



# MERIDIAN CAPITAL

## Restaurants

### *M&A Market Snapshot*

#### MERIDIAN CAPITAL'S CONSUMER INDUSTRY TEAM

- SUMMER 2025 -



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#### *Overview*

Meridian Capital's Consumer practice has been a core focus area of the firm since its founding in 1995. Several of Meridian's founding partners have built household-name brands and run large consumer product companies as entrepreneurs and operators. Their knowledge and appreciation for the sector is a key pillar of the practice and continues to benefit our clients today.

The Consumer team possesses deep industry relationships with leading investors and acquirers across the sector and stays in front of the latest trends and considerations.



# At A Glance

## Industry Overview & Trends

- Amid the threat of tariffs, investors continue to prioritize domestic service businesses, like restaurants, bars, and entertainment venues
- The last 2 quarters saw an uptick in transaction volume and value as investors continued to prioritize resilient and profitable domestic companies
- Private equity firms are showing renewed and strong interest in the restaurant sector, indicating they are seeing long-term growth potential and are actively deploying capital

## By The Numbers

### Last 3 Years

### Last 4 Quarters

(Q2 2024 – Q1 2025)

### Comparison

**181**

Average Yearly  
Transaction Volume

**196**

Average Yearly  
Transaction Volume

**\$16M**

Median Deal Size

**\$11M**

Median Deal Size

**5.8x**

Median Transaction EV  
/ EBITDA Multiple

