



INTRODUCTION & INDUSTRY THEMES

STATE OF THE RESTAURANT, FRANCHISE & MULTI-UNIT INDUSTRIES

We are pleased to present the Citizens July 2025 Restaurant, Franchise & Multi-Unit Update. This comprehensive report explores the transformative landscape of the restaurant industry as we head into the second half of 2025. We analyze the key trends affecting operators and consumers, including the introduction of new menu items across several concepts, AI and technology integration, tariff and inflation effects and deal activity within the sector. Additionally, we will cover public equity performance, notable M&A transactions and provide insights into macroeconomic and commodity trends shaping the industry.

As the industry navigates these dynamic challenges and opportunities, we look forward to discussing how Citizens can support you in achieving your strategic objectives and driving growth in 2025 and beyond.

IN THIS ISSUE

Introduction	1
Industry Themes	2
Insights from the C-Suite: Key Commentary	3
Select Restaurant M&A Transactions	4
Relevant Data Points (Same-Store Sales Data)	5-6
Public Markets Perspectives	7
Macroeconomic and Commodities Trends	8
Citizens Investment Banking Platform	9

INNOVATION & NOSTALGIA REMAIN AMONG CORE GROWTH STRATEGIES

- The restaurant industry is in the midst of a flavor renaissance, with menu innovation becoming a key strategy across all dining formats. From fast food to full-service, brands are leaning into bold, nostalgic and experiential offerings to meet evolving consumer tastes. This wave of creativity is a competitive necessity, as diners seek out memorable, craveable food experiences that blend comfort with novelty and offer something truly distinctive in a crowded marketplace.
 - Taco Bell is leading the charge with a 2025 menu that fuses nostalgia and bold experimentation. At its Live Más Live event, the brand introduced the Quesocrisp Taco, featuring a shell made entirely of crispy cheese and the Flamin’ Hot Burrito, packed with Flamin’ Hot rice, Fritos, seasoned beef and nacho cheese. New additions like Crispy Chicken Nuggets and Cheesy Dipping Burritos further expand the brand’s appeal, offering interactive, indulgent options that resonate with younger audiences and social media-savvy consumers. Taco Bell also revived fan-favorites like the Double Decker Taco and Cool Ranch Doritos Locos Tacos through its Decades Menu, tapping into Millennial and Gen Z nostalgia to reignite loyalty and deepen emotional connections with longtime fans.
 - McDonald’s is also embracing innovation with the launch of McCrispy Strips, its first new permanent menu item in over four years. Made with 100% white meat chicken and seasoned with a bold black pepper blend, the strips are served with a new Creamy Chili Dip, signaling a renewed focus on the booming chicken category. The brand also announced the return of the fan-favorite snack wraps, which debuted in July.
- Altogether, these moves reflect a broader shift: menu innovation is no longer a seasonal tactic but a core growth driver. Brands that blend creativity, nostalgia and bold flavor are setting the pace for the future of dining.

AI & AUTOMATION AT THE FOREFRONT

- In 2025, artificial intelligence is reshaping restaurant operations from the kitchen to customer experience. AI-powered training platforms are transforming restaurant operations by delivering personalized, on-demand learning experiences that adapt to each employee’s role, pace and performance. These systems are helping operators reduce turnover, accelerate onboarding and improve brand consistency across locations. As labor challenges persist, restaurants embracing AI-driven training are seeing faster ramp-up times and stronger team retention.
- Other technology initiatives include:
 - Chipotle has continued its testing of a robotic makeline developed back in 2023 by Hyphen at its Cultivate Center in California. The system automates bowl and salad preparation for digital orders, aiming to improve speed, accuracy and labor efficiency during peak hours.
 - Panera Bread is advancing its NextGen cafe model with AI-powered personalization, which was initially rolled out in 2020. It uses geo-fencing and digital menu boards to identify loyalty members as they arrive. In addition, it tailors their experience with customized greetings and menu suggestions as part of a broader strategy to blend convenience with hospitality.
 - Starbucks is scaling its “Siren Craft System,” which was unveiled in 2022. Now in over 1,100 stores, it is streamlining operations and improving wait time estimates. The system integrates with its Deep Brew AI platform to optimize labor and inventory while enhancing the barista and guest experience.
 - Yum! Brands launched “Byte by Yum!,” a proprietary AI-driven platform that integrates POS, kitchen, delivery and labor systems across its 25,000+ global locations. Introduced in February of 2025, this platform is designed to improve order accuracy, streamline operations and accelerate AI adoption across Yum!’s portfolio of brands.
- AI and automation are becoming central to restaurant innovation, streamlining everything from employee training to customer engagement. Brands investing in these technologies are setting new benchmarks for efficiency and experience.

CORPORATE FINANCE | CAPITAL MARKETS & ADVISORY | TREASURY & RISK MANAGEMENT

Sources: Bloomberg, USDA, National Restaurant Association, Restaurant Business Online, QSR Magazine, Company Website

