

CITIZENS BANK RESTAURANT, FRANCHISE & MULTI-UNIT COVERAGE

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CITIZENS FINANCIAL GROUP AT A GLANCE

13th
Largest U.S. Bank

\$222.7 Billion
Assets

\$22.2 Billion
Market Cap

\$180.0 Billion
Deposits

~17,500
Professionals

3,000+
Corporate & Inv. Banking Clients

Providence, RI
Headquarters

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

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

CITIZENS BANK RESTAURANT, FRANCHISE & MULTI-UNIT COMPLETED TRANSACTIONS

ROBUST RESTAURANT, FRANCHISE & MULTI-UNIT FINANCING AND M&A PRACTICE

\$56,500,000
SENIOR CREDIT FACILITIES

Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

DECEMBER 2025

A FRANCHISEE OF TACO BELL

A PORTFOLIO COMPANY OF
ORANGEWOOD

\$666,825,000
SENIOR CREDIT FACILITIES

Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

DECEMBER 2025

A PORTFOLIO COMPANY OF
VantEdge
PARTNERS

\$446,415,625
SENIOR CREDIT FACILITIES

Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

DECEMBER 2025

\$150,000,000
SENIOR CREDIT FACILITY

Sole Lead Arranger,
Sole Bookrunner and
Administrative Agent

DECEMBER 2025

Hot North Chicken LLC

A FRANCHISEE OF

HAS BEEN ACQUIRED BY
A Confidential Party

Financial Advisor to the Seller

DECEMBER 2025

A PORTFOLIO COMPANY OF
ORANGEWOOD

UNDISCLOSED
SENIOR CREDIT FACILITIES

Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

DECEMBER 2025

HAS SOLD 115 CORPORATE-OWNED UNITS
TO

Financial Advisor to the Seller

DECEMBER 2025

\$500,000,000
SENIOR SECURED NOTES

Co-Manager

SEPTEMBER 2025

\$150,000,000
SENIOR CREDIT FACILITIES

Joint Lead Arranger

SEPTEMBER 2025

A PORTFOLIO COMPANY OF

\$2,522,000,000
SENIOR CREDIT FACILITIES

Joint Lead Arranger and
Joint Bookrunner

JULY 2025

A PORTFOLIO COMPANY OF

\$289,750,000
SENIOR CREDIT FACILITIES

Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

JULY 2025

A PORTFOLIO COMPANY OF

HAS COMPLETED A REFINANCING

Financial Advisor to the Borrower

JUNE 2025

CITIZENS BANK RESTAURANT, FRANCHISE & MULTI-UNIT COMPLETED TRANSACTIONS

ROBUST RESTAURANT, FRANCHISE & MULTI-UNIT FINANCING AND M&A PRACTICE

A FRANCHISEE OF

HAS COMPLETED A REFINANCING

Financial Advisor to the Borrower

JUNE 2025

\$70,000,000
SENIOR CREDIT FACILITIES
Sole Lead Arranger,
Sole Bookrunner,
and Administrative Agent

JUNE 2025

A FRANCHISEE OF

HAS BEEN ACQUIRED BY

Financial Advisor to the Seller

MAY 2025

A PORTFOLIO COMPANY OF

HAS BEEN ACQUIRED BY
(PFLC LLC)
359 Capital Partners

Financial Advisor to the Seller

MAY 2025

A PORTFOLIO COMPANY OF

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

MAY 2025

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

MARCH 2025

A PORTFOLIO COMPANY OF

\$170,370,000
SENIOR CREDIT FACILITIES
Left Lead Arranger,
Joint Bookrunner and
Administrative Agent

FEBRUARY 2025

*Charter Foods North
LLC*

\$630,000,000
SENIOR CREDIT FACILITIES
Joint Lead Arranger and
Co-Documentation Agent

FEBRUARY 2025

A PORTFOLIO COMPANY OF

\$2,536,000,000
SENIOR CREDIT FACILITIES
Joint Lead Arranger and
Joint Bookrunner

JANUARY 2025

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

JANUARY 2025

INTRODUCTION & INDUSTRY THEMES

STATE OF THE RESTAURANT, FRANCHISE & MULTI-UNIT INDUSTRIES

We are pleased to present the Citizens February 2026 Restaurant, Franchise & Multi-Unit Update. This comprehensive report explores the transformative landscape of the Restaurant industry as we head into the first half of 2026. We analyze the key trends affecting operators and consumers, including industry wide same-store sales softness, value wars across QSR, workforce dynamics and M&A. 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 2026 and beyond.