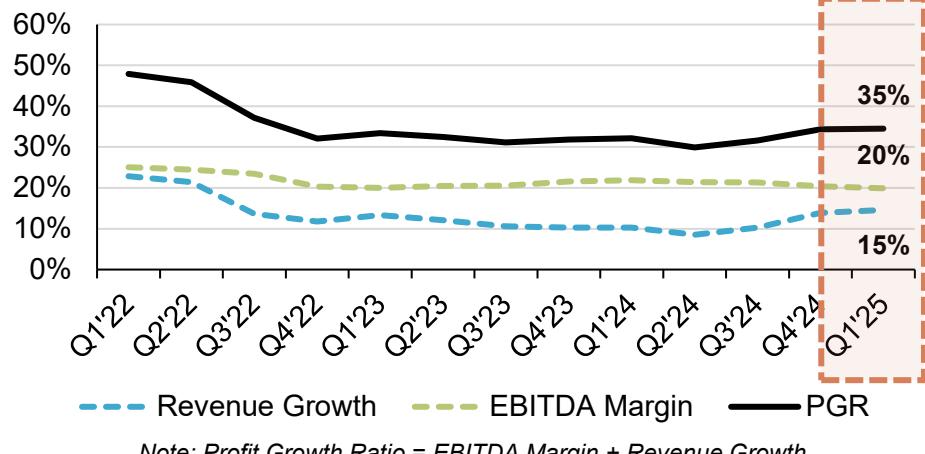
**7.6x**

Median Transaction EV  
/ EBITDA Multiple

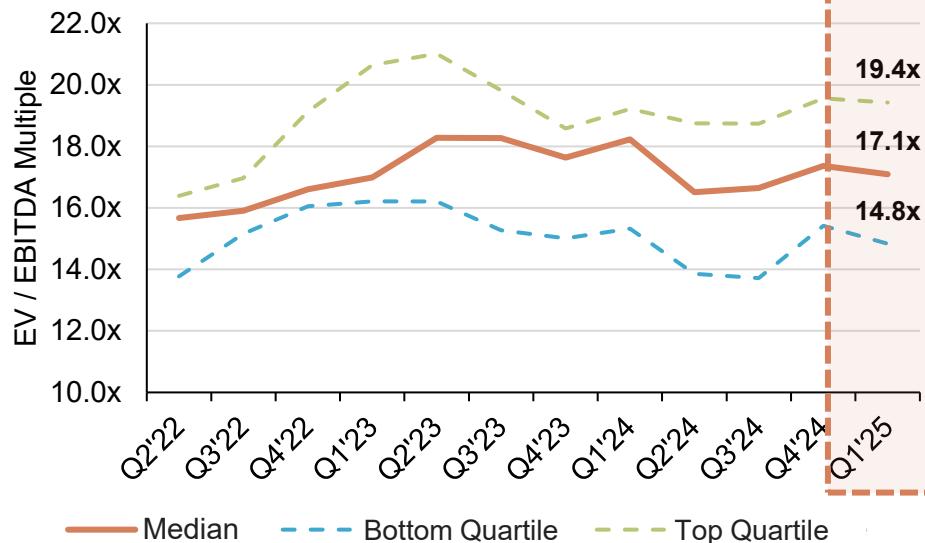


## Performance Metrics Over Time

### Profit Growth Ratio (PGR) – Public Companies



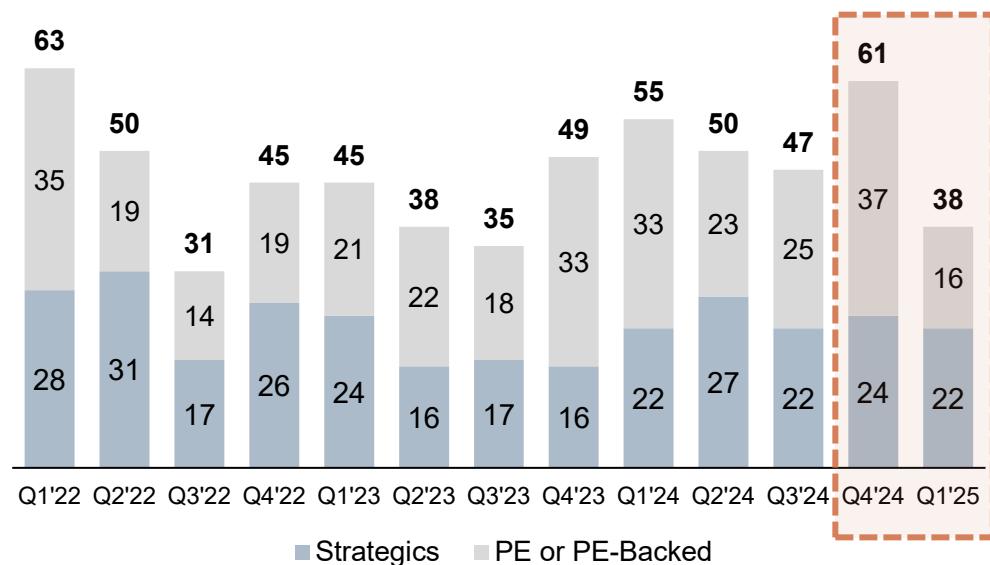
### EV / EBITDA Multiple – Public Companies





# Restaurants M&A Trends

## Breakdown of M&A Deals by Quarter



## Highly Acquisitive Players



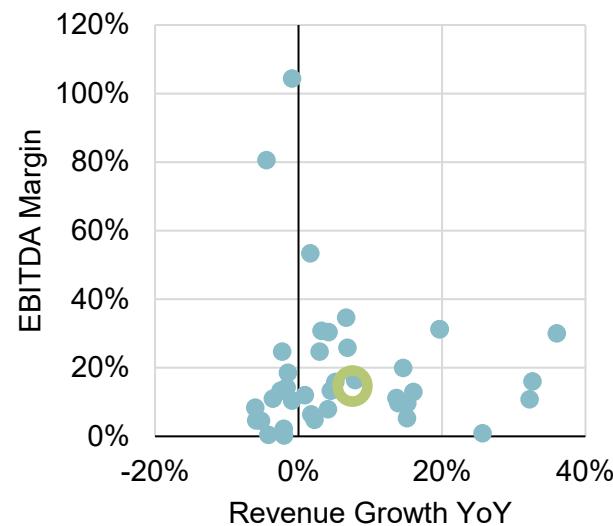
## Recent M&A Transactions

Date	Target	Acquirer	Target Description
May-25	U.S. Pizza Company	FoxDen Capital	Regional pizza restaurant
Mar-25	45 Pizza Hut Locations	Flynn Group	Pizza franchise
Mar-25	Tavern in the Square	Authentic Restaurant Brands	Restaurant chain
Feb-25	Jersey Mike's Subs	Blackstone	Sub sandwich franchise
Jan-25	Pizza Factory	Wonder	Pizza restaurant franchise
Jan-25	Kelly's Roast Beef	AAM 15 Management	Roast beef sandwich chain
Dec-24	Hickory Tavern	Artistry Restaurants	Casual dining chain
Dec-24	Uncle Julio's	Sun Holdings	Mexican restaurant chain
Dec-24	Rock Bottom Restaurants	Kelly Companies	Casual dining chain
Dec-24	Wings 'N More	Goode Partners	Casual dining chain
Nov-24	32 Wendy's Locations	Flynn Group	Fast food franchise
Nov-24	Fresh Brothers	Craveworthy Brands	Casual dining chain
Nov-24	Rita's	Maple Park Capital Partners	Italian dessert chain
Nov-24	Buca di Beppo	Main Street Capital	Italian restaurant chain
Oct-24	Tender Greens	Breakwater Management	Casual dining chain
Oct-24	Mo' Bettahs	Trive Capital	Hawaiian BBQ chain
Oct-24	Chuy's Holdings	Darden Restaurants	Mexican restaurant chain