INDUSTRY THEMES

OPTIMISTIC OUTLOOK ADMIDST INFLATION, TARIFFS, AND SUPPLY CHAIN DISRUPTIONS

- In 2025, the restaurant industry continues to evolve in response to macroeconomic shifts, but the overall outlook is increasingly optimistic. Inflation, once a major concern, has begun to ease. According to the Federal Reserve's June 2025 projections, core inflation is expected to decline to 3.1% this year, with further moderation anticipated into 2026 and 2027. The Consumer Price Index for June showed a modest 2.7% year-over-year increase, and food-at-home prices are forecasted to rise just 2.2% in 2025—below the 20-year historical average. This stabilization is giving operators more room to plan strategically, manage costs and reinvest in innovation and customer experience.
 - Despite optimism surrounding slowing inflation, certain commodities, such as beef, are seeing prices soar. Global beef prices are up 12% year-over-year as of June 2025 due to a combination of factors including droughts causing a reduction in cattle population, elevated grain prices, and a recent temporary ban of imported Mexican cattle due to an infestation of parasites.
- Tariffs remain a factor in the cost structure for certain imported goods, but they are no longer viewed as a significant headwind. In fact, recent developments including a temporary trade truce between the U.S. and China have helped ease market uncertainty and even boosted consumer confidence. Many operators are proactively managing these variables by exploring domestic sourcing, renegotiating vendor contracts and optimizing supply chains. These efforts are helping to maintain margin stability and reduce exposure to global volatility.
- Supply chain dynamics continue to evolve, but the industry is responding with resilience and creativity. Operators are investing in local sourcing, vertical integration and sustainable farming practices such as hydroponics and urban agriculture. These strategies not only mitigate risk but also align with consumer preferences for transparency and sustainability. Casual dining brands are adapting by experimenting with prix fixe menus, bundled offerings and tech-enabled service models to enhance value and streamline operations.
- While challenges remain, the industry is demonstrating a strong capacity to adapt and thrive. Companies and investors are closely monitoring inflation, tariffs and supply chain trends, but the prevailing sentiment is one of cautious optimism. Strategic innovation, operational agility, and a renewed focus on customer value are positioning the restaurant sector for a more stable and promising future.

M&A ACTIVITY REMAINS ROBUST

- M&A activity in the restaurant sector remains a powerful force in 2025, with private equity firms continuing to focus on high-growth, high-margin concepts that demonstrate both scalability and cultural relevance. The appetite for differentiated brands with strong digital infrastructure and global potential is intensifying, as investors seek to capitalize on evolving consumer preferences and resilient demand across fast casual and specialty segments. This year's deal flow reflects a broader industry shift toward concepts that not only perform well domestically but also resonate with younger demographics and international markets, signaling a new era of strategic portfolio building.
 - Among the most high-profile transactions, Roark Capital's ~\$1 billion acquisition of Dave's Hot Chicken has captured significant attention. With more than 315 locations and ~\$1 billion in systemwide sales, Dave's has quickly established itself as a leader in the chicken category. Its rapid growth and strong appeal among Gen Z have turned it into a cultural phenomenon, and Roark's investment signals the brand's potential to expand into a global powerhouse.
 - Meanwhile, Blackstone's acquisition of Jersey Mike's, reportedly valued at over \$8 billion, highlights the enduring strength of premium sandwich concepts. Jersey Mike's has consistently outperformed its peers in same-store sales and customer loyalty, bolstered by a robust digital presence and a commitment to quality that has earned it a devoted following. The deal marks a strategic move by Blackstone to anchor its portfolio with a brand that combines operational excellence with long-term growth potential. Additionally, Blackstone has been active elsewhere in the multi-unit space with recent investments into 7 Brew and Tropical Smoothie.
 - Private equity firm Bain Capital entered into an agreement to acquire Sizzling Platter, one of the largest multi-brand franchise operators in the U.S., in a deal worth more than \$1 billion. The Salt Lake City-based group runs over 800 restaurants across key restaurant brands including Little Caesars, Jamba, Wingstop, Dunkin' and Jersey Mike's.
 - Orangewood Partners has deepened its investment in Motley 7 Brew (M7B), a leading franchisee of the rapidly expanding 7 Brew Coffee brand. Known for its energetic drive-thru model and loyal customer base, 7 Brew is quickly becoming a standout in the competitive coffee space. Orangewood emphasized M7B's role in accelerating the brand's national footprint, positioning it as a cornerstone of its franchise-focused growth strategy.
 - Bojangles is reportedly exploring a sale that could value the Charlotte-based chain at over \$1.5 billion. The move reflects growing investor appetite for franchised restaurant brands, which are increasingly attractive for their scalable operations and royalty-driven revenue models. While no deal has been finalized, Bojangles appears well-positioned to take advantage of favorable M&A conditions and heightened interest in high-growth franchisors.
- These transactions signal a defining moment in the restaurant industry, where globally scalable and brand-rich initiatives are poised to attract premium investment and shape the competitive landscape ahead.

INSIGHTS FROM THE C-SUITE: KEY COMMENTARY

NOTABLE RECENT COMMENTARY FROM RESTAURANT EXECUTIVES



May 2025

“Despite broader uncertainty, we sustained momentum and delivered strong results, including positive traffic and expanded our reach, reinforcing our ability to capture the substantial white space opportunity in front of us.

Regardless of near-term headwinds, we remain unwavering in our long-term strategic approach and our value proposition remains clear and compelling, a menu where taste and health unite delivered with the relevance, convenience, quality and experience today's guests seek. Powering this momentum is our unit's economic engine, remaining strong and steadfast while fueling our growth and brand loyalty.”

– Brett Schulman, Chief Executive Officer & Director



May 2025

“On the culinary front, we are reinforcing the quality of our food and our fine casual positioning. In a short period of time, we have developed a robust calendar that is planned 12 months in advance, ensuring that we have compelling innovation and LTOs across our burgers and sandwiches, side items, shakes and drinks. Culinary innovation is the heartbeat of Shake Shack and developing ideas that QSR and even fast casual competitors are unable and unwilling to offer is one of the things that drives our competitive advantage.”

