

# STIFEL

## RESTAURANT INDUSTRY QUARTERLY UPDATE REPORT

**Stifel September 2023 Culinary Event**

**Thanks for Participating!**



**[www.stifelib.com](http://www.stifelib.com)**

**September 2023**

# Stifel Restaurant Investment Banking

September 2023

Stifel is a full-service investment bank with deep restaurant industry experience. We serve as strategic advisor to entrepreneurs, family-owned businesses, private equity groups, and leading public and private corporations in North America and international markets.

## About Our Firm

**Top 10**

Underwriter for  
Equity Offerings &  
#1 in Mid-Market <sup>(1)</sup>

**#1**

Advisor in M&A  
Transactions Under  
\$1 Billion <sup>(2)</sup>

**16**

Consumer Sector  
Managing Directors  
& Directors

**20+**

Average Years  
Experience of Senior  
Consumer Bankers

**160+**

Consumer Deals  
Since 2019

(1) Dealogic. Rank-eligible SEC registered IPOs and FO offerings since 2012 as of 8/31/2023.

(2) M&A analytics. Ranking by deal count since 2012 as of 8/31/23.

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# Key Highlights

## Market Overview | Notable Transactions

### Mergers & Acquisitions

<b>Target:</b>		<b>Target:</b>		<b>Target:</b>	
<b>Buyer:</b>		<b>Buyer:</b>		<b>Buyer:</b>	
<b>Announced Date:</b>	8/7/23	<b>Announced Date:</b>	8/15/23	<b>Announced Date:</b>	8/24/23
<b>Enterprise Value <sup>(1)</sup>:</b>	\$190M	<b>Enterprise Value:</b>	\$1,100M	<b>Enterprise Value <sup>(3)</sup>:</b>	\$9,550M
<b>EV/ EBITDA <sup>(1)</sup>:</b>	6.7x	<b>EV/ EBITDA <sup>(2)</sup>:</b>	10.5x	<b>EV/ EBITDA:</b>	~11.9x










Source(s): S&P Capital IQ, Pitchbook, Mergermarket, Reuters and Company Filings.

(1) Figures based on deal value of \$8.50 per share and latest TTM figures.

(2) Based on TTM adjusted EBITDA of \$105M from S-1 filings. As of 4/2/23.

(3) Includes earn-out of \$600M. Assumes EBITDA of \$800M based on Reuters article.

## Recent Stifel Restaurant Transactions Over Past 3 Years (Plus 6 Deals in Process)

<p>\$300,000,000</p>  <p>a portfolio company of <b>TSG CONSUMER</b></p> <p>Follow-on Offering Joint Bookrunning Manager September 2023</p>	<p>\$365,444,420</p>  <p>Initial Public Offering Joint Bookrunning Manager June 2023</p>	<p>\$315,000,000</p>  <p>Recapitalization</p> <p>Investment Banker for Checkers June 2023</p>	<p>\$80,212,500</p>  <p>a portfolio company of <b>Advent International</b> GLOBAL PRIVATE EQUITY</p> <p>Follow-on Offering Joint Bookrunning Manager September 2022</p>	<p>\$1,085,600,000</p>  <p>Business Combination with <b>RIVERVIEW</b> FOOD SERVICE GROUP</p> <p>Lead Financial &amp; Capital Markets Advisor August 2022</p>	<p>\$191,578,378</p>  <p>a portfolio company of <b>Berkshire Partners</b></p> <p>Follow-on Offering Co-Manager August 2022</p>
<p>\$466,216,200</p>  <p>a portfolio company of <b>Berkshire Partners</b></p> <p>Initial Public Offering Co-Manager October 2021</p>	<p>\$195,801,300</p>  <p>The Daytime Cafe a portfolio company of <b>Advent International</b> GLOBAL PRIVATE EQUITY</p> <p>Initial Public Offering Joint Bookrunning Manager October 2021</p>	<p>\$556,842,098</p>  <p>a portfolio company of <b>TSG CONSUMER</b></p> <p>Initial Public Offering Co-Manager September 2021</p>	<p>\$63,200,000</p>  <p>Initial Public Offering Left Bookrunning Manager April 2021</p>	<p>\$450,000,000</p>  <p>Initial Public Offering Co-Manager March 2021</p>	<p>\$276,000,000</p>  <p>Initial Public Offering Sole Bookrunning Manager January 2021</p>

## Prior Restaurant Clients





# Market Trends

## Earnings Call Highlights



"We delivered another industry-leading quarter, led by 16.8% domestic same-store sales growth... Within our sales growth, we saw further expansion in our digital channels, achieving a record 65.2% digital sales mix for the quarter. We opened 50 net new units during the quarter. This pace of development in same-store sales growth translated to system-wide sales growth of 27.8% in the quarter. Adjusted EBITDA totaled \$34.4 million an increase of 47% versus the prior year, highlighting the strength of our asset-light model." – Michael J. Skipworth, President, CEO & Director (8/2/23)

# CAVA

"In the second quarter of 2023, we delivered CAVA revenue growth of 62%; 18.2% CAVA same-restaurant sales growth, including 10.3% traffic growth; 16 net new restaurants, ending the quarter with 279 restaurants; a 43.1% increase year-over-year; adjusted EBITDA of \$21.6 million, a \$15.7 million increase over the second quarter of 2022; and net income of \$6.5 million... We now expect 65 to 70 net new CAVA restaurant openings this year and have built our 2024 and 2025 pipeline to support annual unit count growth of at least 15%." – Brett Schulman, CEO, President & Director (8/15/23)



"In the quarter and year-to-date, we have demonstrated continued top-line and margin momentum that has resulted in impressive adjusted EBITDA and operating EPS growth... Digital sales are now approaching 12%, up from 10.6% a year ago. And encouragingly, we saw a big jump in usage of our Jack e-commerce channels in Q3... third-party delivery continues to perform well with a nearly 12% increase in sales contribution year-over-year, certainly helped by late night. This all led to higher average check and improving transactions from our digital guests and a 54% increase in web and app sales compared to Q3 last year." – Darin S. Harris, CEO & Director (8/9/23) <sup>(1)</sup>



"During fiscal '23, we made significant shifts to our strategy to drive our core dine-in channel business and help us drive margin improvement over time. We pulled back on deep discounting. We reduced our focus on investment in virtual brands and started the pricing to recover inflation while still maintaining best-in class value. We acted on our restaurant teams ideas to simplify operations. We invested in our labor model to improve our food grade scores and service and we returned to national advertising for the first time in more than 3 years. – Kevin D. Hochman, President, CEO & Director (8/16/23) <sup>(2)</sup>

## Recommended Reads



Catering becomes a bigger part of the conversation in Q2



3 Reasons the Restaurant Labor Shortage Hasn't Gone Away



Sticker Shock in Restaurants: Still There, Despite a Food Price Drop



Restaurants and Supermarkets are Brawling Over Your Dollar

Source(s): S&P Capital IQ, Company Earnings Call Transcripts.

(1) JACK Fiscal Year ends the Sunday closest to September 30. FYQ3 results represent CYQ2.