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SAME-STORE SALES SOFTNESS

- Industry-wide same-store sales (SSS) growth has slowed meaningfully in recent months, with October 2025 comps up just +0.7% YoY while traffic declined (2.0%), marking the softest results since February and March, respectively.
- Broader trends like consumer pullback and price sensitivity have contributed to weaker performance:
 - After aggressive increases, menu inflation has cooled to +3.7% YoY as of September, the slowest in nearly two years.
 - Restaurant prices still outpace grocery inflation by ~100bps, reinforcing the consumer trade-down trend toward at-home meals and accelerating traffic erosion.
- Low traffic levels have translated into slowing same-store sales results across most segments:
 - Fine dining surprisingly, led October sales growth after flipping positive, aided by sharp price increases that buoyed performance despite traffic erosion, while the Family Dining & Fast Casual segments both posted negative SSS in October, continuing a trend of underperformance as middle- and lower-income consumers trade down or opt for at-home meals.
 - The QSR segment provided mixed results, with McDonalds up +2.4% and Taco Bell up +7.0%, outperforming thanks to aggressive value platforms and popular loyalty programs, while the clear winner remains Casual Dining with SSS up >3.1% YoY, and positive SSS in seven of the past eight months driven by strong perceived value and effective promotional strategies.
- Additionally, GLP-1 usage has increased considerably with an estimated 23% of US households having at least one GLP-1 user in September, a trend that adversely affects traffic, as surveys have found that more than half of users are dining out less frequently.

QSR LEADERS DOUBLE DOWN ON EVERYDAY VALUE

- The QSR sector is entering an extended value war as softening traffic, inflationary pressures and competition from other QSR concepts and grocery prepared-foods force operators to offer more aggressive value bundles, while consumer expectations of value now extend beyond low prices to include portion size, quality, variety and customization.
- The ripple effects of the value war are prompting QSRs across categories to cut prices or introduce deeper value bundles, yet the strategy faces limits as many consumers still perceive dining out as a discretionary luxury, constraining how much discounted offerings can truly restore traffic.
 - McDonald's is doubling down on value as a core growth lever, evolving its McValue platform and relaunching Extra Value Meals (EVMs) to address consumer demand for affordability. With nationally advertised \$5-\$8 meal deals like the Sausage McMuffin and Big Mac combos, plus additions such as the Daily Double meal deal, the company aims to capture lower-income traffic, improve value perception scores and drive incremental visits. This strategy is critical given EVMs represent roughly 30% of U.S. transactions, and management expects awareness-driven comp sales and traffic gains to build over the coming quarters.
 - Burger King is leaning into value with its \$5 Duos and \$7 Trios platforms and the "You Rule" campaign, offering everyday affordable options while avoiding deep discounting. Management intends to use this strategy to strengthen value perceptions and maintain category outperformance.
- Looking ahead to 2026, competitive intensity is expected to increase as financially strained consumers become even more price-discerning, pushing QSRs to focus on clearer value communication, tighter everyday pricing and stronger differentiation around quality and portion credibility to defend share in a crowded marketplace.

INDUSTRY THEMES

WORKFORCE DYNAMICS AND THE PUSH FOR DESIGN EFFICIENCY

- In late 2025, turnover rates for full-service restaurants declined meaningfully, reflecting improved employee retention amid a softening labor market and rising unemployment. With fewer external job opportunities and heightened economic uncertainty, entry- and mid-level employees are increasingly reluctant to change positions, reducing voluntary exits. This dynamic provides operators with greater workforce stability, lowers recruitment and training costs and creates an environment conducive to operational consistency heading into 2026.
- The recovery, however, remains uneven across the workplace, with managerial turnover persisting as a structural challenge hovering around 35% at a costly replacement of up to \$17,000+ per General Manager (GM). Despite broader improvements in labor conditions, this persistent churn represents a significant cost headwind, highlighting the critical importance of leadership retention in protecting margin health and long-term unit economics.
- Operators are turning to and doubling down on innovative retention strategies like schedule flexibility, cross training and targeted bonuses that, which when coupled with AI-driven scheduling tools, optimize labor allocation and reduce burnout.
 - Yum! Brands has continued implementing Byte Coach, which uses AI and advanced workforce analytics to optimize labor allocation and scheduling, resulting in improved operational efficiency and a more productive workforce.
- Consolidating unit sizes is becoming a heavily utilized response in the face of increasing labor and overhead costs that historically has eroded margins across traditionally stable segments.
 - Captain D's recent roll out of double-drive thru small kitchen models caters to both customer and profit, with designs as small as 1,200 sq. ft. cutting kitchen space by ~20%, reducing build times by ~50%, and requiring fewer employees to operate.
 - Popular coffee concepts like Dutch Bros and 7 Brew exemplify efficiency and value. Dutch Bros' drive-thru stands prioritize speed and customer interaction over dine-in amenities, while 7 Brew's double-lane drive-thrus and modular builds allow franchisors to rapidly expand under labor-light operation and build out costs well below the industry standard.