– Robert Lynch, Chief Executive Officer & Director



April 2025

“Finally, in general, our business has minimal supply chain-related tariff risk as most markets source within their country or with countries where there is not currently tariff risk. As a result, we expect tariffs to have an immaterial impact on our system-wide supply chain. Our global scale offers our system advantages to drive supply chain efficiencies, and our expert teams are partnering with suppliers and franchisees on the limited items where there is potential impact.

– Christopher Turner, Chief Financial & Franchise Officer



May 2025

In the U.S., overall QSR industry traffic from the low-income consumer cohort was down nearly double digits versus the prior year quarter. Unlike a few months ago, QSR traffic from middle-income consumers fell nearly as much, a clear indication that the economic pressure on traffic has broadened. However, traffic growth from the high-income cohort remains solid, illustrating the divided U.S. economy, where low- and middle-income consumers, in particular, are being weighed down by the cumulative impact of inflation and heightened anxiety about the economic outlook.





– Chris Kempczinski, President, Chairman & CEO

RESTAURANT INDUSTRY INSIGHTS

JULY 2025

 Citizens

SELECT M&A ACTIVITY

SELECTED RECENT RESTAURANT M&A TRANSACTIONS – LATEST TWELVE MONTHS					
Announced Date	Target	Acquiror	Enterprise Value	EV / LTM EBITDA	Target Business Description
July 2025	 (1)		—	—	Leading smoothie chain with more than 1,200 locations in the U.S.
June 2025	 (1)		—	—	Utah-based cookie and desert chain with more than 1,000 locations
June 2025	 (2)		—	—	Franchisee of 7 Brew, a leading drive-thru beverage chain
April 2025			\$1,000MM+	—	Franchisee operating 750 units across Little Caesars, Jamba, Wingstop, Dunkin', Jersey Mike's, Cinnabon, Red Robin and Sizzler
March 2025			—	—	Oregon-based build-your-own cinnamon roll concept
March 2025			—	—	Sandwich concept serving fresh, made-to-order sandwiches, wraps and salads
February 2025			~\$1,000MM	—	Fast casual restaurant chain specializing in Nashville-style hot chicken
February 2025	 (3)	<i>Multiple Investors</i>	—	—	New-York based fast casual chain offering customizable salads and other better-for-you options
February 2025			—	—	Fast casual restaurant chain specializing in Mediterranean-style food
January 2025			—	—	Florida-based better-for-you fast casual concept with more than 40 locations
January 2025			—	—	Largest Italian Ice concept in the world with a franchise network spanning over 575 locations
January 2025		 <small>Real Estate Investment & Management</small>	—	—	Massachusetts-based fast casual restaurant brand specializing in roast beef sandwiches

Sources: Company Filings, Company Presentations and Press Releases

1) Minority Investment

2) Add-on Investment

3) Capital Raise

RESTAURANT INDUSTRY INSIGHTS

JULY 2025

 Citizens

RELEVANT DATA POINTS (SAME-STORE SALES DATA)