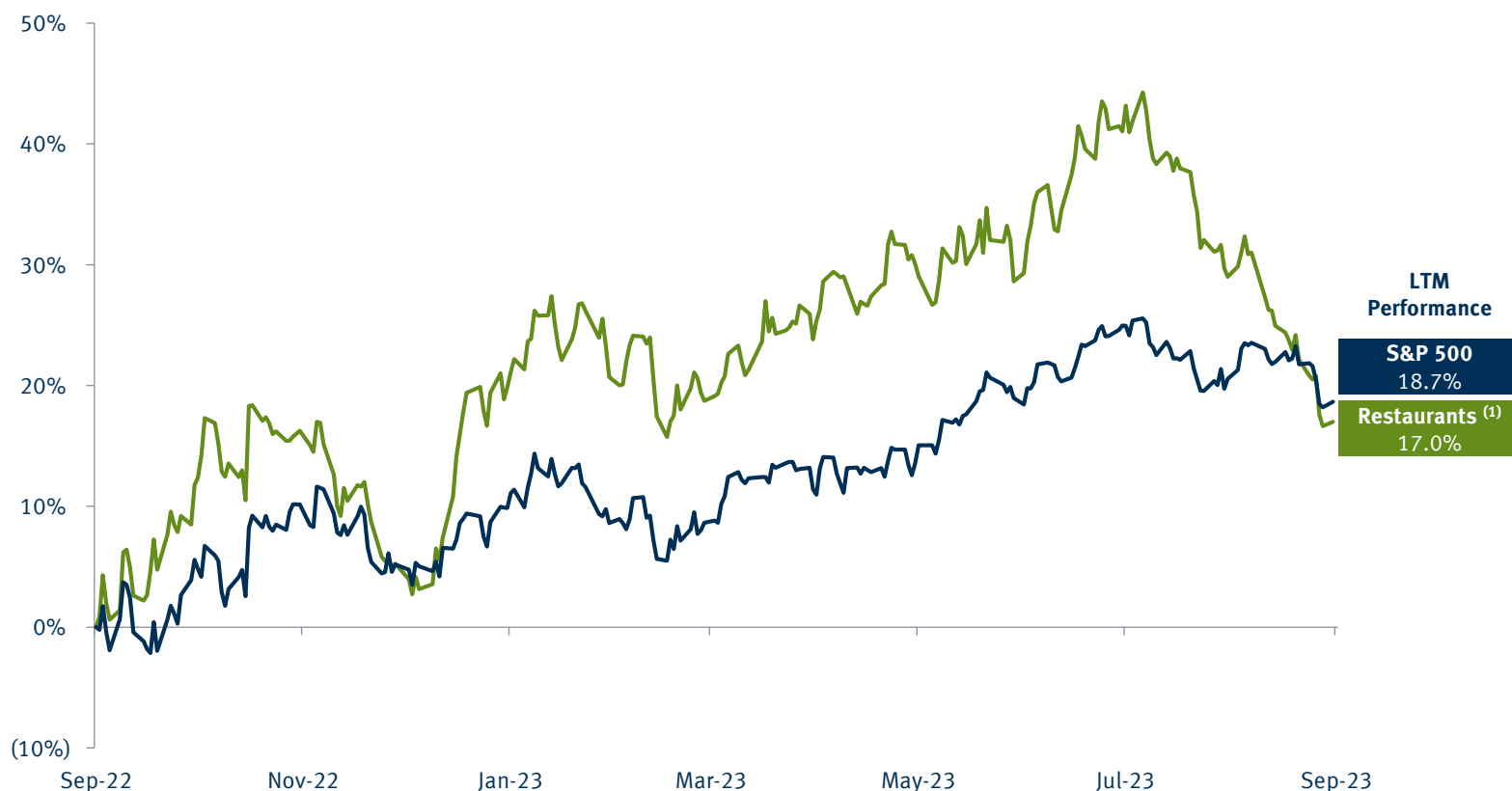
(2) EAT Fiscal Year ends the last Wednesday of June. FYQ4 results represent CYQ2.

# Key Q2 2023 Performance Trends & Observations

## Market Commentary

- H1 2023 restaurant performance largely exceeded expectations, and there is an optimistic outlook for H2 2023, although tougher H2 YoY comp quarters
  - ▶ Same store sales were up 8% on average in Q1 and 4% in Q2, driven predominantly by an increase in average check
  - ▶ Traffic remains pressured in many categories due to changes in consumer behavior and decreased discretionary spend
- Unit-level margins have seen YoY improvement as many key commodity prices have fallen and wages have moderated
  - ▶ However, Q2 saw increases in some commodity categories from Q1 pricing
- New unit development costs remain significantly above pre-COVID levels and modestly increased in H1 2023, with delays in new openings
  - ▶ Even with these cost increases and delays, planned new unit openings for 2023 exceed the number of units opened in 2022
  - ▶ With the continued popularity of off-premise dining, many operators are opting to reduce box size to manage buildout costs
- The restaurant lending environment has stabilized due to improving fundamentals and greater visibility into interest rates
  - ▶ 2023 has seen an increase in refinancing transactions, both opportunistically and due to upcoming maturities

## LTM Restaurant Sector Stock Performance

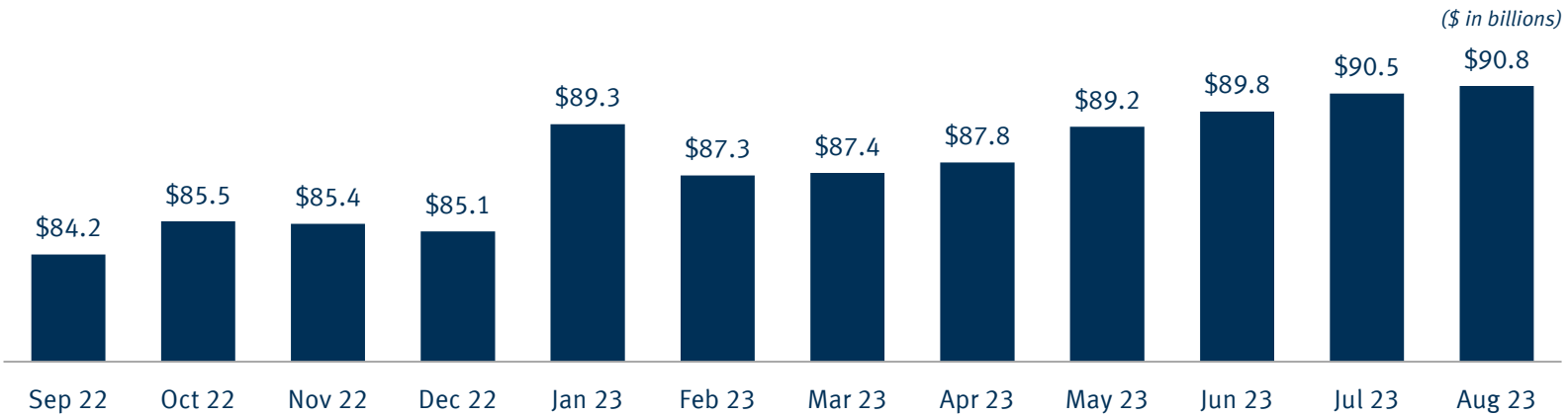


Note: Source: Capital IQ as of 9/25/23.

