



Seale & Associates

Creative Solutions. Trusted Advice.

RESTAURANT
OPERATORS
INDUSTRY

Q4
2020

VALUATION
UPDATE

INTRODUCTION

We are pleased to share our QSR Industry Valuation Update for Q4 2020.

We at Seale & Associates are committed to provide process-driven solutions designed to optimize value and achieve our clients' strategic objectives on a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among others.

Over the course of 20 years we have been successfully serving the U.S. and Latin American markets, and we are delighted to provide investment banking advisory to our Latin and North American, European and Asian QSR industry clients that are looking to tap into the enormous potential of the QSR Industry, whether to grow through acquisitions or inorganically.

Food & Beverage / Consumer Experience

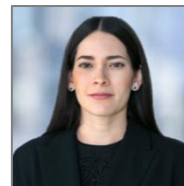
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KFC COSTA RICA

Target: Franchise of KFC in Costa Rica (KFC Costa Rica)

Transaction Type: Buy-side advisory

Industries: Restaurants

Geography: Costa Rica

Situation

Seale & Associates was hired as exclusive financial advisor to Investor Group Intellectiva in acquiring KFC franchise in Costa Rica, from QSR International, LLC.

Seale & Associates' Approach

Seale's professionals conducted a comprehensive analysis of the situation and determined an ideal transaction that resolved the concerns of both sides.

Outcome

The process resulted in the acquisition of 32 KFC stores located across the Costa Rican territory.



“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.”

Roberto González Alcalá,
Chairman of Intellectiva

COMPARABLE PUBLIC COMPANIES – GLOBAL

Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2020		
						2018	2019	EV/EBITDA	EV/Revenue	
Alsea, S.A.B. de C.V.	 MEX	\$1,091	\$3,850	\$1,929	7.7%	11.0x	9.9x	10.5x	1.8x	
AmRest Holdings SE	 SPA	\$1,624	\$3,340	\$1,943	4.8%	16.4x	12.3x	12.5x	1.7x	
Bloomin' Brands, Inc.	 USA	\$1,678	\$4,115	\$3,380	6.0%	8.0x	7.5x	10.4x	1.2x	
Carrols Restaurant Group, Inc.	 USA	\$327	\$1,610	\$1,528	5.8%	8.0x	7.8x	7.8x	1.1x	
Café de Coral Holdings Limited	 HKG	\$1,248	\$1,459	\$894	5.0%	11.1x	11.6x	9.8x	1.6x	
Collins Foods Limited	 AUS	\$867	\$1,295	\$732	12.0%	9.4x	11.2x	10.2x	1.6x	
CMR, S.A.B. de C.V.	 MEX	\$63	\$174	\$105	-13.0%	9.5x	6.7x	NR	1.5x	
Create Restaurants Holdings, Inc.	 JPN	\$1,122	\$2,092	\$926	13.1%	12.8x	14.8x	16.9x	2.0x	
Darden Restaurants, Inc.	 USA	\$15,509	\$19,884	\$6,801	6.4%	12.7x	12.8x	NR	2.9x	
Dine Brands Global, Inc.	 USA	\$952	\$2,698	\$721	23.0%	13.0x	12.5x	15.5x	3.7x	
Fairwood Holdings Limited	 HKG	\$296	\$389	\$358	9.1%	9.1x	8.2x	4.2x	1.1x	
Hotland Co., Ltd.	 JPN	\$252	\$295	\$267	6.0%	14.2x	14.7x	18.2x	1.1x	
Recipe Unlimited Corporation	 CAN	\$741	\$1,700	\$731	12.1%	10.9x	10.4x	13.3x	2.2x	
Restaurant Brands International Inc.	 CAN	\$18,571	\$32,607	\$5,089	37.2%	13.0x	13.6x	17.5x	NR	
Restaurant Brands New Zealand Limited	 NZL	\$1,037	\$1,433	\$594	13.0%	12.0x	13.6x	14.1x	2.3x	
Skylark Holdings Co., Ltd.	 JPN	\$3,056	\$4,349	\$2,879	11.3%	10.5x	10.2x	13.0x	1.5x	
The Restaurant Group plc	 GBR	\$517	\$2,071	\$967	3.7%	6.0x	9.8x	12.8x	1.9x	
TORIDOLL Holdings	 JPN	\$1,157	\$2,339	\$1,327	15.9%	12.9x	13.9x	11.1x	1.7x	
Xiabuxiabu Catering Management	 CHN	\$2,465	\$2,621	\$747	9.4%	16.4x	11.2x	17.6x	3.5x	
Yum! Brands, Inc.	 USA	\$32,749	\$42,890	\$5,652	31.9%	18.4x	NR	22.2x	NR	
NR: Not Relevant						Mean	11.8x	11.2x	13.2x	1.9x
						Median	11.5x	11.2x	12.9x	1.7x

