off-premises operations,** reflecting the widespread shift toward mobile ordering, delivery ecosystem integration and technology-enabled service speed. **These capabilities support higher throughput, improved customer visibility and enhanced convenience** in both franchise and corporate-owned systems
- **M&A deal volumes in the QSR sector reached their lowest level since 2020, as rising interest rates and financial constraints slowed activity,** yet acquisition demand is reported to be building for the upcoming years as strategic buyers and franchise networks prepare pipelines
- **QSR franchise systems with advanced technology adoption, strong unit economics and established operational platforms are identified as more likely acquisition targets,** as buyers emphasize inorganic growth, tech capability and portfolio expansion

Restaurant Franchise Industry M&A Deal Size and Volume









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







Source: Capital IQ, Fortune Business Insights, 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		Fourth Quarter Dec. 31, 2025	
						2023	2024	EV/EBITDA	EV/Revenue
Alsea	 MEX	\$2,397	\$5,016	\$4,635	21.5%	6.0x	5.9x	5.0x	1.1x
AmRest	 ESP	\$801	\$2,535	\$3,039	15.9%	6.3x	6.6x	5.2x	0.8x
Arcos Dorados	 URY	\$1,546	\$3,353	\$4,556	14.7%	5.9x	5.7x	5.0x	0.7x
Bloomin' Brands	 USA	\$526	\$2,673	\$3,956	13.0%	5.9x	5.6x	5.2x	0.7x
Brinker International	 USA	\$6,377	\$8,164	\$5,688	18.6%	6.6x	7.7x	7.7x	1.4x
CMR	 MEX	\$48	\$151	\$209	18.0%	5.5x	4.6x	4.0x	0.7x

## 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		Fourth Quarter Dec. 31, 2025 EV/		
						2023	2024	EBITDA	Revenue	
create restaurants	 JPN	\$2,084	\$2,398	\$1,049	16.0%	16.5x	12.4x	14.3x	2.3x	
Restaurant Brands International	 USA	\$22,367	\$38,776	\$9,434	28.8%	16.6x	15.9x	14.3x	4.1x	
Skylark Holdings	 JPN	\$4,883	\$5,482	\$2,920	17.7%	14.4x	8.8x	10.6x	1.9x	
Yum! Brands	 USA	\$42,003	\$53,442	\$8,214	35.5%	19.9x	18.6x	18.4x	6.5x	
■ Excluded from mean						<b>Mean</b>	9.3x	8.6x	8.4x	1.2x
						<b>Median</b>	6.5x	7.1x	6.5x	1.3x

# 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		Fourth Quarter Dec. 31, 2025		
						2023	2024	EV/EBITDA	EV/Revenue	
BJ's Restaurants		USA	\$833	\$1,308	\$1,388	13.5%	9.1x	8.4x	7.0x	0.9x
Chipotle Mexican Grill		USA	\$48,924	\$52,483	\$11,926	25.1%	25.5x	31.2x	17.6x	4.4x
Cracker Barrel Old Country Store		USA	\$567	\$1,799	\$3,436	8.1%	9.2x	7.4x	6.4x	0.5x
Darden Restaurants		USA	\$21,188	\$29,312	\$12,577	19.4%	12.7x	11.8x	12.0x	2.3x
Dine Brands Global		USA	\$464	\$1,923	\$879	20.2%	11.2x	9.2x	10.8x	2.2x
Domino's Pizza		USA	\$14,083	\$18,995	\$4,940	21.9%	19.2x	21.2x	17.6x	3.8x
El Pollo Loco		USA	\$313	\$555	\$481	17.3%	8.0x	7.7x	6.7x	1.2x
Jack in the Box		USA	\$358	\$3,429	\$1,465	35.4%	8.0x	7.6x	6.6x	2.3x
McDonald's		USA	\$217,656	\$271,081	\$26,885	59.9%	17.5x	16.5x	16.8x	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		Fourth Quarter Dec. 31, 2025 EV/EBITDA		
						2023	2024	EV/EBITDA	EV/Revenue	
Noodles & Company		USA	\$33	\$304	\$494	12.3%	6.9x	5.4x	5.0x	0.6x
Papa John's International		USA	\$1,262	\$2,190	\$2,086	11.9%	13.8x	10.2x	8.8x	1.0x
Red Robin Gourmet Burgers		USA	\$73	\$586	\$1,226	13.2%	5.1x	4.6x	3.6x	0.5x
Shake Shack		USA	\$3,267	\$3,800	\$1,373	19.9%	20.4x	21.9x	13.9x	2.8x
Starbucks		USA	\$95,755	\$118,924	\$37,702	24.0%	14.6x	11.9x	13.1x	3.2x
Texas Roadhouse		USA	\$10,980	\$11,821	\$5,878	13.9%	14.1x	18.1x	14.4x	2.0x
The Wendy's Company		USA	\$1,586	\$5,427	\$2,177	24.4%	15.7x	12.6x	10.2x	2.5x
TORIDOLL Holdings		JPN	\$2,375	\$3,070	\$1,766	18.0%	12.6x	11.4x	9.7x	1.7x
Wingstop		USA	\$6,627	\$7,659	\$697	31.4%	53.2x	72.8x	35.0x	11.0x