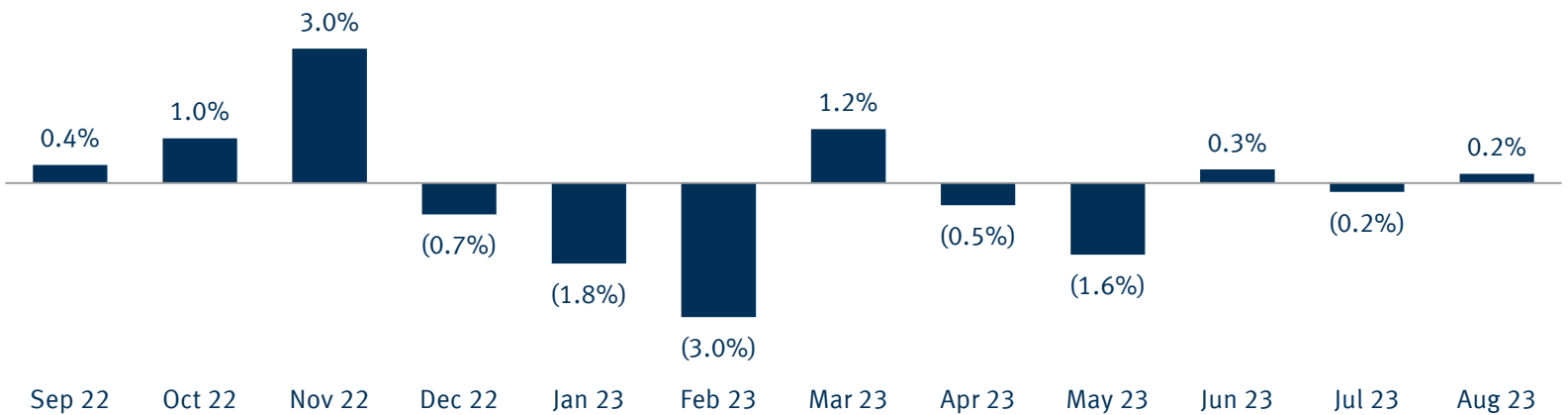
(1) Includes: ARKR, BJRI, BLMN, BROS, CAKE, CAVA, CBRL, CHUY, CMG, DENN, DIN, DPZ, DRI, EAT, FWRG, GENK, JACK, KRUS, LOCO, MCD, NDLS, PBPB, PLAY, PTLO, PZZA, QSR, RRGB, SBUX, SG, SHAK, STKS, TAST, TXRH, WEN, WING, YUM. Indexed as 9/26/22 = 0.

# Industry Data

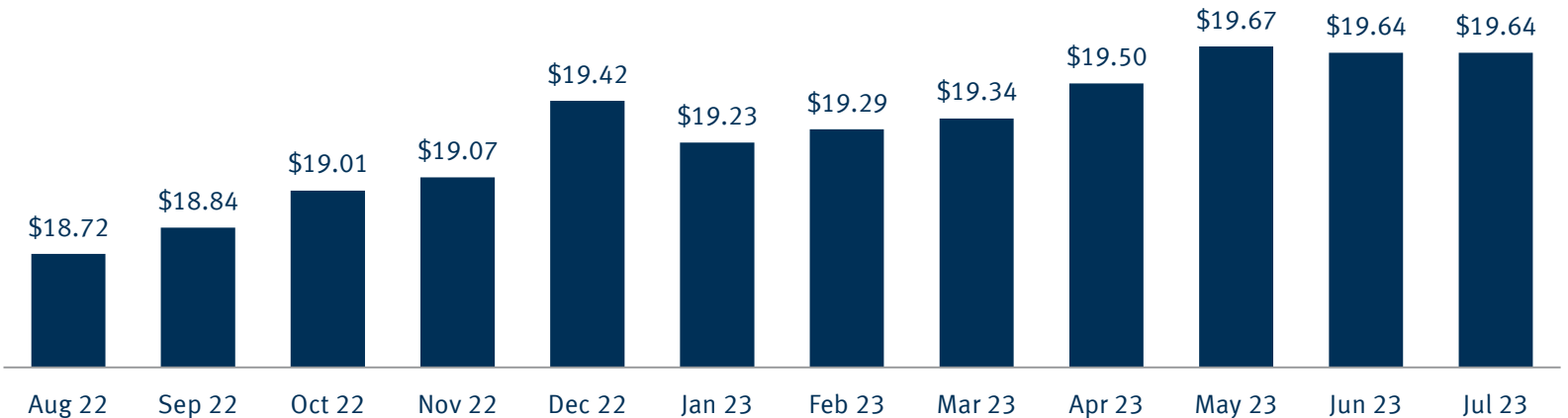
## Total Eating and Drinking Place Sales <sup>(1)</sup>



## Wholesale Food Prices (Producer Price Index – All Foods) <sup>(2)</sup>



## Average Hourly Earnings (Food and Drinking Places) <sup>(3)</sup>



(1) Source: US Census Bureau, National Restaurant Association; figures are seasonally adjusted.

(2) Source: Bureau of Labor Statistics, National Restaurant Association.

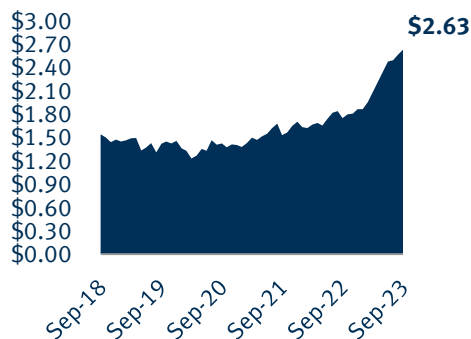
(3) Source: Bureau of Labor Statistics.