2025 M&A REVIEW AND 2026 EXPECTATIONS

- Restaurant M&A activity has remained cautious, with transaction volume down nearly 29% year-over-year¹ to date, despite a proven appetite among strategic acquirers and financial sponsors for differentiated concepts, consolidation opportunities and scalable growth platforms. Buyers are increasingly gravitating toward franchise-driven models that offer asset-light structures, strong unit economics and brand equity. These characteristics allow acquirers to limit capital intensity, accelerate expansion through franchise networks and mitigate operational risk, making franchised concepts uniquely attractive in today's deal environment.
 - RaceTrac's acquisition of Potbelly added a high-growth brand with a clear path to 2,000 units, providing strategic benefits through complementary real estate, franchising and foodservice capabilities to accelerate expansion and diversify its portfolio.
 - TSG Consumer Partners acquired a minority stake in Crumbl to fuel its aggressive growth trajectory, supporting plans to expand beyond its current 1,100 unit footprint and capitalize on the brand's scalable franchise model, strong digital engagement and proven ability to drive attractive unit economics.
- The past year has seen renewed interest in mature concepts that have lost consumer relevance. Investors look to capture turnaround potential, unlock real-estate value and modernize legacy operating models in established brands with a dedicated core customer base. Buyers are increasingly viewing these underperforming brands as viable opportunities for disciplined repositioning in a more selective M&A environment.
 - Denny's announced plans to be acquired by a group of investors in a ~\$620 million deal, with the transaction aimed at revitalizing the mature brand and modernizing operations to restore relevance and drive long-term growth.
 - Hooters' founders, through Hoot Owl Restaurants, announced plans to acquire more than 100 company-owned locations from Hooters of America as part of a turnaround strategy. The group plans to simplify menus, improve recipes, upgrade kitchen equipment, refresh uniforms and strengthen community engagement to modernize operations and restore relevance. In addition, a new entity called Hooters Brand Management will be established to oversee franchise operations including advertising, purchasing and franchise development. This shift reflects a broader industry trend toward franchise-heavy models that offer greater agility and profitability.
- Looking ahead to 2026, the Restaurant M&A environment is expected to improve as interest rates begin to ease and liquidity conditions strengthen, supported by elevated amounts of dry powder and more accessible financing, while ongoing consumer pressure and margin volatility continue to push buyers toward concepts with resilient unit economics, asset-light franchise models and clear levers for growth, particularly as operators manage inflationary costs, traffic softness and evolving preferences toward value-driven dining.

INSIGHTS FROM THE C-SUITE: KEY COMMENTARY

NOTABLE RECENT COMMENTARY FROM RESTAURANT EXECUTIVES



November 2025

“And our value proposition, we believe, is much more holistic than a price point. And one of the best things that we can do is deliver exceptional guest experiences. That’s foundational to driving traffic over the long term and driving a competitive advantage in concert with our unique differentiated Mediterranean cuisine. And so we’re just doubling down on that. It’s been core to who we are throughout our journey, and we want to make sure that we’re putting our best foot forward in a time when consumers are becoming increasingly discerning about where they’re spending their dollars and that we also have the breadth and depth of pipeline to continue to support the new restaurant openings that are opening at record levels and opening them with operational integrity.”

– Brett Schulman, Chief Executive Officer & Director



November 2025

“To remain competitive in the dynamic QSR marketplace, we must execute on our second strategic priority of amplifying our marketing message to differentiate our brand and win customer consideration. And in this environment, price is a key component.

Accordingly, we sharpened our value proposition. We pulsed in additional promotions such as, Buy One Get One Free Pizza offers in mid-September and mid-October, which were effective in driving orders with multiple pizzas and bending the trends for select weeks.

To capture the small ticket, lower frequency customer, we recently launched a 50% off carryout offer supported by media. Very preliminary results show improved order trends, but we would like to see the offer out in the market longer before making any definitive statements.”

– Todd Penegor, President, CEO & Director



October 2025

“Finally, the promotional environment has intensified with value as a price point and menu innovation escalating throughout the year. Despite these headwinds, Chipotle maintained stable wallet share in the third quarter, but we aim to get back to consistent share gains. While value as a price point is not and will not be a Chipotle strategy, we are using this challenging period to strengthen our consumer flywheel by improving execution, enhancing how we communicate value and accelerating menu and digital innovation.”

– Scott Boatwright, CEO & Director



November 2025

“In the U.S., we continue to see a bifurcated consumer base with QSR traffic from lower income consumers declining nearly double digits in the third quarter, a trend that’s persisted for nearly 2 years. In contrast, QSR traffic growth among higher income consumers remained strong, increasing nearly double digits in the quarter. We continue to remain cautious about the health of the consumer in the U.S. and our top international markets and believe the pressures will continue well into 2026.”