QSR - Q4 GLOBAL TRANSACTIONS

Date	Target	Country	Description	Seller	Buyer	Additional Notes
Dec-20	Guzman Y Gomez (Holdings) Pty Limited	AUS	Owens and operates a chain of restaurants			Acquired a 10% stake for US\$65.4 million
Dec-20	Legal Sea Foods, LLC	USA	Owens and operates a seafood restaurant chain			-
Dec-20	Snooze, LLC	USA	Owens and operates restaurants in California, Colorado, Arizona, and Texas			-
Dec-20	PJ United, Inc.	USA	Owens and operates Papa John's International pizza restaurants across de United States			-
Dec-20	Prezzo Limited	GBR	Operates Italian restaurants in the United Kingdom			-
Dec-20	Golden Corral Corporation	USA	Operates restaurants in the United States	EF Wilson Enterprises LLC		Acquired a restaurant for US\$2.6 million
Oct-20	Partner Coffee Services	ROM	Owens and operates a chain of coffee shops			-
Oct-20	CBC Restaurant Corporation	USA	Owens and operates restaurants		Pandya Restaurant Growth Brands, LLC	-
Oct-20	R&K Food Service Co., Ltd.	JAP	Operates restaurant chains across Tokyo			Acquired a 15% stake for US\$4.3 million
Oct-20	Antares Restaurant Group Limited	NZL	Owens and operates a chain of Burger King restaurants in New Zealand		Tahua Capital Limited	-

ND: Not Disclosed






REPRESENTATIVE GLOBAL ENGAGEMENTS


Honeywell
has sold
TENSOR
to

GE Power Systems


has acquired



has acquired



has acquired



has sold
 **JAMES BURN INTERNATIONAL**
to

and
JBH Holding SAS




has been acquired by



has partnered with

a subsidiary of
FEMSA


has acquired



has acquired







acquired
The Zinc Recycling Business
of



has been acquired by
FEMSA

Grupo Educativo IEJV
UNIVERSIDAD JOSÉ VASCONCELOS

has been acquired by
NACER GLOBAL


a subsidiary of

has sold
HTPG
to
 and 


has been recapitalized by


tyco
has sold the North American guarding business of

to
GARDA


Engineers & Constructors
has acquired



has been acquired by



has been acquired by



has been acquired by
COLFAX


has sold Cosmoceol Química to

a business unit of
ICL

intelectiva
has acquired

KFC Costa Rica
from
QSR


has carved out and sold its concrete pumping assets in Mexico to



has acquired
  
dealers of
GRUPO FRBL


Holding company of
sanfer
acquired a majority stake in



has been acquired by



Grupo Galaz, S.A de C.V.
has been acquired by
IOCHPE - MAXION


has acquired
workshop and store in Mexico City from



has been acquired by



merged its beverage division with

FEMSA


has sold its sanitaryware business
ST. THOMAS CREATIONS
and
VITROMEX
to


Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, **Seale & Associates** has been the trusted advisor to respected public and private companies from around the world. Seale is a global investment bank with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting with a track record of success in a diverse range of industries. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex transactions.

ADVISOR TO LEADING COMPANIES WORLDWIDE

FEMSA

GIS

CEMEX

ARCA CONTINENTAL

Honeywell

LOCKHEED MARTIN

FOQUE
GRUPO FOMENTO QUERETANO

GRACE

United Technologies
Climate | Controls | Security



AMERICAN STANDARD COMPANIES

Celanese

Standex



Hertz



ITT

CHEN

tyco



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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