# Industry Data

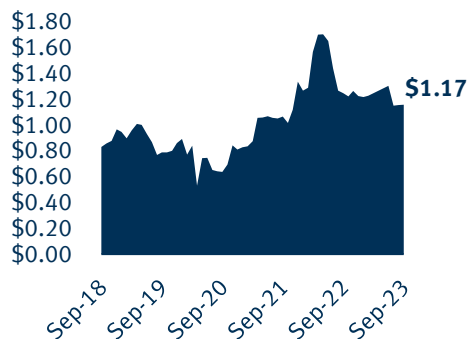
## Historical Commodity Prices



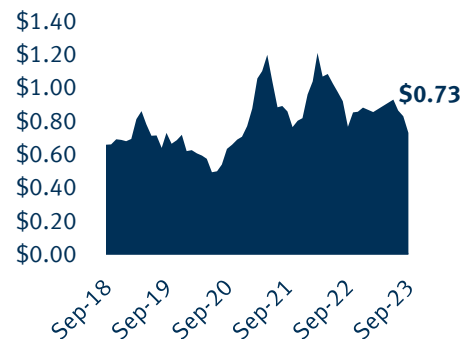
**BEEF PRICES**



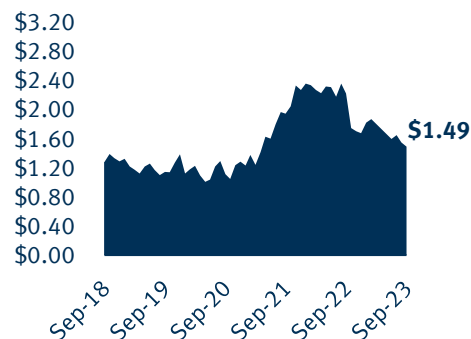
**CHICKEN PRICES**



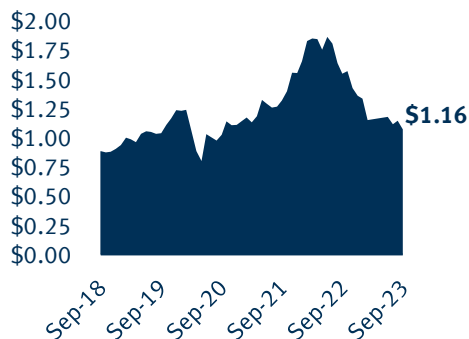
**PORK PRICES**



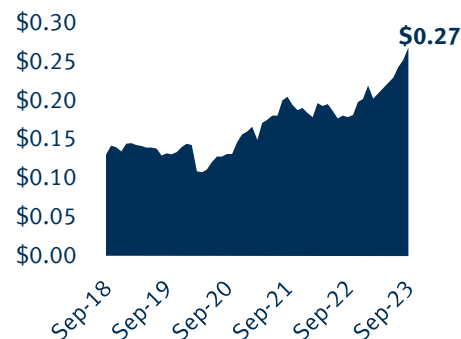
**COFFEE PRICES**



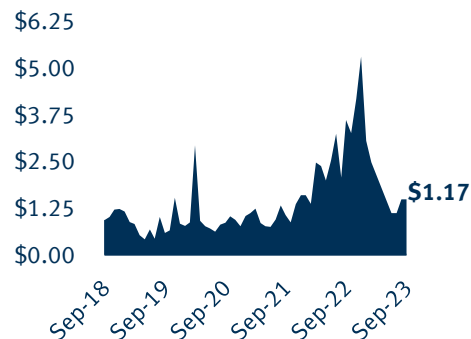
**MILK PRICES**



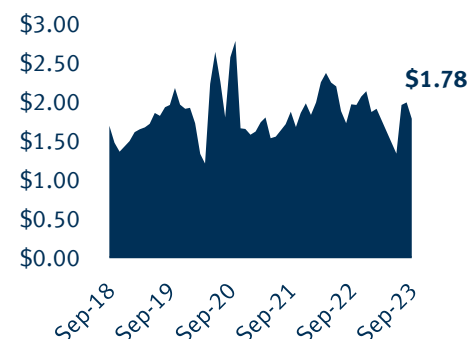
**SUGAR PRICES**



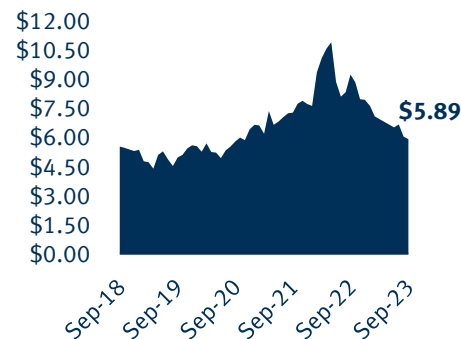
**EGGS PRICES**



**CHEESE PRICES**



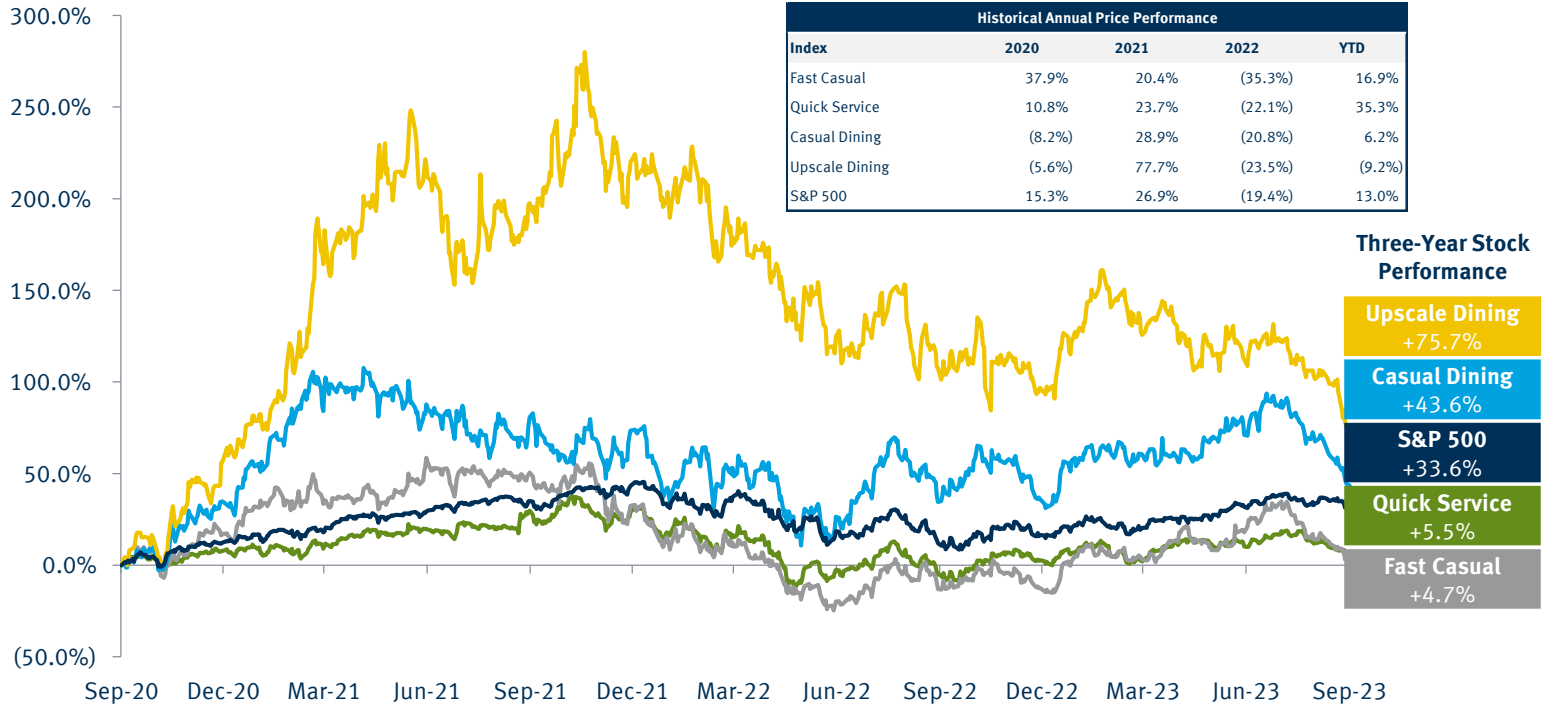
**WHEAT PRICES**



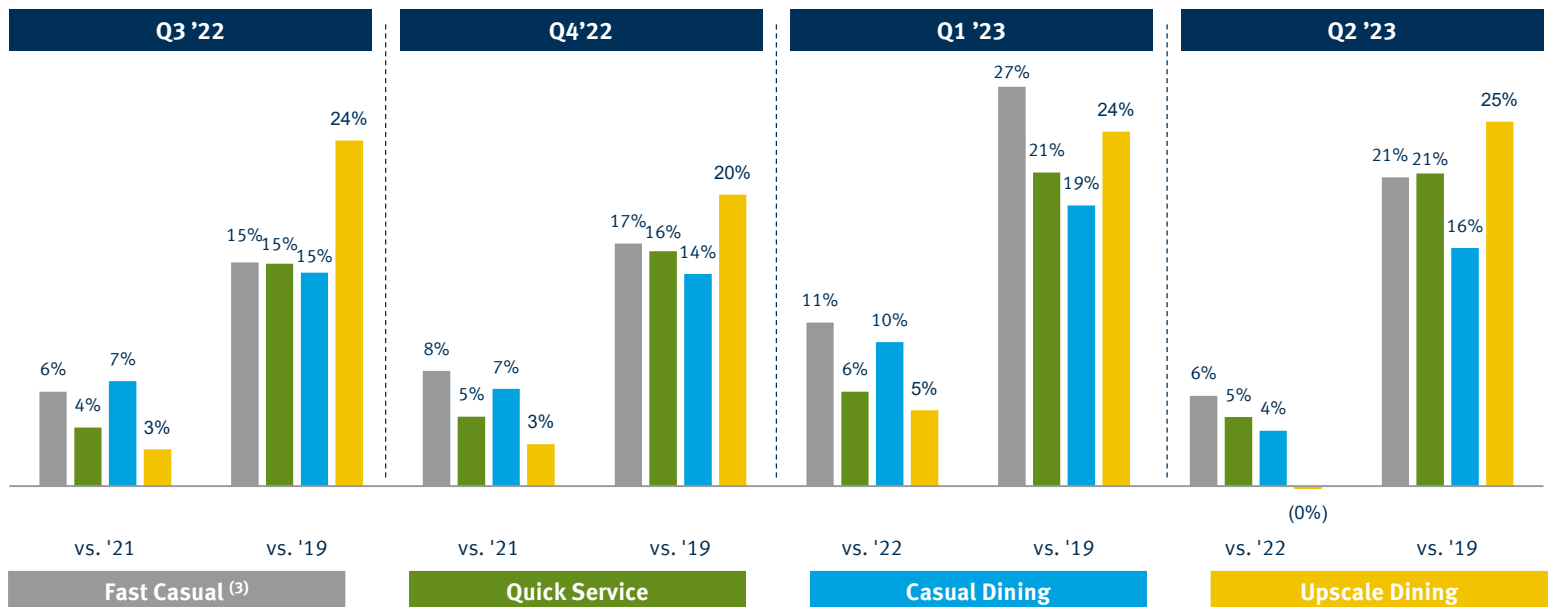
Source: Capital IQ as of 9/25/23.