■ Excluded from mean

<b>Mean</b>	12.4x	11.6x	11.0x	1.8x
<b>Median</b>	13.2x	11.6x	10.5x	2.3x












# Restaurant Franchises - Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q4 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
Dec-25*		KOR	<b>The Carlyle Group</b> , a private equity firm, agreed to acquire <b>KFC Korea</b> , a franchise operator of KFC quick-service restaurants			100.0%	-	-	-
Dec-25		GBR	<b>Vixar</b> , an investment company focused on consumer and retail businesses, acquired a 45% stake in <b>The Belgian Waffle</b> , an operator of quick-service waffle restaurant outlets		-	45.0%	\$86.0	-	3.8x
Dec-25*		JPN	<b>Unison Capital</b> , a private equity firm, agreed to acquire <b>Krispy Kreme Doughnut Japan</b> , a franchise operator of Krispy Kreme doughnut stores			100.0%	\$65.0	-	-
Dec-25*		USA	<b>Consortium Brand Partners</b> , an investment firm focused on consumer brands, agreed to acquire <b>California Pizza Kitchen</b> , an operator and franchisor of casual dining pizza restaurants			100.0%	-	-	-
Nov-25*		JPN	<b>Goldman Sachs Asset Management</b> , a global investment manager, agreed to acquire <b>Burger King Japan</b> , a franchise operator of Burger King quick-service restaurants			100.0%	\$504.9	-	-
Nov-25		JPN	<b>Kairikiya</b> , an operator of restaurant chains, acquired <b>MP Kitchen</b> , an operator of ramen restaurant brands			100.0%	\$32.4	-	0.9x

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
Nov-25		USA	<b>&amp;Pizza</b> , an operator of fast-casual pizza restaurants, acquired <b>Tijuana Flats Restaurants</b> , an operator of Tex-Mex fast-casual restaurant locations		-	100.0%	-	-	-
Nov-25*		USA	<b>Yum! Brands</b> , an operator and franchisor of quick-service restaurant brands, agreed to acquire <b>128 Taco Bell restaurants in the Southeast U.S.</b> , quick-service Mexican restaurant franchise locations		-	100.0%	\$670.0	-	-
Nov-25		USA	<b>Multiple Buyers</b> acquired <b>Denny's Corporation</b> , an operator and franchisor of casual dining restaurant locations	<b>Multiple Buyers</b>	-	100.0%	\$765.9	10.2x	1.7x
Nov-25		USA	<b>Hooters</b> , an operator and franchisor of casual dining restaurant brands, acquired <b>Hooters of America</b> , an operator and franchisor of Hooters restaurant locations		-	100.0%	-	-	-
Nov-25	<b>LEON</b>	TTO	<b>John Vincent</b> , the co-founder of LEON and a hospitality entrepreneur, acquired <b>LEON Restaurants</b> , an operator of fast-casual restaurant locations	<b>John Vincent</b>		100.0%	\$65.7	-	-
Oct-25		USA	<b>Yadav Enterprises</b> , a restaurant franchise operator, acquired <b>Del Taco Holdings</b> , an operator and franchisor of quick-service Mexican restaurant locations			100.0%	\$119.0	-	-