RESTAURANT SAME-STORE SALES DATA

	2022				2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Chicken													
KFC	1.0%	(7.0%)	2.0%	1.0%	2.0%	5.0%	0.0%	0.0%	(7.0%)	(5.0%)	(5.0%)	(5.0%)	(1.0%)
Popeyes	(4.6%)	0.1%	1.3%	1.5%	3.4%	4.2%	5.6%	5.8%	6.2%	0.6%	(3.8%)	0.1%	(4.0%)
MEAN	(1.8%)	(3.5%)	1.7%	1.3%	2.7%	4.6%	2.8%	2.9%	(0.4%)	(2.2%)	(4.4%)	(2.5%)	(2.5%)
Coffee/Snack													
Dutch Bros. Coffee	6.0%	(3.3%)	1.7%	(0.6%)	(2.0%)	3.8%	4.0%	5.0%	10.0%	4.1%	2.7%	6.9%	4.7%
Starbucks	12.0%	9.0%	11.0%	10.0%	12.0%	7.0%	8.0%	5.0%	(3.0%)	(2.0%)	(6.0%)	(4.0%)	(2.0%)
Tim Horton's	8.4%	12.2%	9.8%	9.4%	13.8%	11.4%	6.8%	8.4%	6.9%	4.6%	2.3%	2.2%	(0.1%)
MEAN	8.8%	6.0%	7.5%	6.3%	7.9%	7.4%	6.3%	6.1%	4.6%	2.2%	(0.3%)	1.7%	0.9%
Mexican													
Del Taco	2.5%	3.5%	5.2%	3.0%	3.2%	1.7%	(1.5%)	2.2%	(1.4%)	(3.9%)	(3.9%)	(4.5%)	(3.6%)
Taco Bell	5.0%	8.0%	7.0%	11.0%	9.0%	4.0%	8.0%	3.0%	2.0%	5.0%	4.0%	5.0%	9.0%
MEAN	3.8%	5.8%	6.1%	7.0%	6.1%	2.9%	3.3%	2.6%	0.3%	0.6%	0.1%	0.3%	2.7%
Pizza													
Domino's	(3.6%)	(2.9%)	2.0%	0.9%	3.6%	0.1%	(0.6%)	2.8%	5.6%	4.8%	3.0%	0.4%	0.5%
Papa John's	1.9%	0.9%	(0.8%)	1.1%	0.0%	(1.4%)	2.9%	1.8%	(1.8%)	(3.6%)	(5.6%)	(4.4%)	(2.7%)
Pizza Hut	(6.0%)	(4.0%)	1.0%	4.0%	8.0%	1.0%	0.0%	(4.0%)	(6.0%)	(1.0%)	(1.0%)	(2.0%)	(5.0%)
Pizza Inn	22.8%	0.0%	12.5%	8.4%	15.6%	9.0%	6.8%	7.0%	(1.9%)	(1.5%)	(2.1%)	0.8%	2.5%
MEAN	3.8%	(1.5%)	3.7%	3.6%	6.8%	2.2%	2.3%	1.9%	(1.0%)	(0.3%)	(1.4%)	(1.3%)	(1.2%)
Burger													
Burger King	(0.5%)	0.4%	4.0%	5.0%	8.7%	8.3%	6.6%	6.4%	3.9%	0.1%	(0.4%)	1.5%	(1.1%)
Good Times Burgers & Frozen Custard	(0.9%)	1.6%	5.9%	3.0%	7.6%	2.1%	2.4%	4.1%	0.9%	5.8%	(0.1%)	0.0%	(3.6%)
Habit Burger Grill	3.0%	(4.0%)	(1.0%)	(1.0%)	0.0%	0.0%	(5.0%)	(5.0%)	(8.0%)	(6.0%)	(5.0%)	0.0%	(3.0%)
Jack in the Box	(0.8%)	(0.6%)	4.0%	7.8%	9.5%	7.9%	3.9%	0.8%	(2.5%)	(2.2%)	(2.1%)	0.4%	(4.4%)
McDonald's	3.5%	3.7%	6.1%	10.3%	12.6%	10.3%	8.1%	4.3%	2.5%	(0.7%)	0.3%	(1.4%)	(3.6%)
Wendy's	2.4%	2.3%	6.4%	5.9%	7.2%	4.9%	2.2%	0.9%	0.6%	0.6%	0.2%	4.1%	(2.8%)
MEAN	1.1%	0.6%	4.2%	5.2%	7.6%	5.6%	3.0%	1.9%	(0.4%)	(0.4%)	(1.2%)	0.8%	(3.1%)
MEAN TOTAL QSR	3.1%	1.2%	4.6%	4.7%	6.7%	4.7%	3.4%	2.9%	0.4%	(0.0%)	(1.3%)	0.0%	(1.2%)
Fast Casual													
BurgerFi	(5.0%)	(4.0%)	(7.0%)	(9.0%)	(4.0%)	(9.0%)	(11.0%)	(9.0%)	(13.0%)	N/A	N/A	N/A	N/A
Cava	N/A	13.3%	9.2%	14.8%	28.4%	18.2%	14.1%	11.4%	2.3%	14.4%	18.1%	21.2%	10.8%
Chipotle	9.0%	10.1%	7.6%	5.6%	10.9%	7.4%	5.0%	8.4%	7.0%	11.1%	6.0%	5.4%	(0.4%)
El Pollo Loco	7.8%	7.5%	3.8%	4.7%	0.8%	(3.4%)	0.8%	0.9%	5.1%	4.5%	2.7%	0.5%	(0.6%)
Firehouse Subs	4.5%	(1.2%)	0.3%	1.0%	6.7%	2.6%	3.9%	3.8%	0.3%	(0.1%)	(5.2%)	0.0%	0.3%
Fuzzy's Taco Shop	N/A	N/A	N/A	N/A	N/A	N/A	(5.0%)	(3.1%)	(9.8%)	(7.5%)	(9.6%)	(10.3%)	(12.2%)
Noodles & Company	6.4%	5.1%	2.1%	8.7%	6.4%	(5.5%)	(3.7%)	(4.2%)	(5.4%)	2.0%	(3.3%)	0.8%	4.4%
Pie Five	21.4%	0.0%	7.6%	6.3%	8.1%	0.6%	1.2%	0.8%	(6.4%)	(10.6%)	(8.7%)	(11.4%)	(5.6%)
Portillo's	8.2%	1.9%	5.8%	6.0%	9.1%	5.9%	3.9%	4.4%	(1.2%)	(0.6%)	(0.9%)	0.4%	1.8%
Potbelly	24.4%	17.2%	15.0%	18.9%	22.2%	12.9%	8.0%	6.3%	(0.2%)	0.4%	(1.8%)	0.3%	0.9%
Shake Shack	10.3%	10.1%	6.3%	5.1%	10.3%	3.0%	2.3%	2.8%	1.6%	4.0%	4.4%	4.3%	0.2%
Sweetgreen	35.0%	16.0%	6.0%	4.0%	5.0%	3.0%	4.0%	6.0%	5.0%	9.0%	6.0%	4.0%	(3.1%)
Wingstop	1.2%	(3.3%)	6.9%	8.7%	20.1%	16.8%	15.3%	21.2%	21.3%	28.7%	20.9%	10.1%	0.5%
MEAN	11.2%	6.1%	5.3%	6.2%	10.3%	4.4%	3.0%	3.8%	0.5%	4.6%	2.4%	2.1%	(0.3%)



