

EMBERSTONE DINING GROUP

Restaurant Forecast and DCF Valuation Model

Multi-unit full-service restaurants · USD · Historical FY2023-FY2025, forecast FY2026-FY2030

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PURPOSE

Values a growing restaurant group. Restaurant openings, average unit volume, same-store sales and channel mix drive a restaurant P&L with prime cost and four-wall EBITDA, integrated three statements with expansion funding, and a DCF with an exit-multiple cross-check.

QUESTIONS THIS MODEL ANSWERS

- What is the business worth today, and how much of that value depends on new openings?
- Do new restaurants earn an acceptable cash-on-cash return?
- How do rising delivery-app commissions and wages affect margins?

HEADLINE RESULTS (SELECTED SCENARIO)

Scenario: Base Case

ENTERPRISE VALUE	EQUITY VALUE	WACC	FY2030 SALES
\$7.6m	\$7.2m	13.0%	\$8.4m
FY2030 EBITDA	RESTAURANTS, FY2030	FOUR-WALL EBITDA MARGIN	NEW-UNIT CASH-ON-CASH
\$1.9m	6	26.2%	39.0%

HOW TO USE

Choose the scenario in Dashboard cell C4 (Worst Case, Base Case, Best Case). Every sheet and chart updates.

Blue text on yellow = input you can change · Black = formula · Green = link from another sheet.

Operating Drivers holds the forecast assumptions; the three statements and the DCF follow from it.

Results are stored with the file and recalculate automatically whenever an input changes.

SHEET MAP

Sheet	What it does
VALUATION	
Dashboard	Valuation, forecast and restaurant KPIs
DCF	Unlevered DCF, terminal value, exit-multiple cross-check and sensitivity
WACC	Cost of equity, cost of debt and WACC on a target structure
FORECAST	
Operating Drivers	Restaurant count, AUV, same-store sales, channel mix, restaurant P&L and capex
Unit Economics	New-restaurant investment, cash-on-cash return and payback
Income Statement	Historical and forecast income statement
Balance Sheet	Historical and forecast balance sheet
Cash Flow Statement	Cash flow with funding, revolver and distributions
Fixed Assets	Capex and depreciation
Debt Schedule	Term loan, expansion loan, revolver and interest
NetWorking Capital	Inventory, payables and working-capital days
Retained Earnings	Net income and distributions

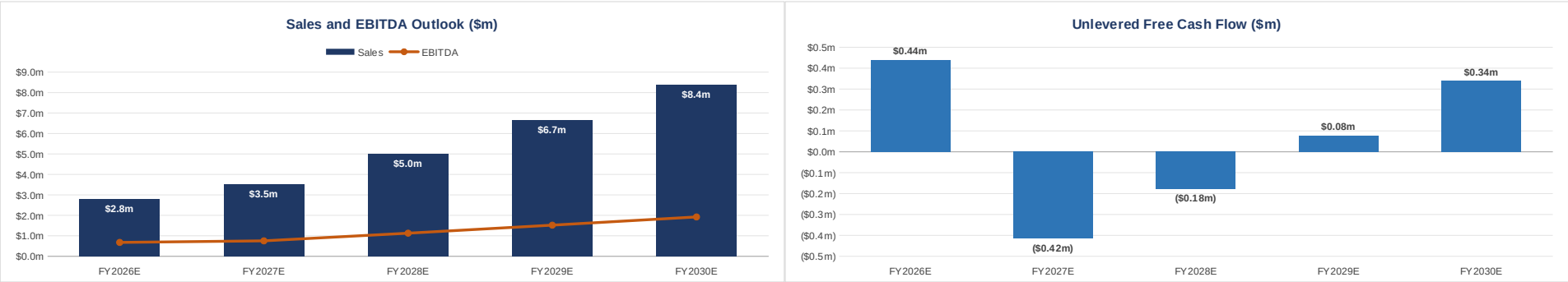
Emberstone Dining Group — Executive Valuation Dashboard

Five-year restaurant forecast and DCF valuation | USD | Base Case

Scenario **Base Case** Select Worst Case, Base Case or Best Case; every sheet and chart updates.