– Chris Kempczinski, President, Chairman & CEO

RESTAURANT INDUSTRY INSIGHTS

February 2026



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
November 2025	california PIZZA KITCHEN	ELDRIDGE	—	—	Operator of casual dining restaurants specializing in California-style cuisine
November 2025	Hooters of America (3)	Hooters Inc.	—	—	Franchisee of Hooters, a casual dining chain featuring music, sports, sandwiches, chicken wings, burgers, etc.
October 2025	Denny's	TREVILLE CAPITAL GROUP YADAV ENTERPRISES	\$620MM	7.8x	Owner/franchisor of full-service restaurant chains Denny's and Keke's Breakfast Club
October 2025	DEL TACO	YADAV ENTERPRISES	\$115MM	5.8x	Operator and franchisor of restaurants serving made-to-order cuisine, including both Mexican-inspired and American classic dishes
August 2025	POTBELLY SANDWICH SHOP	RaceTrac	\$697MM	26.9x	Owner and franchisor of limited-service restaurants serving sandwiches, salads and shakes
August 2025	Freddy's	R H Ô N E	\$700MM	—	Operator of a fast-food restaurant chain offering cooked-to-order meals like steakburgers, shoestring fries and frozen custard
August 2025	Philz Coffee	FS Freeman Spogli & Co.	—	—	Operator of a beverage chain providing handcrafted customized coffee
July 2025	SMOOTHIE KING (1)	MAIN POST PARTNERS	—	—	Leading smoothie chain with more than 1,200 locations in the U.S.
June 2025	crumbl cookies (1)	TSG CONSUMER	—	—	Utah-based cookie and desert chain with more than 1,000 locations
June 2025	MOTLEY 7 BREW (2)	ORANGEWOOD	—	—	Franchisee of 7 Brew, a leading drive-thru beverage chain
April 2025	SIZZLING PLATTER	BainCapital	\$1,000MM+	—	Franchisee operating 750 units across Little Caesars, Jamba, Wingstop, Dunkin', Jersey Mike's, Cinnabon, Red Robin and Sizzler
March 2025	KINNAMONS	GRAVEWORTHY BRANDS	—	—	Oregon-based build-your-own cinnamon roll concept

Sources: Company Filings, Company Presentations and Press Releases

1) Minority Investment

2) Add-on Investment

3) 100+ company owned stores

RESTAURANT INDUSTRY INSIGHTS

February 2026



RESTAURANT SAME-STORE SALES DATA

	2021				2022				2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Chicken																			
KFC	14.0%	11.0%	4.0%	4.0%	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%)	(5.0%)	2.0%
Popeyes	0.9%	(2.5%)	(4.5%)	(1.8%)	(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%)	(0.9%)	(2.0%)
MEAN	7.5%	4.3%	(0.3%)	1.1%	(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%)	(3.0%)	0.0%
Coffee/Snack																			
Dutch Bros. Coffee	N/A	N/A	7.3%	10.1%	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%	6.1%	5.7%
Starbucks	9.0%	83.0%	22.0%	18.0%	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%)	(2.0%)	0.0%
Tim Horton's	(2.3%)	27.6%	8.9%	10.3%	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%)	3.6%	4.2%
MEAN	3.4%	55.3%	12.7%	12.8%	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%	2.6%	3.3%
Mexican																			
Del Taco	9.1%	17.8%	1.8%	0.0%	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%)	(2.6%)	(3.9%)
Taco Bell	9.0%	21.0%	5.0%	8.0%	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%	4.0%	7.0%
MEAN	9.1%	19.4%	3.4%	4.0%	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%	0.7%	1.6%
Pizza																			
Domino's	13.4%	3.5%	(1.9%)	1.0%	(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%	3.4%	5.2%
Papa John's	26.2%	5.2%	6.9%	11.1%	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%)	0.9%	(3.1%)
Pizza Hut	16.0%	4.0%	2.0%	1.0%	(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%)	(5.0%)	(6.0%)
Pizza Inn	(3.1%)	0.0%	25.0%	31.0%	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%	6.3%	8.1%
MEAN	13.1%	3.2%	8.0%	11.0%	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%)	1.4%	1.1%
Burger																			
Burger King	6.6%	13.0%	(1.6%)	1.8%	(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%)	1.5%	3.2%
Good Times Burgers & Frozen Custard	22.9%	2.9%	(0.2%)	5.9%	(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%)	(9.0%)	(6.6%)
Habit Burger Grill	13.0%	31.0%	11.0%	11.0%	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%)	(4.0%)	1.0%
Jack in the Box	20.6%	10.2%	0.1%	1.2%	(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%)	(7.1%)	(7.4%)
McDonald's	13.6%	25.9%	9.6%	7.5%	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%)	2.5%	2.4%
Wendy's	13.5%	16.1%	2.1%	6.1%	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%)	(3.6%)	(4.7%)
MEAN	15.0%	16.5%	3.5%	5.6%	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%)	(3.3%)	(2.0%)
MEAN TOTAL QSR	11.4%	16.9%	5.7%	7.4%	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%)	(0.6%)	0.3%
Fast Casual																			
Cava	N/A	N/A	N/A	N/A	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%	2.1%	1.9%
Chipotle	17.2%	31.2%	15.1%	15.2%	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%)	(4.0%)	0.3%
El Pollo Loco	7.4%	21.0%	9.3%	11.0%	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%)	(0.3%)	(0.8%)
Firehouse Subs	23.9%	N/A	N/A	15.2%	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%	(1.1%)	2.5%
Fuzzy's Taco Shop	N/A	N/A	N/A	N/A	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%)	(11.8%)	(1.5%)
Noodles & Company	10.7%	56.8%	16.3%	22.1%	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%	1.5%	4.0%
Pie Five	(21.0%)	0.0%	18.0%	15.0%	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%)	(7.2%)	(9.1%)
Portillo's	0.8%	26.1%	6.8%	10.3%	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%	0.7%	(0.8%)
Pottbelly	(3.1%)	70.0%	33.7%	33.8%	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%	3.2%	N/A
Shake Shack	5.7%	52.7%	24.8%	20.8%	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%	1.8%	4.9%
Sweetgreen	(26.0%)	N/A	N/A	36.0%	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%)	(7.6%)	(9.5%)
Wingstop	20.7%	2.1%	3.9%	7.5%	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%	(1.9%)	(5.6%)
MEAN	3.6%	32.5%	16.0%	18.7%	12.8%	7.0%	6.4%	7.6%	11.6%	5.6%	4.2%	4.9%	1.6%	4.6%	2.4%	2.1%	(0.3%)	(2.1%)	(1.2%)