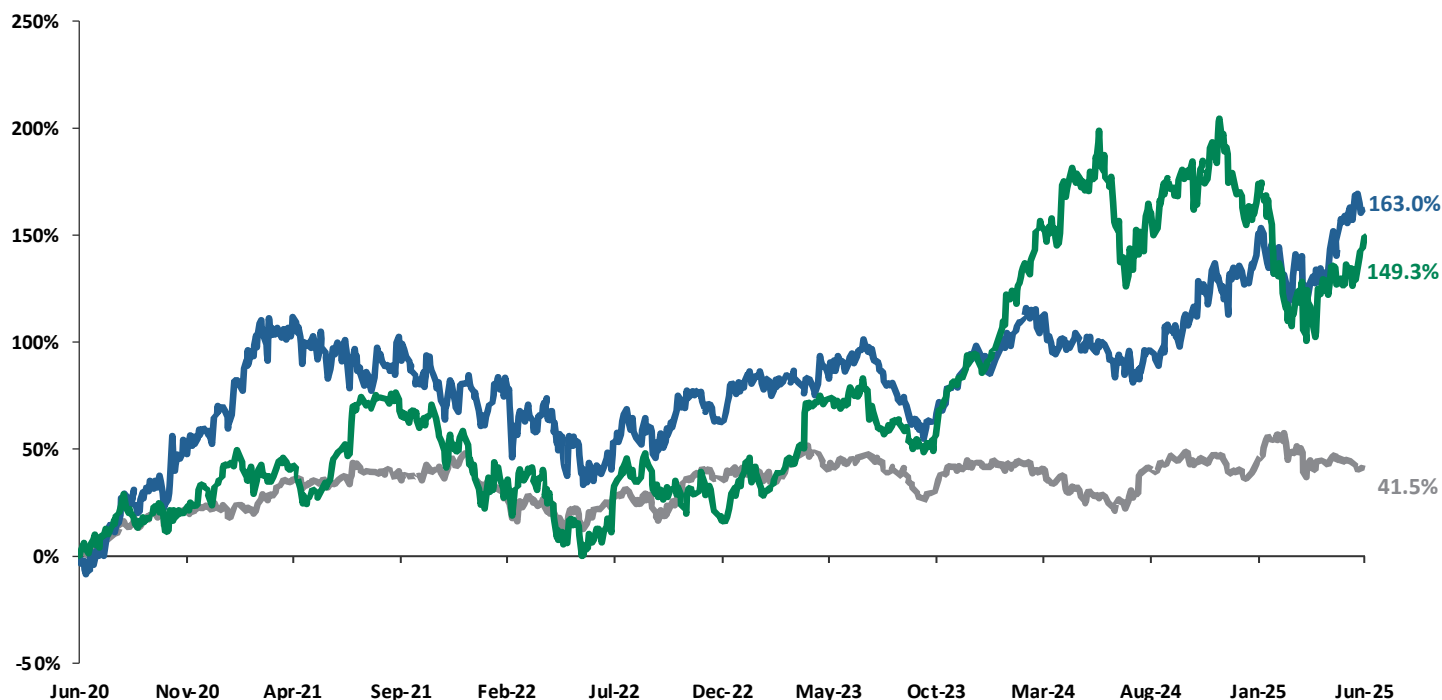
RELEVANT DATA POINTS (SAME-STORE SALES DATA)

RESTAURANT SAME-STORE SALES DATA (CONT.)