Enterprise Value	Equity Value	WACC	FY2030 Sales	FY2030 EBITDA
\$7.6m	\$7.2m	13.0%	\$8.4m	\$1.9m

Year	Sales	EBITDA	Year	Unlevered FCF
FY2026E	\$2,799,107	\$677,295	FY2026E	\$439,520
FY2027E	\$3,495,735	\$753,240	FY2027E	(\$415,194)
FY2028E	\$5,011,154	\$1,127,484	FY2028E	(\$177,464)
FY2029E	\$6,658,338	\$1,519,773	FY2029E	\$77,828
FY2030E	\$8,384,751	\$1,921,812	FY2030E	\$340,394



Key Review Points		
Area	Observation	Required review
Growth	Sales grow from \$2.7m to \$8.4m as the group grows from 2 to 6 restaurants.	Confirm site pipeline, lease terms and management capacity for each opening.
Margins	Four-wall margin compresses from 29% (FY2025) to 26%; labour 22% and delivery commissions 6.0% of sales in FY2030.	Validate the FY2025 labour and rent split, which is an allocation of reported SG&A.
Valuation	Equity value \$7.2m (range \$5.8m-\$7.4m); 43% of EV comes from new openings.	Reconcile the DCF with the exit-multiple range; confirm the pipeline before relying on its value

Restaurant KPIs	
Restaurants (FY2030)	6
Average unit volume (FY2030)	1,559,954
Four-wall EBITDA margin (FY2030)	26.2%
Prime cost % (FY2030)	56.0%
Delivery-app share (FY2030)	24.0%
Cash-on-cash return, new unit	39.0%
Implied EV / FY2026E EBITDA	11.3x
Peak total debt / EBITDA	1.4x

Valuation Range (equity value)			
	Low	Mid	High
DCF (WACC +/- 1%)	\$6.7m	\$7.2m	\$7.7m
Exit multiple	\$5.0m	\$6.0m	\$7.0m
Concluded range	\$5.8m	\$6.6m	\$7.4m
Value from new openings (share of EV)			42.7%

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Company Valuation (DCF, valuation date 31 December 2025)

Active case: Base Case

Present Value of Unlevered Free Cash Flow					
Fiscal year	2026E	2027E	2028E	2029E	2030E
EBITDA	677,295	753,240	1,127,484	1,519,773	1,921,812
Unlevered free cash flow	439,520	(415,194)	(177,464)	77,828	340,394
Discount period (mid-year)	0.5	1.5	2.5	3.5	4.5
Discount factor	0.941	0.832	0.737	0.652	0.577
Present value of free cash flow	413,457	(345,627)	(130,729)	50,734	196,361

Enterprise and Equity Value		
Growth perpetuity method		
Sum of PV of FY2026-FY2030 free cash flow	184,196	
Terminal growth rate	2.5%	
WACC	13.0%	
Run-rate free cash flow before working capital (normalised, rows 50-61)	1,325,925	Steady-state year after the roll-out: all restaurants mature, no pre-opening or build-out, capex at least equal to depreciation
Terminal value at end of FY2030 (Gordon growth on FY2031 cash flow)	12,918,685	
PV of terminal value (mid-year, 4.5 years)	7,452,295	Gordon-growth terminal value discounted with the mid-year convention
Enterprise value	7,636,491	
(+) Cash at valuation date	41,130	
(-) Total debt at valuation date	482,209	
(-) Minority interest	-	
Equity value	7,195,412	
Terminal value % of enterprise value	97.6%	
Implied EV / FY2026E EBITDA	11.3x	
Implied terminal EV / FY2030E EBITDA	6.7x	
Exit-multiple cross-check		
Exit EV / EBITDA multiple	6.0x	Small multi-unit restaurant transactions typically price at 4-7x EBITDA
Enterprise value on exit multiple	6,441,487	
Equity value on exit multiple	6,000,408	

Sensitivity: Equity Value (WACC vs Terminal Growth)						
WACC	7,195,412		Terminal growth rate			
		1.5%	2.0%	2.5%	3.0%	3.5%
	12.0%	7,432,317	7,853,743	8,319,510	8,837,003	9,415,346
	12.5%	6,935,566	7,312,676	7,727,481	8,185,929	8,695,292
	13.0%	6,485,257	6,824,201	7,195,412	7,603,729	8,055,006
	13.5%	6,075,501	6,381,372	6,715,038	7,080,469	7,482,427
	14.0%	5,701,355	5,978,402	6,279,531	6,608,024	6,967,789