Sources: Restaurant Research LLC, Capital IQ, Technomic and company filings

RESTAURANT INDUSTRY INSIGHTS

February 2026



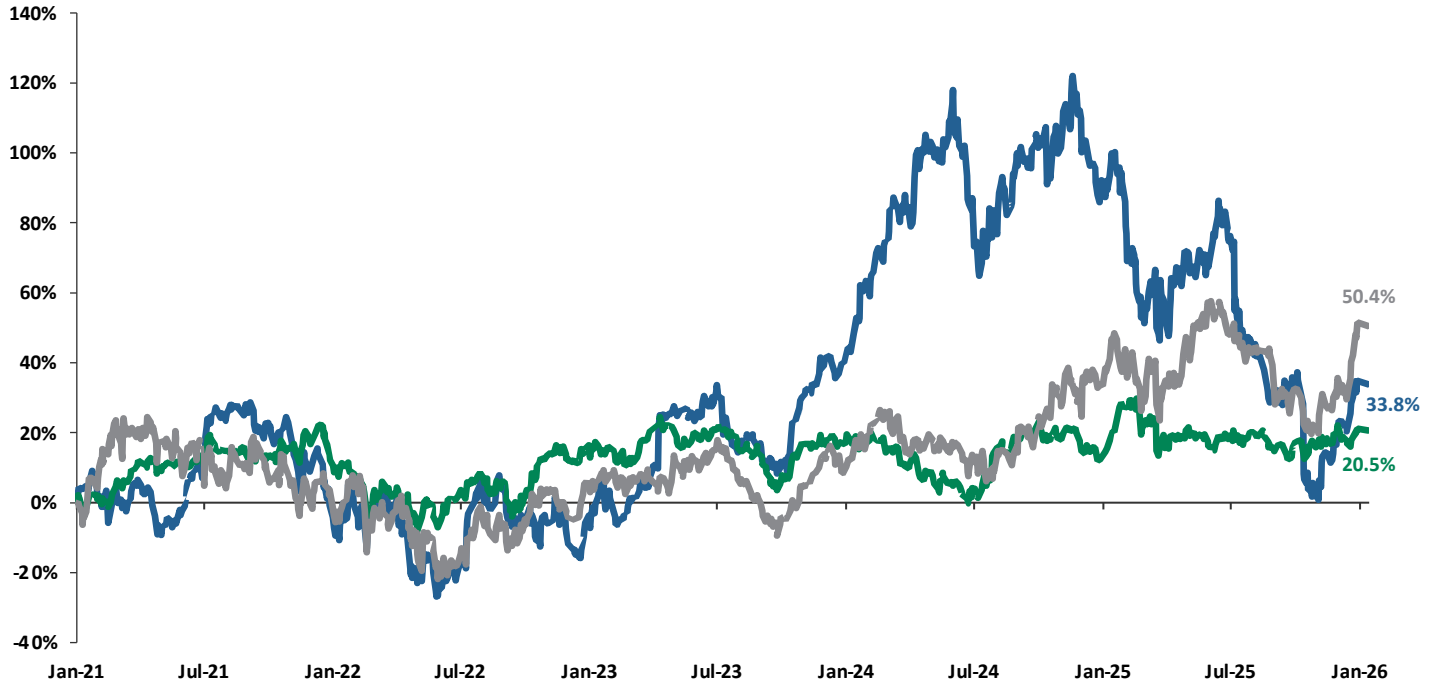
RESTAURANT SAME-STORE SALES DATA

	2021				2022				2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Family Dining																			
Cracker Barrel	(8.6%)	0.0%	19.0%	25.9%	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%	5.4%	(4.7%)
Denny's	(9.7%)	117.0%	50.2%	49.0%	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%)	(1.3%)	(2.9%)
First Watch	N/A	N/A	46.2%	36.7%	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%	3.5%	7.1%
IHOP	(0.9%)	120.1%	40.1%	39.2%	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%)	(2.3%)	(1.5%)
Keke's Breakfast Cafe	N/A	N/A	N/A	N/A	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%	4.0%	1.1%
MEAN	(6.4%)	79.0%	38.9%	37.7%	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%)	1.9%	(0.2%)
Casual Dining																			
Applebee's	11.9%	102.2%	27.7%	34.8%	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%)	4.9%	3.1%
Bad Daddy's Burger Bar	9.1%	61.4%	22.8%	24.0%	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%)	(1.4%)	(4.6%)
BJ's Restaurants	(13.0%)	121.9%	41.8%	45.6%	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%	2.9%	0.5%
Bonefish	(2.9%)	141.2%	36.6%	39.0%	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%)	(5.8%)	0.8%
Bubba's 33	24.1%	115.4%	25.6%	30.8%	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%	4.3%	1.8%
Carrabba's Italian Grill	8.9%	84.3%	28.8%	24.4%	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%	3.9%	4.1%
Cheesecake Factory	2.8%	150.0%	41.1%	33.8%	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%	1.2%	0.3%
Chili's Grill & Bar	0.6%	62.1%	13.8%	11.5%	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%	23.2%	21.4%
Darden Other Business	(36.9%)	160.7%	65.8%	42.9%	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%)	1.2%	3.1%