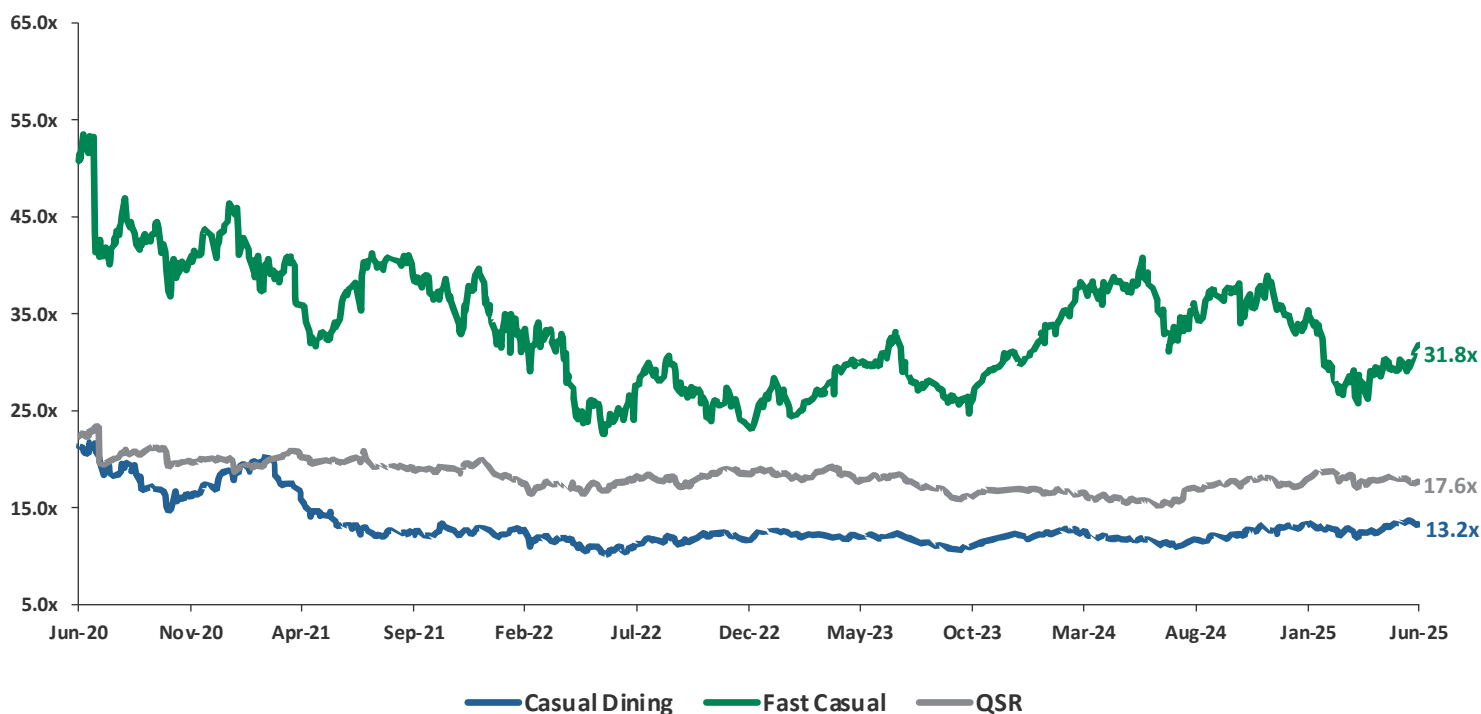
	2022				2023				2024				2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Family Dining													
Cracker Barrel	10.9%	0.0%	7.1%	8.4%	7.4%	2.4%	(0.5%)	1.2%	(1.5%)	0.4%	2.9%	4.7%	1.0%
Denny's	23.3%	2.5%	1.5%	2.0%	8.4%	3.0%	1.8%	1.3%	(1.3%)	(0.6%)	(0.1%)	1.1%	(3.0%)
First Watch	27.2%	13.4%	12.0%	7.7%	12.9%	7.8%	4.8%	5.0%	0.5%	(0.3%)	(1.9%)	(0.3%)	0.7%
IHOP	18.1%	3.6%	1.9%	2.0%	8.7%	2.1%	2.0%	1.6%	(1.7%)	(1.4%)	(2.1%)	(2.8%)	(2.7%)
Keke's Breakfast Cafe	N/A	N/A	N/A	N/A	N/A	N/A	(5.0%)	(3.1%)	(3.6%)	(4.6%)	(1.0%)	3.0%	3.9%
MEAN	19.9%	4.9%	5.6%	5.0%	9.4%	3.8%	0.6%	1.2%	(1.5%)	(1.3%)	(0.4%)	1.1%	(0.0%)
Casual Dining													
Anthony's	13.0%	3.0%	3.0%	1.0%	3.0%	1.0%	(5.0%)	(3.0%)	(2.0%)	N/A	N/A	N/A	N/A
Applebee's	14.3%	1.8%	3.8%	1.7%	6.1%	(1.0%)	(2.4%)	(0.5%)	(4.6%)	(1.8%)	(5.9%)	(4.7%)	(2.2%)
Bad Daddy's Burger Bar	15.5%	5.3%	3.7%	2.4%	4.6%	(1.4%)	(4.9%)	(6.2%)	(3.2%)	1.2%	3.2%	1.5%	(3.7%)
BJ's Restaurants	33.9%	11.7%	8.9%	6.6%	9.0%	4.7%	0.4%	0.6%	(1.7%)	(0.6%)	1.7%	5.5%	1.7%
Bonefish	21.3%	(1.1%)	(0.9%)	0.5%	5.2%	0.5%	(0.5%)	(3.0%)	(4.9%)	(2.0%)	(4.1%)	(1.5%)	(4.0%)
Bubba's 33	21.3%	8.1%	6.2%	6.6%	8.7%	3.9%	4.8%	3.3%	3.5%	5.5%	5.3%	6.7%	3.9%
Carrabba's Italian Grill	11.5%	(1.0%)	0.7%	2.8%	6.7%	3.5%	3.0%	2.5%	0.4%	2.0%	(1.5%)	(0.9%)	1.4%
Cheesecake Factory	20.7%	4.7%	1.1%	4.0%	5.7%	1.5%	2.4%	2.5%	(0.6%)	1.4%	1.6%	1.7%	1.0%
Chili's Grill & Bar	9.9%	0.1%	3.4%	7.5%	9.1%	6.0%	6.0%	5.1%	3.6%	1.5%	13.9%	30.8%	31.1%
Chuy's	11.4%	1.7%	2.6%	3.4%	8.0%	3.2%	2.0%	0.3%	(5.2%)	(2.0%)	N/A	N/A	N/A
Darden Other Business	55.2%	18.5%	7.6%	7.1%	11.7%	2.2%	1.7%	(1.1%)	(2.6%)	(1.1%)	(1.8%)	(5.8%)	(0.4%)
Dave & Buster's	10.9%	9.6%	13.3%	19.0%	(4.1%)	(6.3%)	(7.8%)	(7.0%)	(5.6%)	(6.3%)	(7.7%)	0.0%	(9.4%)
FAT Brands Inc.	16.8%	5.6%	7.0%	2.7%	4.3%	1.9%	1.3%	(0.6%)	(4.0%)	(1.6%)	(2.7%)	(1.6%)	(3.4%)
Gen Korean BBQ	N/A	N/A	N/A	N/A	N/A	1.4%	(1.2%)	(1.7%)	(1.8%)	(5.6%)	(9.6%)	(4.8%)	(0.7%)
Kona Grill	21.9%	3.7%	(3.6%)	(7.6%)	(4.3%)	(1.5%)	1.1%	(3.9%)	(9.7%)	(14.0%)	(17.0%)	(11.7%)	(13.7%)
Kura Sushi	182.9%	65.3%	27.6%	6.9%	17.4%	10.3%	6.5%	3.8%	3.0%	0.6%	(3.1%)	1.8%	(5.3%)
LongHorn Steakhouse	31.6%	10.6%	4.2%	7.3%	10.8%	7.1%	8.1%	4.9%	2.3%	4.0%	3.7%	7.5%	2.6%
Maggiano's	50.5%	30.1%	18.2%	21.2%	21.6%	9.1%	2.6%	6.7%	1.7%	2.5%	4.2%	1.8%	0.4%
North Italia	32.0%	12.0%	10.0%	9.0%	9.0%	8.0%	8.0%	7.0%	3.0%	2.0%	2.0%	1.0%	(1.0%)
Olive Garden	29.9%	6.5%	2.3%	7.6%	12.3%	4.4%	6.1%	4.1%	(1.8%)	(1.5%)	(2.9%)	2.0%	0.6%
Outback	9.2%	(1.1%)	2.3%	0.9%	4.9%	0.6%	(1.1%)	(0.3%)	(1.2%)	(0.1%)	(1.3%)	(1.8%)	(1.3%)
Pinstripes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.9%	0.4%	(2.4%)	(9.4%)	(7.7%)	N/A
Red Robin	19.7%	6.7%	5.3%	2.5%	8.6%	1.5%	(3.4%)	(2.7%)	(6.5%)	(0.8%)	0.6%	1.8%	3.1%
Texas Roadhouse	16.0%	7.6%	8.2%	7.3%	12.9%	9.1%	8.4%	10.2%	8.7%	9.4%	8.7%	7.8%	3.5%
MEAN	29.5%	9.5%	6.1%	5.5%	7.8%	3.0%	1.6%	1.2%	(1.2%)	(0.4%)	(1.0%)	1.3%	0.2%
Fine Dining													
Darden Fine Dining	85.8%	34.5%	7.6%	5.9%	11.7%	(1.9%)	(2.8%)	(1.7%)	(2.3%)	(2.6%)	(6.0%)	0.7%	(0.8%)
Fleming's	45.7%	6.0%	1.3%	3.1%	3.6%	(2.5%)	(4.1%)	(0.3%)	(2.0%)	(1.1%)	1.2%	3.0%	5.1%
STK	66.5%	19.8%	3.5%	0.0%	5.3%	(6.8%)	(5.5%)	(4.3%)	(6.8%)	(10.6%)	(11.1%)	(6.9%)	(3.6%)
MEAN	66.0%	20.1%	4.1%	3.0%	6.9%	(3.7%)	(4.1%)	(2.1%)	(3.7%)	(4.8%)	(5.3%)	(1.1%)	0.2%