Normalised Terminal Year (steady state after the roll-out)		
Restaurants (all trading a full year at maturity)	6	
Mature average unit volume, FY2030	\$1,559,954	
Run-rate sales	\$9,359,722	
Four-wall EBITDA margin (FY2030)	26.2%	
Corporate G&A (FY2030)	\$213,847	
Run-rate EBITDA (no pre-opening costs)	\$2,237,121	
Depreciation (FY2030)	\$445,331	
Replacement capex (at least equal to depreciation)	\$445,331	Mature estates reinvest at least their depreciation to refurbish sites
Tax on run-rate EBIT	\$465,866	
Run-rate free cash flow before working capital	\$1,325,925	
Net working capital, end FY2030	\$81,980	
Terminal-year cash flow (FY2031: grown at g, less working-capital build)	\$1,357,024	

Valuation Range and Conclusion (equity value)			
Method	Low	Mid	High
DCF, perpetuity growth (WACC +/- 1%)	\$6,715,038	\$7,195,412	\$7,727,481
Exit multiple (5.0x-7.0x FY2030 EBITDA)	\$4,957,526	\$6,000,408	\$7,043,290
Concluded range (average of the two methods)	\$5,836,282	\$6,597,910	\$7,385,386
DCF premium / (discount) to exit-multiple value	+19.9%	Reconciles the DCF with small-deal market multiples	

Value Split: Existing Estate vs Opening Pipeline (enterprise value)				
Stored full-model results (refresh after changing inputs)	Worst Case	Base Case	Best Case	Active
Enterprise value with the opening pipeline	\$2,628,290	\$7,636,491	\$13,150,166	\$7,636,491
Enterprise value, existing restaurants only (no new openings)	\$2,507,604	\$4,378,722	\$5,451,412	\$4,378,722
Value of the opening pipeline (live EV less existing estate)	\$3,257,769			
Share of enterprise value from new openings	42.7%			

Sensitivity: Enterprise Value, Opening Pipeline vs Average Unit Volume (Base Case)					
Stored full-model results; rows scale the openings delivered, columns shift every restaurant's AUV (enterprise value, \$m)					
Openings delivered \ AUV change	-10%	-5%	0%	+5%	+10%
No new openings (existing 2 restaurants)	\$3.7m	\$4.0m	\$4.4m	\$4.7m	\$5.0m
Half of the pipeline delivered	\$4.8m	\$5.4m	\$6.0m	\$6.6m	\$7.2m
Full pipeline (model case)	\$5.9m	\$6.8m	\$7.6m	\$8.5m	\$9.3m
Centre cell (full pipeline, 0% AUV change) equals the Base Case enterprise value.					

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WACC Calculation

Active case: Base Case

Cost of Equity (valuation date 31 December 2025)		
Risk-free rate (US 10-year Treasury)	4.2%	Approximate yield at the valuation date; update for a later date
Equity risk premium	5.5%	Mature-market premium; check against a current published estimate
Unlevered beta, US restaurant and dining peers	0.85	Industry beta from published peer data; update to the latest file
Target debt / (debt + equity)	30.0%	Typical for small multi-unit restaurant operators
Implied debt / equity	0.43	
Tax rate	26.0%	
Relevered beta	1.12	
Size premium	3.0%	Very small private company (sub-\$10m sales)
Company-specific risk premium	3.0%	Key-person, two-site concentration and expansion execution risk
Cost of equity	16.4%	
Cost of Debt		
Pre-tax cost of debt	7.0%	FY2025 actual: \$33,803 interest / \$486,885 debt = 6.9%
After-tax cost of debt	5.2%	
Weighted Average Cost of Capital		
WACC	13.0%	
Reference: Book Capital Structure at 31 December 2025		
Shareholders' equity (book)	331,213	
Total debt (book)	482,209	
Book debt / (debt + equity)	59.3%	

CAPM build-up: beta relevered at the 30% target debt / (debt + equity) structure; cost of debt after tax.

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Operating Drivers and Restaurant P&L

Selected scenario (change on Dashboard cell C4)

Include new openings (1 = yes, 0 = existing estate only)

Base Case

2 scenario index (1 Worst, 2 Base, 3 Best)