# Trading Performance

## Industry Data | Three-Year Stock Performance <sup>(1)</sup>



## Industry Data | Same-Store Sales Performance <sup>(2)</sup>



Source(s): S&P Capital IQ, Company filings and Wall Street research.

(1) Note: Stifel restaurant indices calculated based on equal weight. As of 9/25/23. Indexed as 9/25/20 = 0. See page 12 for further details on indices.

(2) Calendar quarters. Averages are equal-weighted and exclude N.A. results. Updated on a quarterly basis. See page 12 for further details on indices.

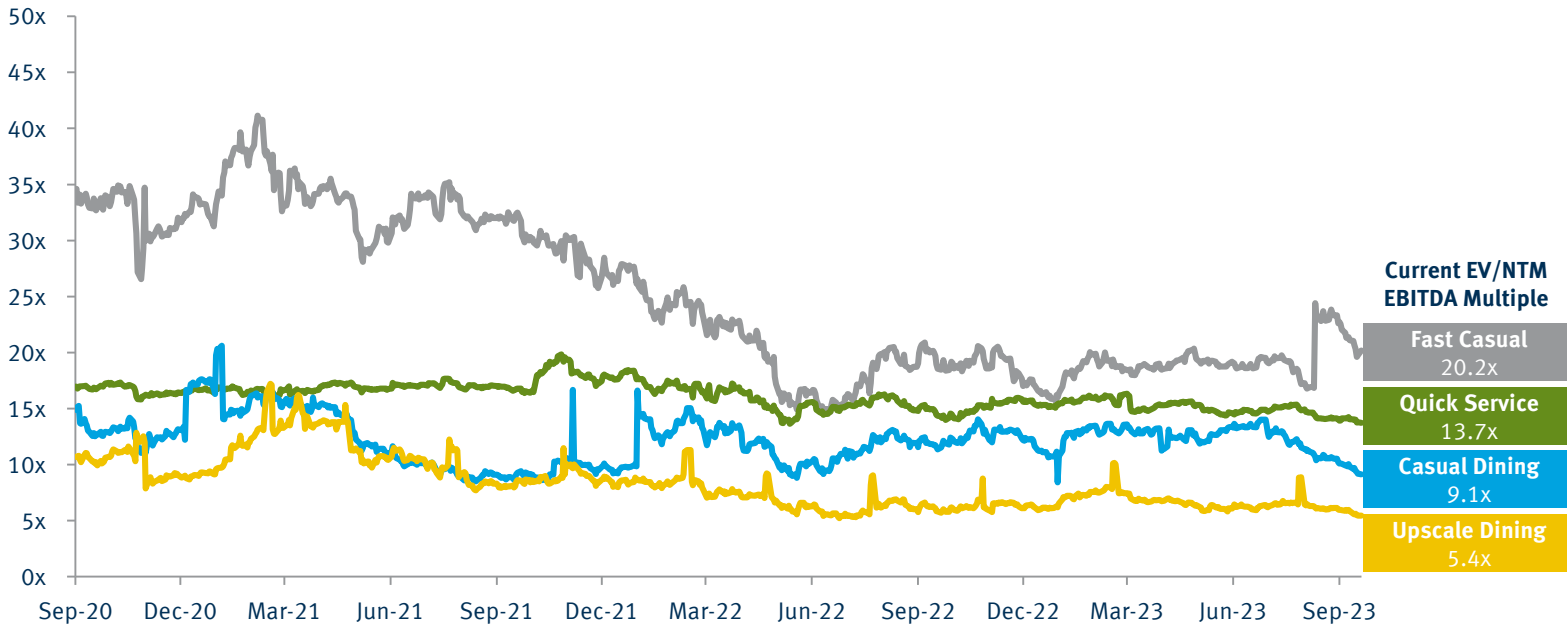
(3) Fast Casual index includes CAVA. For purposes of calculating CAVA Same-Store Sales compared to 2019, only CAVA restaurants that were open as of the beginning or during the corresponding period in 2019 are included, based on S-1 filing.