\*Announced transaction pending approval and other customary closing conditions

# 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”**

intelectiva

has acquired



KFC Costa Rica

from



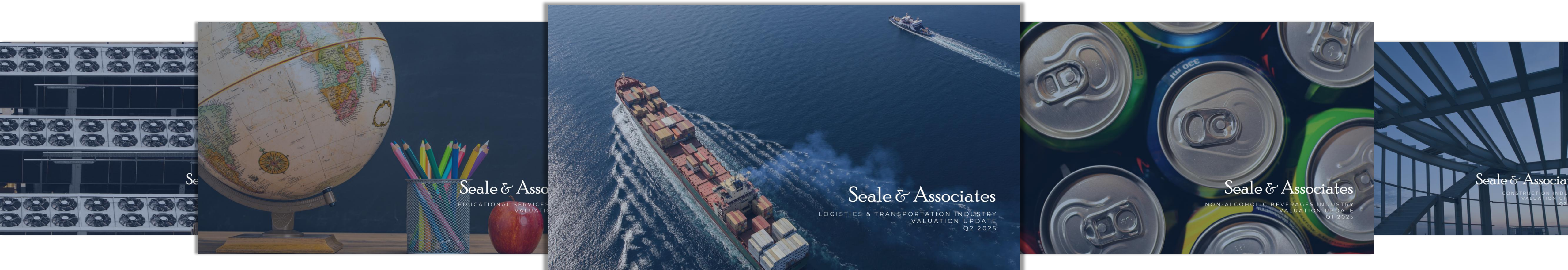
*“We are excited about the acquisition of the Costa Rica KFC franchise, a highly successful and fast-growing quick-service restaurant chain with fantastic growth prospects in a country we know very well.*

*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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# Global M&A Representative Engagements

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<p><b>Standex</b></p> <p>has sold</p> <p><b>Enginetics</b></p> <p>to</p>  <p>Enjet AERO</p>	<p><b>ITT</b></p> <p>has sold</p> <p><b>BURNY</b> <b>KALIBURN</b> PLASMA CUTTING INNOVATION</p> <p>and</p> <p><b>CMC</b> Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p><b>Honeywell</b></p> <p>has sold</p> <p><b>TENSOR</b></p> <p>to</p>  <p>GE Power Systems</p>	<p><b>TRIUMPH</b></p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p><b>TRIUMPH</b></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>TGG   THE GORES GROUP</p>	<p><b>Rheem</b></p> <p>has acquired</p>  <p>HTPG</p>	<p><b>GRACE</b></p> <p>has sold its GRACE Membranes business</p> <p><b>Uop</b></p> <p>a subsidiary of</p> <p><b>Honeywell</b></p>
<p><b>convatec</b> - forever caring -</p> <p>has sold</p> <p><b>SENSI CARE</b></p> <p>and</p> <p><b>ALOE VESTA</b></p> <p>to</p>  <p>MEDLINE</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>MobileView</b></p> <p>to</p> <p><b>SAFE FLEET</b> Driving Safety Forward™</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>HTPG</b> A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p><b>MONOMOY</b> CAPITAL PARTNERS and <b>Starboard Capital Partners</b></p>	<p><b>LOCKHEED MARTIN</b></p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p><b>ALTEON</b> A BOEING COMPANY</p>	<p><b>FLOWSERVE</b></p> <p>has sold</p> <p><b>D&amp;B</b></p> <p>to</p> <p><b>DB</b> DaviesBaird</p>	<p><b>KBR</b></p> <p>has acquired</p> <p><b>Wabi</b> Wabi Development Corporation</p>	<p><b>HARRISON GYPSUM, LLC</b></p> <p>has been recapitalized by</p> <p><b>H. I. G.</b> PRIVATE EQUITY</p>