	1			Forecast				
\$	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
AUV adjustment for sensitivity (0% = model case)	0%							
Restaurant Portfolio								
Restaurants at start of year	1	1	2	2	2	3	4	5
New restaurant openings	0	1	0	0	1	1	1	1
Restaurants at end of year	1	2	2	2	3	4	5	6
Restaurant operating years	1.00	1.50	2.00	2.00	2.50	3.50	4.50	5.50
Sales Build								
Same-store sales growth				3.0%	3.0%	3.0%	2.5%	2.5%
Average unit volume (AUV), mature restaurant	1,286,643	1,437,027	1,358,790	1,399,553	1,441,540	1,484,786	1,521,906	1,559,954
Sales from restaurants open before the year				2,799,107	2,883,080	4,380,120	6,011,528	7,721,770
Sales from restaurants opened in the year				-	612,655	631,034	646,810	662,980
Total sales	1,286,643	2,155,540	2,717,580	2,799,107	3,495,735	5,011,154	6,658,338	8,384,751
Sales growth		67.5%	26.1%	3.0%	24.9%	43.4%	32.9%	25.9%
Sales per restaurant operating year	1,286,643	1,437,027	1,358,790	1,399,553	1,398,294	1,431,758	1,479,631	1,524,500
Sales by Channel								
Delivery-app share of sales			18.0%	20.0%	21.0%	22.0%	23.0%	24.0%
Takeaway share of sales			15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Dine-in share of sales			67.0%	65.0%	64.0%	63.0%	62.0%	61.0%
Dine-in sales			1,820,778	1,819,420	2,237,270	3,157,027	4,128,170	5,114,698
Takeaway sales			407,637	419,866	524,360	751,673	998,751	1,257,713
Delivery-app sales			489,164	559,821	734,104	1,102,454	1,531,418	2,012,340
Restaurant P&L (FY2025 allocated from reported lines; forecast driver-based)								
Sales			2,717,580	2,799,107	3,495,735	5,011,154	6,658,338	8,384,751
Food and beverage cost			934,904	965,692	1,199,037	1,703,792	2,263,835	2,850,815
Labour (wages, benefits, payroll tax)			570,692	601,808	769,062	1,102,454	1,464,834	1,844,645
Prime cost (food, beverage and labour)			1,505,596	1,567,500	1,968,099	2,806,246	3,728,670	4,695,460
Prime cost % of sales			55.4%	56.0%	56.3%	56.0%	56.0%	56.0%
Occupancy (rent and service charges)			180,000	190,000	244,625	352,749	467,141	588,078
Delivery-app commissions			122,291	139,955	183,526	275,613	382,854	503,085
Marketing			40,764	55,982	69,915	100,223	133,167	167,695
Utilities, repairs and restaurant supplies			76,221	78,375	97,881	140,312	186,433	234,773
Restaurant-level EBITDA (four-wall)			792,708	767,295	931,690	1,336,010	1,760,073	2,195,659
Restaurant-level EBITDA margin			29.2%	27.4%	26.7%	26.7%	26.4%	26.2%
Corporate G&A			44,032	90,000	118,450	148,526	180,300	213,847
Pre-opening costs			-	-	60,000	60,000	60,000	60,000
EBITDA			748,676	677,295	753,240	1,127,484	1,519,773	1,921,812
EBITDA margin			27.5%	24.2%	21.5%	22.5%	22.8%	22.9%

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New Restaurant Unit Economics (selected scenario, FY2028 opening)

Active case: Base Case

Per new restaurant		
Mature average unit volume (FY2028)	1,484,786	
Opening-year sales (six months at opening productivity)	631,034	
Second-year sales	1,410,547	
Four-wall EBITDA margin (FY2028 portfolio)	26.7%	
Mature four-wall EBITDA	395,855	
Build-out capex (FY2028 prices)	954,810	
Pre-opening costs	60,000	
Total investment per restaurant	1,014,810	
Sales-to-investment ratio	1.46x	Below the 1.5x sales-to-investment level commonly used for new full-service units
Cash-on-cash return (mature four-wall EBITDA / investment)	39.0%	Above the 25-35% norm because the portfolio four-wall margin is used; a new unit ramps up first
Simple payback (years)	2.6	Payback under four years is usually needed to justify a lease commitment
After-tax cash-on-cash return	28.9%	

Four-wall margin uses the portfolio average; new units ramp from 85% to 95% to 100% of mature AUV over three years.