Dave & Buster's	(70.0%)	(35.0%)	3.6%	0.0%	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%)	(8.3%)	(4.0%)
FAT Brands Inc.	8.7%	54.6%	17.3%	0.0%	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%)	(3.9%)	(3.5%)
Gen Korean BBQ	N/A	N/A	N/A	N/A	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%)	(7.2%)	(9.9%)
Kona Grill	26.6%	160.6%	36.8%	50.2%	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%)	(14.6%)	(11.8%)
Kura Sushi	(60.2%)	456.0%	291.4%	154.3%	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%)	(2.1%)	0.2%
LongHorn Steakhouse	(12.6%)	107.5%	47.0%	31.2%	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%	6.7%	5.9%
Maggiano's	(29.6%)	147.9%	62.6%	78.1%	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%	(0.4%)	(6.4%)
North Italia	5.0%	182.0%	38.0%	37.0%	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%)	(1.0%)	(3.0%)
Olive Garden	(25.8%)	61.9%	37.1%	29.3%	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%	6.9%	4.7%
Outback	4.1%	65.8%	18.3%	20.7%	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%)	(0.6%)	0.4%
Red Robin	10.0%	66.3%	34.3%	40.1%	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%	(3.2%)	(1.2%)
Texas Roadhouse	18.5%	80.2%	30.2%	33.1%	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%	5.9%	6.3%
MEAN	(6.0%)	117.4%	46.0%	38.0%	31.3%	10.2%	6.5%	5.8%	8.0%	3.1%	1.9%	1.1%	(1.0%)	(0.3%)	(0.6%)	1.8%	0.2%	0.6%	0.4%
Fine Dining																			
Darden Fine Dining	(45.2%)	143.6%	84.6%	61.6%	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%)	(3.3%)	0.8%
Fleming's	(2.3%)	182.6%	59.6%	71.1%	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%	3.8%	1.2%
STK	20.8%	725.7%	130.6%	113.5%	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%)	(6.0%)	(5.8%)
MEAN	(8.9%)	350.6%	91.6%	82.1%	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%	(1.8%)	(1.3%)