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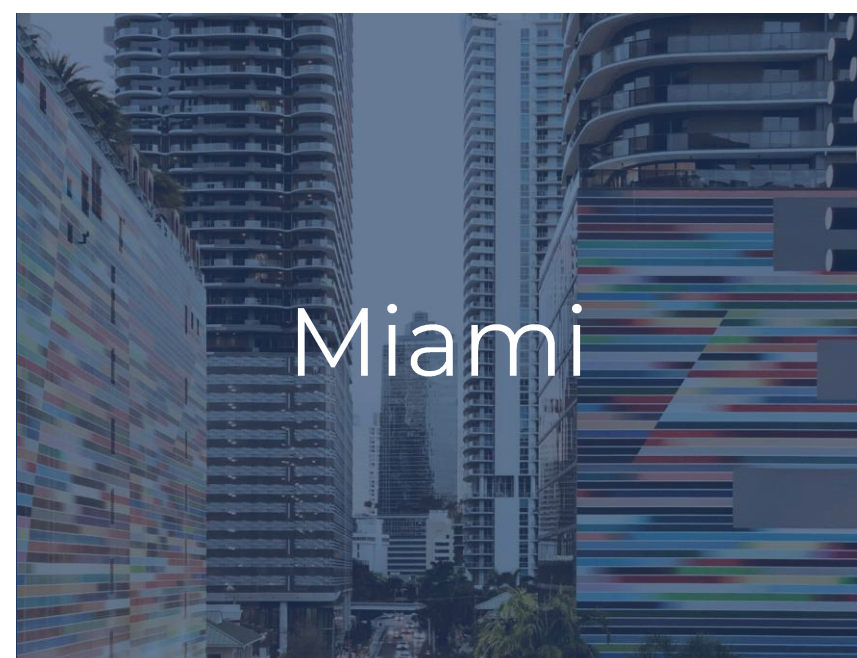
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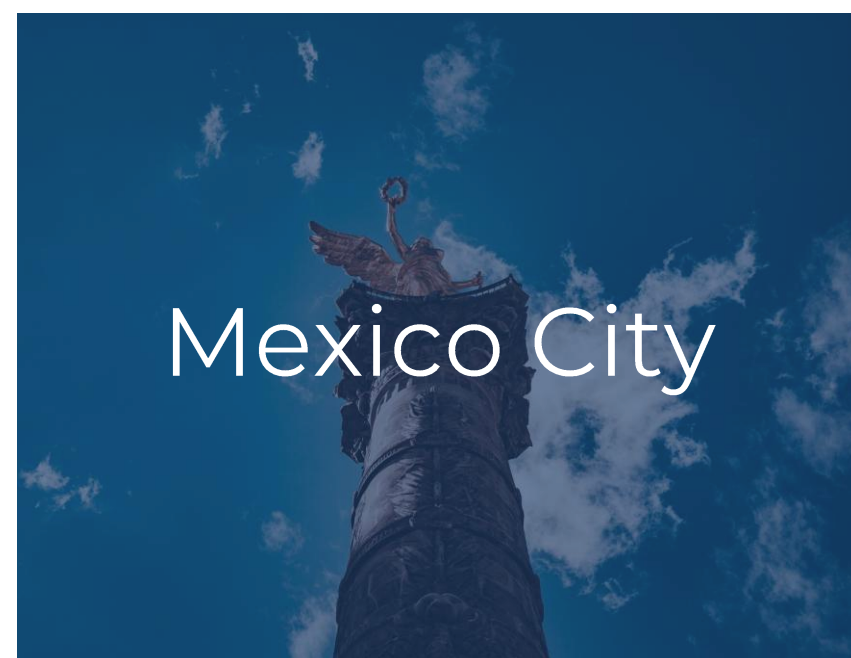
40+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience  
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Washington D.C.



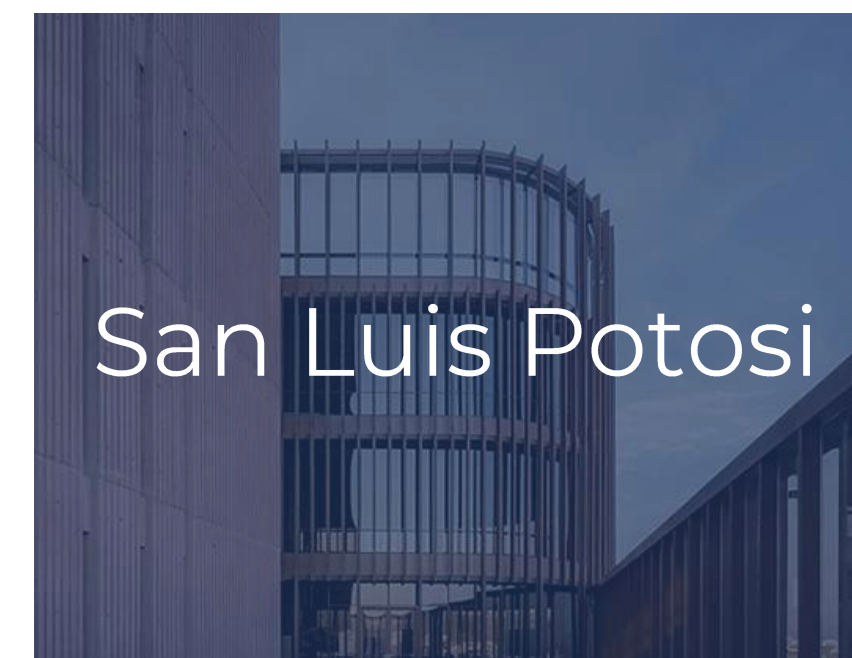
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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and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

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**+\$50B**  
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