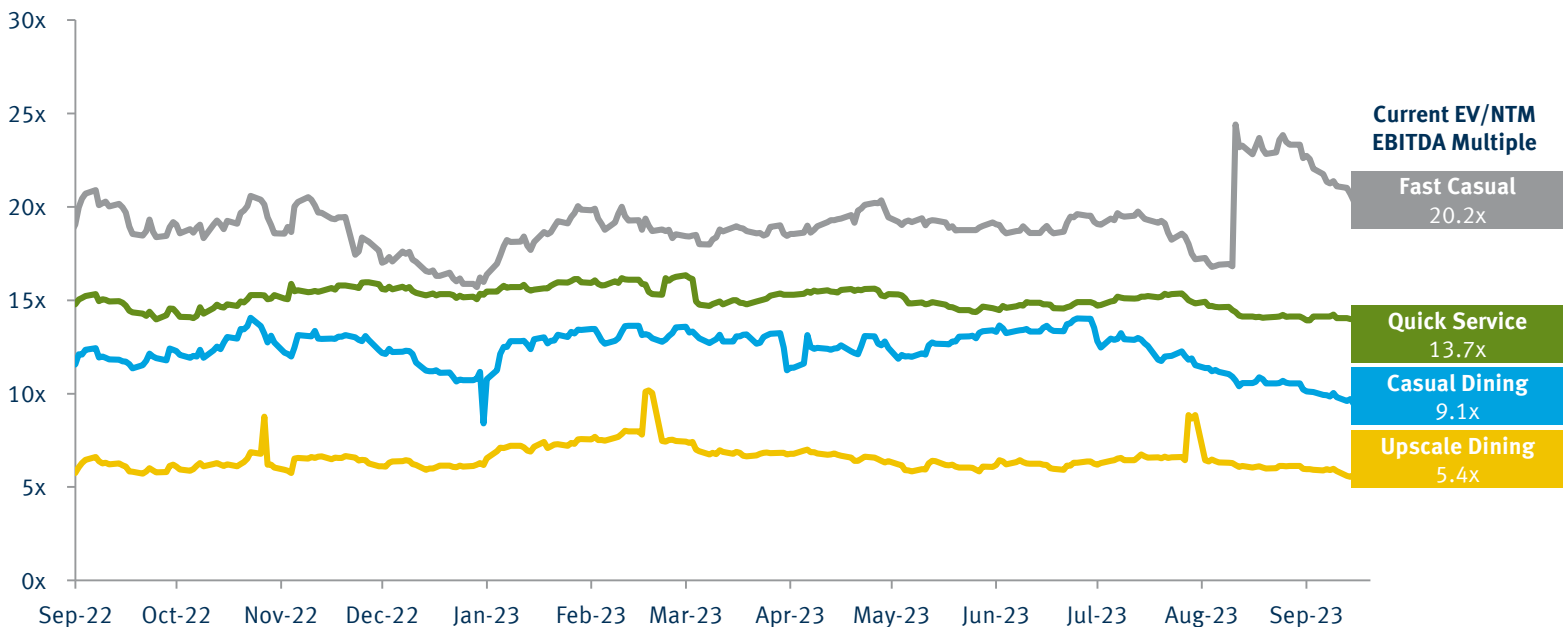
# Category Valuations



## Public Multiples for Last 3 Years | EV / NTM EBITDA Trends <sup>(1)</sup>



## Public Multiples for Last 1 Year | EV / NTM EBITDA Trends <sup>(1)</sup>



Source(s): S&P Capital IQ. As of 9/25/23.

Note: Fast Casual Index jumps in August 2023 due to incorporation of CAVA into the index after their NTM EBITDA figures became available post-IPO.

(1) Only includes EV / NTM EBITDA multiples between 0.0x and 100.0x.

# Public Valuations

## Public Comparables | Trading Metrics

	Stock Price		Market Value								Growth Metrics		Additional Metrics		
	% of 52-wk		Equity Value	Ent. Value	EV / Revenue		EV / EBITDA		P/E		Rev. Growth	PEG	LTM Debt / EBITDA	Franchised / Total Stores	Operated / Total Stores
	9/25/23	High			2023E	2024E	2023E	2024E	2023E	2024E					
Quick Service Restaurants															
McDonald's	\$269.78	90.1%	\$196,606	\$230,766	9.1x	8.5x	16.9x	15.7x	23.2x	21.9x	8.2%	2.5x	2.8x	94.8%	5.2%
Starbucks	92.74	80.3%	106,224	118,076	3.2x	2.9x	16.1x	14.1x	25.3x	22.1x	11.3%	1.4x	2.4x	48.9%	51.1%
YUM! Brands	124.97	87.2%	35,018	46,116	6.4x	5.9x	18.3x	16.6x	23.5x	21.2x	6.9%	1.9x	4.9x	98.2%	1.8%
Restaurant Brands International	67.28	85.9%	30,481	42,516	6.0x	5.7x	16.5x	15.4x	20.6x	19.4x	7.0%	2.3x	5.8x	100.0%	0.0%
Domino's Pizza	383.11	93.5%	13,445	18,368	4.1x	3.8x	20.3x	18.7x	27.7x	24.5x	3.2%	2.4x	5.9x	98.6%	1.4%
The Wendy's Company	20.62	86.3%	4,316	7,077	3.2x	3.1x	13.2x	12.4x	20.6x	18.6x	4.6%	2.1x	6.8x	94.2%	5.8%
Dutch Bros <sup>(1)</sup>	23.41	56.5%	4,106	4,399	4.6x	3.6x	31.3x	24.3x	NM	84.0x	27.8%	NM	4.8x	37.3%	62.7%
Papa John's	69.29	70.9%	2,268	3,061	1.4x	1.4x	13.8x	12.8x	25.8x	23.0x	3.6%	2.2x	4.1x	89.4%	10.6%
Jack in the Box	69.55	69.9%	1,399	3,006	1.8x	1.9x	9.1x	8.8x	11.0x	9.9x	(1.9%)	0.8x	5.2x	87.0%	13.0%
Carrols Restaurant Group	6.59	85.0%	421	852	0.5x	0.4x	6.2x	6.1x	19.5x	19.8x	5.2%	NA	4.3x	0.0%	100.0%
Mean		80.6%	\$39,428	\$47,424	4.0x	3.7x	16.2x	14.5x	21.9x	26.4x	7.6%	1.9x	4.7x	74.8%	25.2%
Median		85.5%	\$8,880	\$12,723	3.6x	3.4x	16.3x	14.7x	23.2x	21.5x	6.1%	2.1x	4.8x	91.8%	8.2%