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Projected Income Statement

Active case: Base Case

Income Statement	Forecast							
\$	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Sales	1,286,643	2,155,540	2,717,580	2,799,107	3,495,735	5,011,154	6,658,338	8,384,751
Cost of Sales	532,161	796,571	934,904	965,692	1,199,037	1,703,792	2,263,835	2,850,815
Gross margin	754,483	1,358,969	1,782,675	1,833,415	2,296,698	3,307,361	4,394,503	5,533,935
Operating expenses								
Selling, general and administrative	495,441	782,045	957,779	1,077,745	1,385,577	1,979,566	2,628,296	3,317,350
Other operating expenses	44,698	55,593	76,221	78,375	157,881	200,312	246,433	294,773
Total operating expenses	540,139	837,638	1,033,999	1,156,120	1,543,458	2,179,878	2,874,730	3,612,123
EBITDA	214,343	521,331	748,676	677,295	753,240	1,127,484	1,519,773	1,921,812
Depreciation and amortisation	59,290	25,518	-	66,642	119,287	221,884	330,467	445,331
EBIT	155,053	495,813	748,676	610,653	633,953	905,599	1,189,307	1,476,482
Other income / (expense) and interest, net	113,854	1,614	(29,243)	(33,419)	(53,543)	(90,956)	(121,188)	(143,965)
EBT	268,907	497,427	719,433	577,233	580,410	814,643	1,068,118	1,332,517
Provision for taxes	135,509	225,549	274,511	150,081	150,907	211,807	277,711	346,454
Net income	133,398	271,878	444,922	427,153	429,504	602,836	790,408	986,063
NOPAT (EBIT x (1 - tax rate))				451,883	469,125	670,144	880,087	1,092,596
(+) Depreciation and amortisation				66,642	119,287	221,884	330,467	445,331
(-) Capital expenditures				55,982	996,915	1,055,033	1,116,621	1,180,653
(-) Increase in net working capital				23,023	6,691	14,458	16,105	16,880
Unlevered free cash flow				439,520	(415,194)	(177,464)	77,828	340,394

Key Ratios

Sales growth		67.5%	26.1%	3.0%	24.9%	43.4%	32.9%	25.9%
Gross margin %	58.6%	63.0%	65.6%	65.5%	65.7%	66.0%	66.0%	66.0%
EBITDA margin %	16.7%	24.2%	27.5%	24.2%	21.5%	22.5%	22.8%	22.9%
Net income margin %	10.4%	12.6%	16.4%	15.3%	12.3%	12.0%	11.9%	11.8%

Forecast drivers (restaurants, same-store sales, channel mix, cost ratios) are on the Operating Drivers sheet; choose the case on the Dashboard (cell C4).

Historical effective tax rates of 38-50% look inflated by non-deductible items and are not carried forward. FY2025 interest (\$33,803), reported within SG&A, is reclassified below EBITDA.

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Projected Cash Flow

Active case: Base Case

Cash Flow Statement	2026E	2027E	2028E	2029E	2030E
\$					
Net income	427,153	429,504	602,836	790,408	986,063
Depreciation and amortisation	66,642	119,287	221,884	330,467	445,331
Change in inventories	(9,669)	(9,631)	(20,834)	(23,116)	(24,228)
Change in other current assets	(3,761)	(936)	(2,036)	(2,213)	(2,320)
Change in accounts payable	(1,257)	1,659	3,588	3,981	4,172
Change in other current liabilities	(8,336)	2,218	4,824	5,244	5,496
Change in other non-current assets	-	-	-	-	-
Cash flow from operating activities	470,772	542,099	810,262	1,104,769	1,414,514
Build-out capex, new restaurants	-	(927,000)	(954,810)	(983,454)	(1,012,958)
Maintenance capex	(55,982)	(69,915)	(100,223)	(133,167)	(167,695)
Cash flow from investing activities	(55,982)	(996,915)	(1,055,033)	(1,116,621)	(1,180,653)
Term loan repayments	(9,583)	(11,391)	(10,202)	(10,914)	(11,408)
Expansion loan drawdowns	-	556,200	572,886	590,073	607,775
Expansion loan repayments	-	-	(111,240)	(225,817)	(343,832)
Distributions to members	(170,861)	(171,801)	(241,134)	(316,163)	(394,425)
Revolver draw / (repayment)	-	-	-	-	-
Cash flow from financing activities	(180,444)	373,008	210,310	37,178	(141,890)
Net change in cash	234,345	(81,808)	(34,462)	25,327	91,971
Opening cash	41,130	275,475	193,667	159,206	184,533
Closing cash	275,475	193,667	159,206	184,533	276,503
Funding test					
Cash before distributions and revolver	446,337	365,469	400,340	500,696	670,928
Headroom over minimum cash	125,475	43,667	9,206	34,533	126,503

Distributions are paid from cash above the minimum balance and only when no revolver is drawn; the revolver covers any shortfall below the minimum.