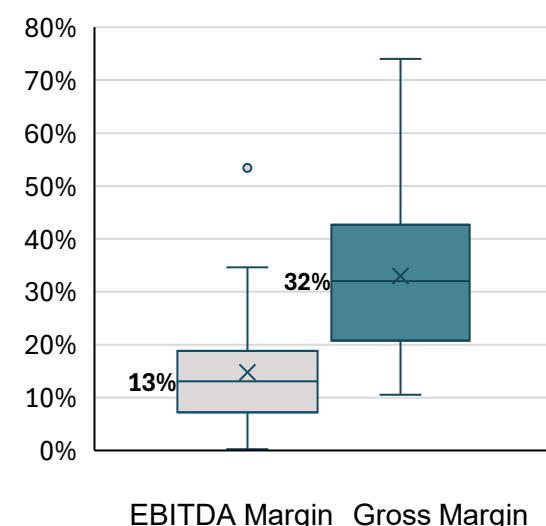


# Restaurant Public & Private Trends

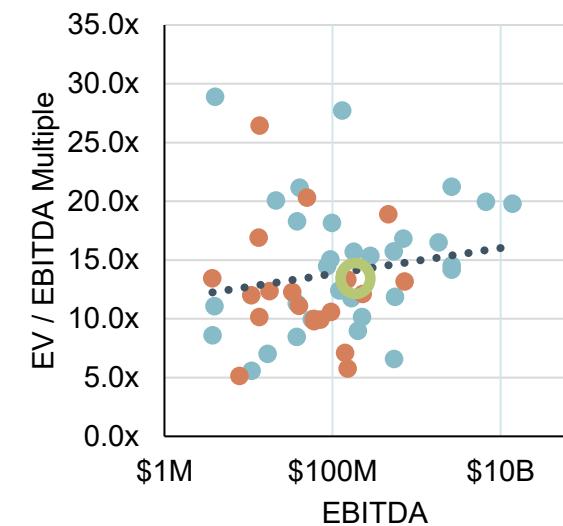
## Revenue Growth & EBITDA Margin



## Margin Profile



## Size & Valuation



## Key

- Private Companies (Meridian Proprietary)
- Public Companies
- Trendline
- Median

## Select Publicly Traded Companies

(\$US in millions) As of 5/31/25	LTM			EV/LTM		Margins		Revenue Growth	Fwd Rev Growth
	EV	Rev	EBITDA	Rev	EBITDA	EBITDA	Gross		
McDonald's	\$275,938	\$25,213	\$13,810	10.9x	20.0x	54.8%	57.9%	-0.9%	12.1%
Starbucks	\$118,406	\$34,439	\$6,224	3.4x	19.0x	18.1%	26.4%	-0.5%	18.6%
Chipotle Mexican Grill	\$70,694	\$11,487	\$2,293	6.2x	NM	20.0%	26.4%	12.6%	23.6%
Yum! Brands	\$50,760	\$7,738	\$2,623	6.6x	19.4x	33.9%	46.8%	10.1%	11.7%
Restaurant Brands International	\$40,006	\$8,776	\$2,538	4.6x	15.8x	28.9%	34.5%	22.4%	12.7%
Darden Restaurants	\$30,923	\$11,762	\$1,876	2.6x	16.5x	15.9%	21.5%	5.0%	15.6%
Texas Roadhouse	\$13,653	\$5,500	\$705	2.5x	19.4x	12.8%	17.4%	15.1%	17.6%
Cava (Restaurants and Bars)	\$9,443	\$1,037	\$114	9.1x	NM	11.0%	25.1%	32.1%	46.2%
Dutch Bros	\$10,066	\$1,361	\$210	7.4x	NM	15.4%	26.3%	30.4%	50.5%
Brinker International	\$9,375	\$5,131	\$637	1.8x	14.7x	12.4%	17.6%	19.8%	11.8%
Wingstop Restaurants	\$10,551	\$651	\$280	16.2x	NM	43.0%	47.9%	31.0%	35.8%
Wendy's International	\$5,930	\$2,235	\$554	2.7x	10.7x	24.8%	35.4%	2.2%	4.6%
<b>Median</b>	<b>\$22,288</b>	<b>\$6,619</b>	<b>\$1,290</b>	<b>5.4x</b>	<b>17.8x</b>	<b>19.0%</b>	<b>26.4%</b>	<b>13.8%</b>	<b>16.6%</b>



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