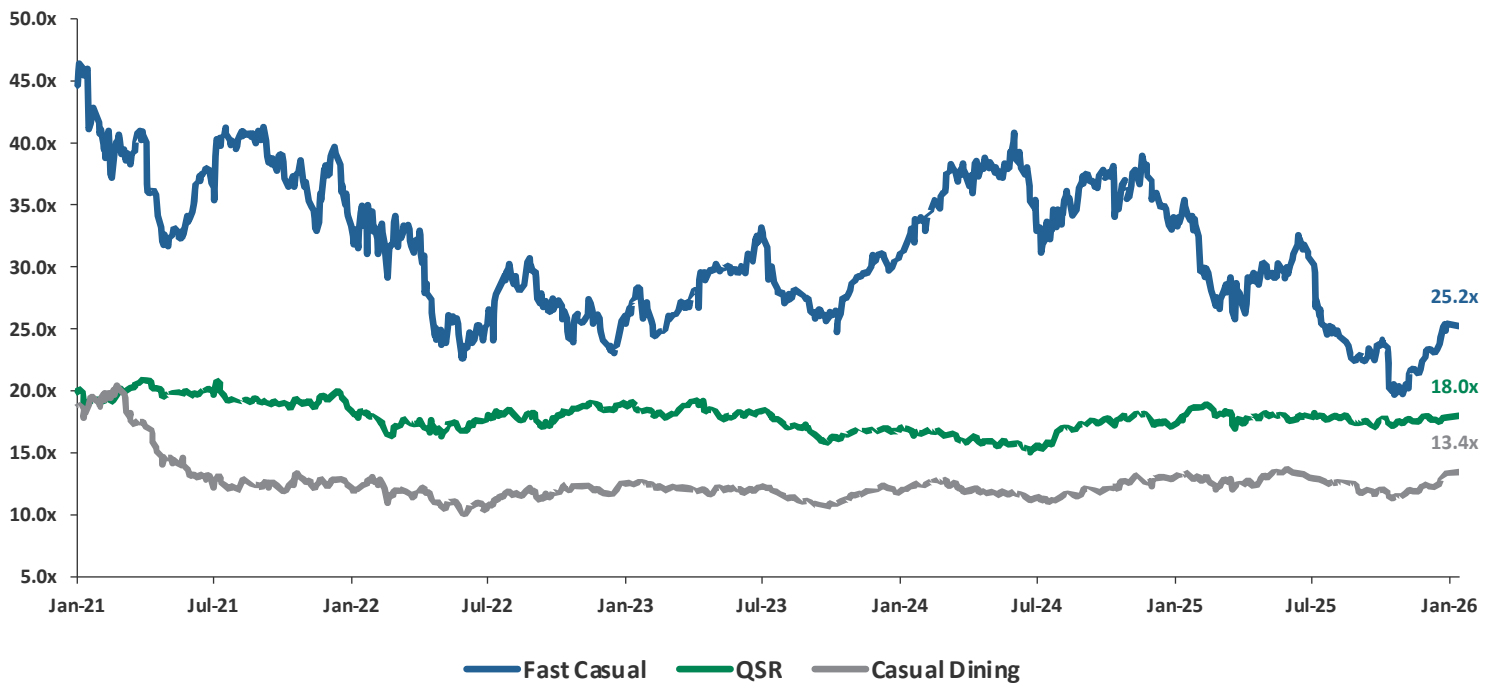
Sources: Restaurant Research LLC, Capital IQ, Technomic and company filings

PUBLIC MARKET PERSPECTIVE: EQUITY PERFORMANCE

5-YEAR EQUITY PERFORMANCE (SHARE PRICE PERFORMANCE)



5-YEAR FORWARD EV / EBITDA MULTIPLES

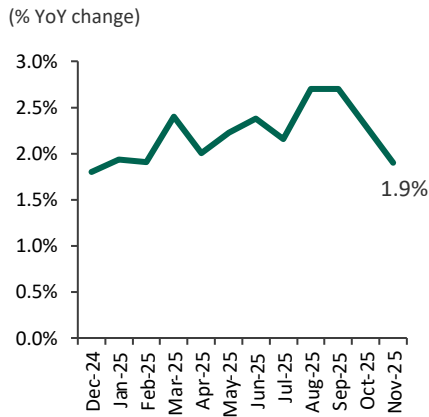


Sources: S&P Capital IQ (as of 1/19/26)
 Note: Indices represent Market Capitalization-weighted average Enterprise Value / NTM EBITDA
 Fast Casual includes CMG, CAVA, LOCO, NDLS, PBFB, PTLO, SG, SHAK, WING, FAT, KRUS, GTIM, RAVE
 QSR includes DPZ, JACK, DNU, MCD, NATH, PZZA, QSR, WEN, YUM, SBUX, BROS
 Casual Dining includes BJRI, BLMN, EAT, PLAY, RRGB, TXRH, CAKE, DRI, CBRL, FWRG, DENN, BH.A, STKS, ARKR, GENK, DIN

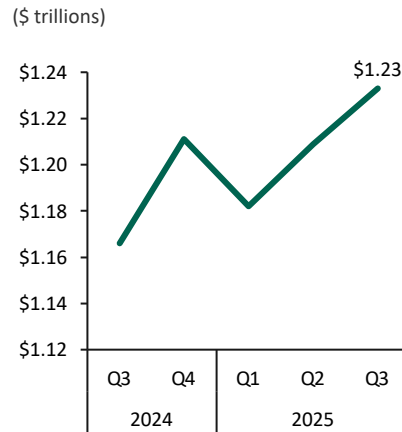
SELECT MACROECONOMIC AND COMMODITIES TRENDS