PUBLIC MARKET PERSPECTIVE: EQUITY PERFORMANCE

5-YEAR EQUITY PERFORMANCE (SHARE PRICE PERFORMANCE)



5-YEAR FORWARD EV / EBITDA MULTIPLES



Sources: S&P Capital IQ (as of 6/30/25)

Note: Indices represent Market Capitalization-weighted average Enterprise Value / NTM EBITDA

Fast Casual includes CMG, CAVA, LOCO, NDLS, PBPB, PTLO, SG, SHAK, WING, FAT, KRUS, GTIM, RAVE

QSR includes DPZ, JACK, DNUT, MCD, NATH, PZZA, QSR, WEN, YUM, SBUX, BROS

Casual Dining includes BJRI, BLMN, EAT, PLAY, RRGB, TXRH, CAKE, DRI, CBRL, FWRG, DENN, BH.A, STKS, ARKR, GENK, DIN

RESTAURANT INDUSTRY INSIGHTS

JULY 2025

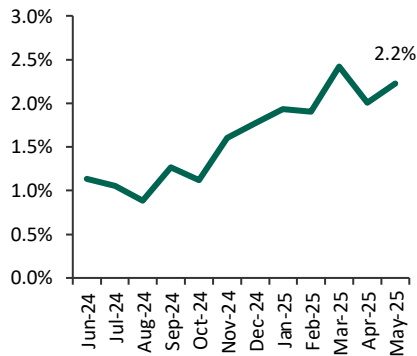


SELECT MACROECONOMIC AND COMMODITIES TRENDS

SELECT MACROECONOMIC DATA TRENDS

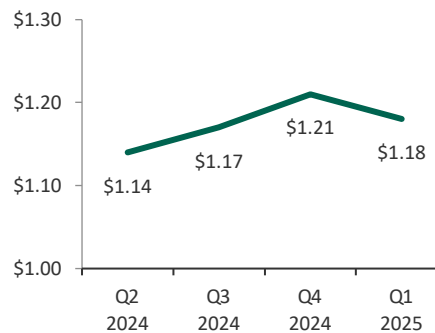
FOOD-AT-HOME CPI

(% YoY change)



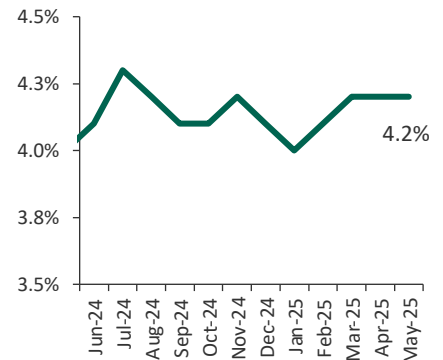
U.S. CREDIT CARD BALANCES

(\$ trillions)



U.S. UNEMPLOYMENT RATE

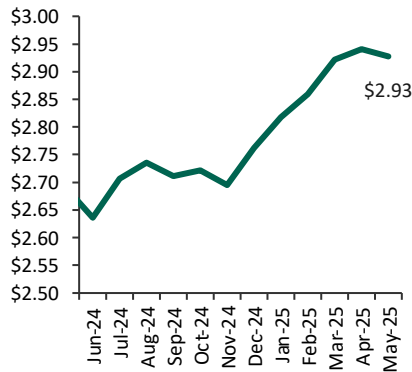
(%)