	Stock Price		Market Value								Growth Metrics		Additional Metrics		
	% of 52-wk		Equity Value	Ent. Value	EV / Revenue		EV / EBITDA		P/E		Rev. Growth	PEG	LTM Debt / EBITDA	Franchised / Total Stores	Operated / Total Stores
	9/25/23	High			2023E	2024E	2023E	2024E	2023E	2024E					
Fast Casual Dining															
Chipotle Mexican Grill	\$1,859.69	85.5%	\$51,304	\$49,948	5.1x	4.5x	26.8x	22.5x	42.6x	35.5x	13.3%	1.8x	-	0.0%	100.0%
Wingstop	173.52	77.5%	5,202	5,725	13.2x	11.5x	42.8x	37.1x	79.2x	68.0x	18.0%	4.0x	6.0x	97.8%	2.2%
CAVA	32.42	55.8%	3,682	3,330	4.6x	4.0x	NM	NM	NM	NM	22.0%	NM	-	0.0%	100.0%
Shake Shack	57.95	71.9%	2,451	2,407	2.2x	1.9x	18.9x	15.9x	NM	NM	18.0%	NM	3.4x	42.7%	57.3%
Portillo's	15.62	60.4%	1,134	1,418	2.1x	1.8x	14.8x	12.8x	55.0x	38.5x	14.7%	NM	4.8x	0.0%	100.0%
Sweetgreen	11.34	56.7%	1,270	989	1.7x	1.4x	NM	NM	NM	NM	21.1%	NM	-	0.0%	100.0%
El Pollo Loco Holdings	8.93	68.7%	294	346	0.7x	0.7x	5.9x	5.3x	11.4x	9.9x	2.4%	1.1x	1.3x	61.8%	38.2%
Potbelly	7.90	70.9%	232	219	0.4x	0.5x	8.6x	7.2x	66.2x	42.9x	2.0%	NA	1.0x	12.9%	87.1%
Noodles & Company	2.48	37.9%	115	180	0.4x	0.3x	5.0x	4.0x	NM	34.5x	2.8%	NM	2.2x	19.8%	80.2%
Mean		65.0%	\$7,298	\$7,174	3.4x	3.0x	17.5x	15.0x	50.9x	38.2x	12.7%	2.3x	2.1x	26.1%	73.9%
Median		68.7%	\$1,270	\$1,418	2.1x	1.8x	14.8x	12.8x	55.0x	37.0x	14.7%	1.8x	1.3x	12.9%	87.1%

Source(s): S&P Capital IQ. As of 9/25/23.

Note: Maximum threshold for EV / EBITDA NM is 45.0x, P/E NM is 100.0x, PEG is 5.0x and LTM Debt / EBITDA is 20.0x.

(1) Dutch Bros figures inclusive of latest follow-on on 9/8/23 per 8-K filing.

# Public Valuations

## Public Comparables | Trading Metrics

	Stock Price		Market Value								Growth Metrics		Additional Metrics		
	% of 52-wk		Equity Value	Ent. Value	EV / Revenue		EV / EBITDA		P/E		Rev. Growth	PEG	LTM Debt /	Franchised /	Operated /
	9/25/23	High			2023E	2024E	2023E	2024E	2023E	2024E	'22 - '24E	2023E	EBITDA	Total Stores	Total Stores
Casual Dining															
Darden Restaurants	\$141.27	82%	\$17,076	\$19,897	1.8x	1.7x	11.8x	10.8x	16.6x	15.6x	9.0%	1.8x	1.9x	6.7%	93.3%
Texas Roadhouse	95.17	81%	6,352	6,260	1.4x	1.2x	12.2x	10.6x	20.5x	17.5x	12.1%	1.3x	-	13.4%	86.6%
Bloomin' Brands	23.92	83%	2,083	2,772	0.6x	0.6x	5.0x	4.9x	7.7x	8.0x	3.9%	0.8x	1.4x	20.1%	79.9%
Dave & Buster's Entertainment	35.79	76%	1,537	2,742	1.2x	1.2x	5.1x	4.7x	10.5x	8.7x	10.2%	NA	2.5x	0.0%	100.0%
Brinker International	29.58	70%	1,320	2,227	0.5x	0.5x	5.7x	5.5x	8.2x	8.3x	4.8%	1.1x	2.7x	28.5%	71.5%
Dine Brands Global	50.32	61%	783	1,935	2.3x	2.2x	7.9x	7.6x	8.2x	7.9x	(2.7%)	NA	5.9x	100.0%	0.0%
Cracker Barrel Old Country Store	63.95	53%	1,417	1,806	0.5x	0.5x	7.2x	6.6x	12.2x	10.8x	2.5%	2.1x	1.7x	0.0%	100.0%
First Watch	17.48	86%	1,040	1,073	1.2x	1.1x	11.8x	10.6x	42.4x	38.3x	17.5%	NA	1.4x	22.6%	77.4%
Denny's	8.41	64%	466	720	1.5x	1.5x	8.3x	7.6x	13.7x	11.9x	3.3%	1.5x	3.2x	95.9%	4.1%
Kura Sushi USA	69.03	63%	767	688	3.4x	2.7x	44.0x	31.9x	NM	NM	30.1%	NM	0.0x	0.0%	100.0%
BJ's Restaurants	23.25	61%	548	595	0.4x	0.4x	5.5x	4.7x	23.7x	16.0x	5.0%	1.9x	0.6x	0.0%	100.0%
Chuy's Holdings	34.64	80%	625	542	1.2x	1.1x	9.5x	8.9x	18.7x	18.0x	7.6%	1.2x	-	0.0%	100.0%
GEN Restaurant Group	11.85	58%	383	348	1.9x	1.5x	13.2x	10.2x	23.5x	22.2x	20.3%	NA	1.0x	0.0%	100.0%
Red Robin Gourmet Burgers	8.21	50%	131	278	0.2x	0.2x	3.6x	3.4x	NM	NM	1.3%	NM	3.2x	17.9%	82.1%
Mean		69%	\$2,466	\$2,992	1.3x	1.2x	10.8x	9.2x	17.2x	15.3x	8.9%	1.5x	1.8x	21.8%	78.2%
Median		67%	\$912	\$1,440	1.2x	1.1x	8.1x	7.6x	15.1x	13.8x	6.3%	1.4x	1.6x	10.0%	90.0%

	Stock Price		Market Value								Growth Metrics		Additional Metrics		
	% of 52-wk		Equity Value	Ent. Value	EV / Revenue		EV / EBITDA		P/E		Rev. Growth	PEG	LTM Debt /	Franchised /	Operated /
	9/25/23	High			2023E	2024E	2023E	2024E	2023E	2024E	'22 - '24E	2023E	EBITDA	Total Stores	Total Stores
Affordable Upscale															
The Cheesecake Factory	\$28.93	70%	\$1,483	\$1,861	0.5x	0.5x	7.3x	6.4x	11.0x	9.5x	6.4%	0.8x	2.3x	8.5%	91.5%
The ONE Group	5.57	59%	176	209	0.6x	0.5x	4.5x	3.5x	14.0x	8.1x	16.6%	NA	2.7x	31.3%	68.8%
Ark Restaurants	15.36	73%	55	51	NA	NA	NA	NA	NA	NA	NA	NA	0.7x	0.0%	100.0%
Mean		67%	\$572	\$707	0.6x	0.5x	5.9x	5.0x	12.5x	8.8x	11.5%	0.8x	1.9x	13.3%	86.7%
Median		70%	\$176	\$209	0.6x	0.5x	5.9x	5.0x	12.5x	8.8x	11.5%	0.8x	2.3x	8.5%	91.5%
Overall Mean		71%	\$13,784	\$16,189	2.6x	2.3x	13.5x	11.7x	24.4x	23.1x	9.7%	1.7x	2.7x	36.9%	63.1%
Overall Median		71%	\$1,408	\$2,081	1.7x	1.5x	11.8x	10.2x	20.6x	19.0x	7.0%	1.8x	2.4x	19.9%	80.1%

Source(s): S&P Capital IQ. As of 9/25/23.