SELECT MACROECONOMIC DATA TRENDS

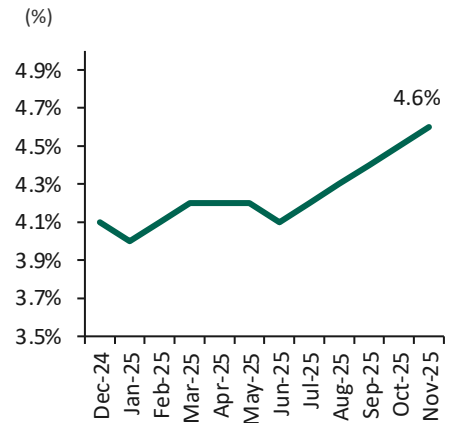
FOOD-AT-HOME CPI



U.S. CREDIT CARD BALANCES

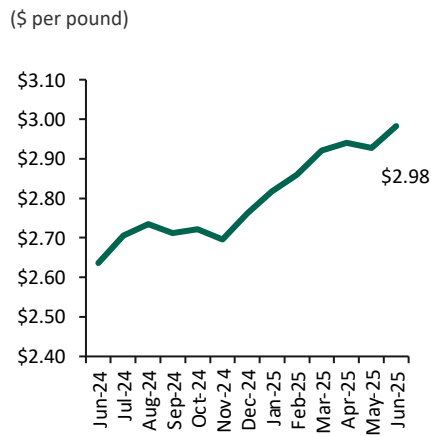


U.S. UNEMPLOYMENT RATE

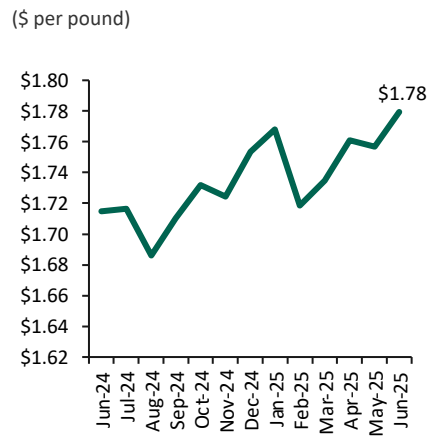


SELECT COMMODITY PRICE TRENDS

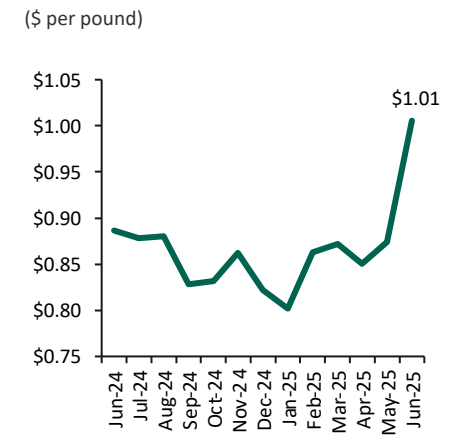
BEEF



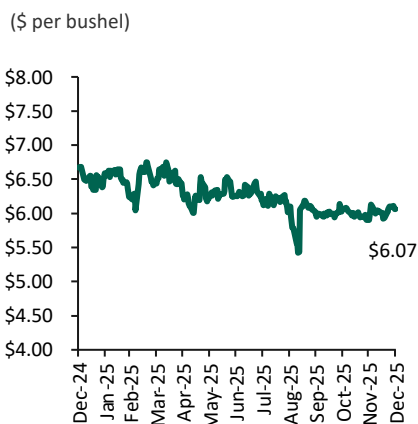
CHICKEN



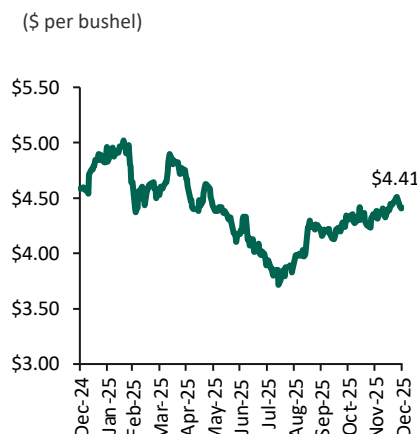
PORK



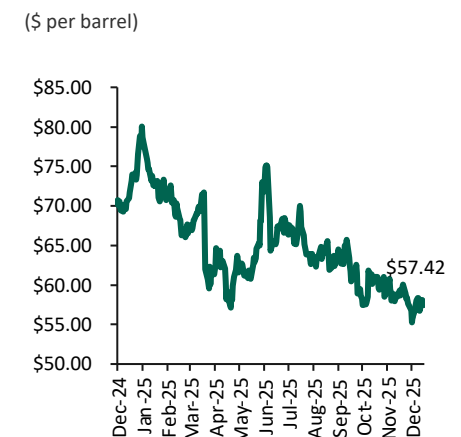
WHEAT



CORN



CRUDE OIL



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