SELECT COMMODITY PRICE TRENDS

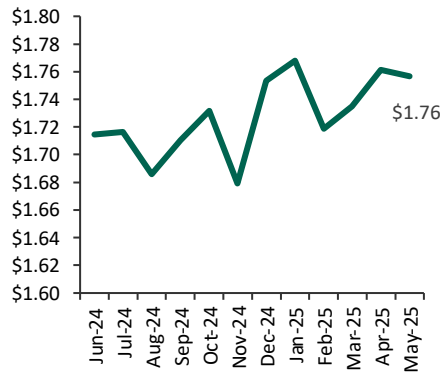
BEEF

(\$ per pound)



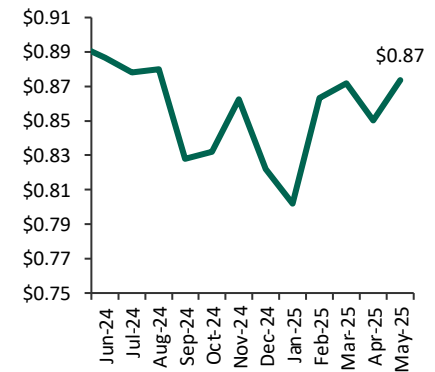
CHICKEN

(\$ per pound)



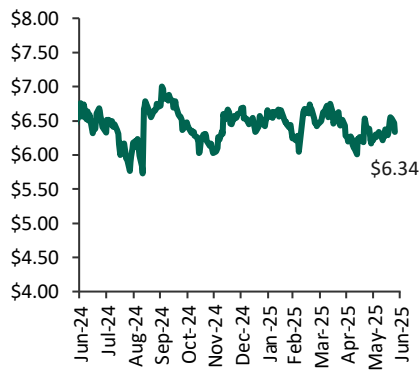
PORK

(\$ per pound)



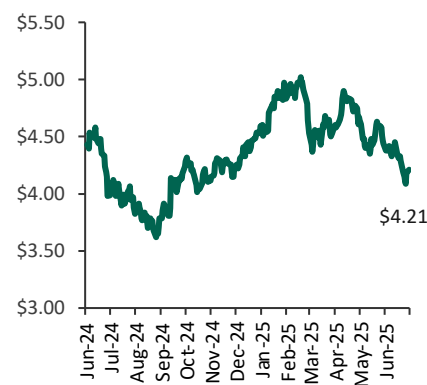
WHEAT

(\$ per bushel)



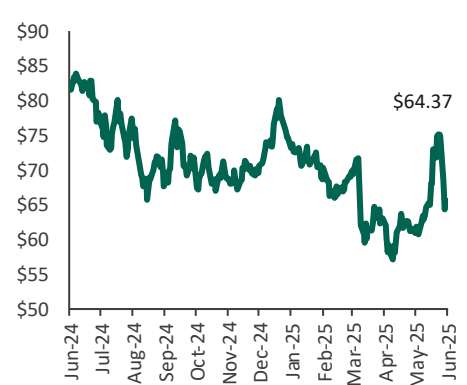
CORN

(\$ per bushel)



CRUDE OIL

(\$ per barrel)



Source(s): Federal Reserve Bank of St. Louis, Federal Reserve Bank of New York, Bureau of Labor Statistics, Macrotrends, Trading Economics, Market Watch
Note: Reflects latest available data

CITIZENS BANK RESTAURANT, FRANCHISE & MULTI-UNIT COVERAGE

WHO WE ARE

The Citizens Restaurant, Franchise & Multi-unit team provides deep industry knowledge and customized solutions to meet the financial and strategic needs of clients. The team's experienced bankers understand the complex needs of companies operating across the industry. As a growth-oriented institution, we provide a full suite of financing solutions and investment banking services.

- Dedicated industry coverage focused on capital markets and M&A advice, execution and idea generation for clients in the Restaurant, Franchise & Multi-unit space
- Capital markets expertise ranging from traditional commercial lending products to institutional market alternatives
- Comprehensive market insights, including industry outlook, M&A activity, valuation trends, leverage and pricing and structures for recent sector financings
- Long-term relationships with blue-chip private equity firms and family offices

WE PROVIDE OUR CLIENTS WITH A FULL SUITE OF CAPITAL MARKETS SOLUTIONS



Debt Capital Markets



M&A Advisory



Equity Capital Markets



Financial Sponsor Coverage



Corporate Banking

SELECTED RECENT SECTOR EXPERIENCE


A PORTFOLIO COMPANY OF

\$433,500,000
SENIOR CREDIT FACILITIES
Left Lead Arranger,
Joint Bookrunner, and
Administrative Agent
MAY 2025


A FRANCHISEE OF

HAS BEEN ACQUIRED BY

Financial Advisor to the Seller
MAY 2025


\$310,000,000
SENIOR CREDIT FACILITIES
Left Lead Arranger,
Joint Bookrunner, and
Administrative Agent
MARCH 2025


\$76,100,000
SENIOR CREDIT FACILITIES
Sole Lead Arranger and
Administrative Agent
JANUARY 2025

CAPITAL MARKETS AND ADVISORY SENIOR PROFESSIONALS

Bill Cvetkovski
Managing Director
Head of Consumer & Retail
704-496-5833

bill.j.cvetkovski@citizensbank.com

Darren Gange
Managing Director
M&A Advisory
516-790-4002

darren.gange@citizensbank.com

David Stiles
Managing Director
M&A Advisory
310-231-3110

david.stiles@citizensbank.com

Michael Cicuto
Managing Director
Debt Capital Markets
617-994-7335

michael.e.cicuto@citizensbank.com

Michael Myszkowski
Managing Director
Investment Banking
704-496-5842

michael.myszkowski@citizensbank.com

CORPORATE FINANCE | CAPITAL MARKETS & ADVISORY | TREASURY & RISK MANAGEMENT