Note: Maximum threshold for EV / EBITDA NM is 45.0x, P/E NM is 100.0x, PEG is 5.0x and LTM Debt / EBITDA is 20.0x.

# M&A Transactions

## Selected Recent Restaurant M&A Transactions - Latest Twelve Months

Date		Acquiror	Target	Enterprise	
Ann.	Effect.			Value	Target Type
8/24/23	-	Roark Capital <sup>(1)</sup>	Subway	\$9,550.0	Branded / Franchisor
8/15/23	-	Bain Capital	Fogo de Chao	1,100.0	Branded / Franchisor
8/7/23	-	Authentic Restaurant Brands	Fiesta Restaurant Group	190.3	Branded / Franchisor
7/17/23	7/17/23	High Bluff Capital Partners	Summit Restaurant Group (81 Hardee's restaurants)	-	Franchisee
6/13/23	-	Zensho	SnowFox Group	621.0	Branded / Franchisor
6/12/23	6/12/23	Sam Nazarian (SBE Hospitality Group)	NextBite	-	Technology
6/10/23	6/10/23	Urban Piper	OrderMark	-	Technology
6/7/23	6/7/23	Southpaw	40 Taco Bell Locations in Atlanta, GA	-	Franchisee
6/7/23	6/7/23	Flynn Restaurant Group	260 Pizza Hut restaurants in Australia	-	Franchisee
6/4/23	6/4/23	Papa John's International	Drake Food Service (91 Papa John's locations in the UK)	-	Franchisee
6/2/23	6/16/23	SSCP Management	Corner Bakery Café	15.0	Branded / Franchisor
5/10/23	5/10/23	Meritage Hospitality Group	25 Wendy's restaurants in North Carolina	-	Franchisee
5/4/23	5/4/23	Shift4Payments	Focus POS Systems	45.0	Technology
5/3/23	6/14/23	Darden Restaurants	Ruth's Hospitality Group	713.5	Branded / Franchisor
4/28/23	4/28/23	Area 15 Ventures	Daddy's Chicken Shack	-	Branded / Franchisor
4/27/23	4/27/23	SPB Hospitality	The Krystal Company	-	Branded / Franchisor
4/27/23	4/27/23	L Catterton	Urban Egg (minority investment)	-	Branded / Franchisor
4/12/23	4/12/23	Craveworthy Brands	Mongolian Concepts	-	Branded / Franchisor
4/5/23	7/11/23	Toridoll Holdings	Fulham Shore	116.8	Branded / Franchisor
3/23/23	3/23/23	Garnett Station Partners	Firebirds Wood Fired Grill	-	Branded / Franchisor
3/21/23	3/21/23	ItsaCheckmate	Open Tender	-	Technology
2/27/23	2/27/23	Xperience XRG Restaurant Group	Rio Mambo Tex Mex y Mas	-	Branded / Franchisor
2/27/23	2/27/23	Xperience XRG Restaurant Group	The Rim	-	Branded / Franchisor
1/10/23	1/10/23	Crux Capital	HTeaO Franchising	-	Branded / Franchisor
1/24/23	1/24/23	Zenchef	Formitable	-	Technology
1/18/23	1/18/23	PG Growth Opportunities	Wild Eggs	-	Branded / Franchisor
12/19/22	12/19/22	VersiTech	Ordyx	-	Technology
12/19/22	2/22/23	Foodtastic <sup>(2)</sup>	Freshii	55.0	Branded / Franchisor
12/18/22	12/18/22	Gala Capital Partners	Rusty Tacos	-	Branded / Franchisor
12/15/22	12/15/22	MTY Food Group	Sauce Pizza & Wine	10.8	Branded / Franchisor
12/12/22	12/12/22	YTG Enterprises	Nick the Greek	-	Branded / Franchisor
12/4/22	12/13/22	Dine Brands	Fuzzy's Taco Shop	80.0	Branded / Franchisor
12/2/22	2/22/23	Foodtastic	Quesada Burritos & Tacos	-	Branded / Franchisor
11/22/22	12/24/21	FAT Brands	Native Grill & Wings	20.0	Branded / Franchisor
11/1/22	11/1/22	CoverManager	Seatris	-	Technology
11/1/22	12/7/22	MTY Food Group	Wetzel's Pretzels	207.0	Branded / Franchisor
9/26/22	9/26/22	Houchens Industries	10 Locations of Slim Chickens	-	Franchisee
9/18/22	9/18/22	Alia Corp.	20 New McDonald's locations in Columbus, GA	-	Franchisee
9/8/22	9/8/22	Centerbridge Partners, Manna Tree Partners, HumanCo	True Food Kitchen (minority stake)	100.0	Branded / Franchisor

Sources: S&P Capital IQ, Mergermarket, news articles, press releases.

(1) Includes earn-out of \$600M.

(2) Foodtastic/ Freshii transaction Enterprise Value based on Freshii press release with valuation of \$74.4 million CAD, translated to USD at 0.73216626 (CAD/USD).



# Restaurant Investment Banking Quarterly Update Report

September 2023

## Footnote Details & Disclosure

Indices for Three-Year Stock Chart and EV / NTM EBITDA Trend Charts:

- Fast Casual Index: CAVA, CMG, LOCO, NDLS, PBPB, PTLO, SG, SHAK and WING.
- Quick Service Index: BROS, DPZ, JACK, MCD, PZZA, QSR, SBUX, TAST, WEN and YUM.
- Casual Dining Index: BJRI, BLMN, CBRL, CHUY, DENN, DIN, DRI, EAT, FWRG, GENK, KRUS, PLAY, RRGB and TXRH.
- Upscale Dining Index: ARKR, CAKE and STKS.

Same-Store Sales Performance indices:

- Fast Casual: CAVA, CMG, FRGI (Pollo Tropical), LOCO, NDLS, PBPB, PTLO, SHAK, SG, WING, YUM (Habit Grill).
- Quick Service: BROS, DPZ, JACK (Del Taco, Jack in the Box), MCD, PZZA, QSR (Burger King, Firehouse Subs, Popeye's, Tim Horton's), SBUX, WEN and YUM (KFC, Pizza Hut, Taco Bell).
- Casual Dining: BJRI, BLMN (Outback), CBRL, CHUY, DENN, DIN (Applebee's, IHOP), DRI (Longhorn, Olive Garden, Darden Other Business), EAT (Chili's, Maggiano's), GENK, FRWG, KRUS, PLAY, RRGB and TXRH (Bubba's 33, Texas Roadhouse).
- Upscale Dining: ARKR, BLMN (Bonefish Grill, Carrabba's, Fleming's), CAKE (Cheesecake Factory, North Italia), DRI (Darden Fine Dining, RUTH) and STKS (Kona Grill, STK).

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