

## Press Release

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### **Freddy's Acquired by Rhône from Thompson Street Capital Partners to Drive Continued Market Expansion**

WICHITA, Kan.--(BUSINESS WIRE)--Freddy's – the fast-casual restaurant concept known for its made-to-order steakburgers, shoestring fries, and freshly-churned frozen custard treats – has been acquired by investment funds affiliated with Rhône, a global private equity firm, from Thompson Street Capital Partners, a St. Louis, Missouri-based middle-market private equity firm. The Freddy's brand currently has more than 550 locations in the U.S. and Canada, generating more than \$1 billion in system wide sales in the past year.

"This acquisition marks a pivotal moment for Freddy's," said Chris Dull, President and CEO of Freddy's. "Over the last few years, we've seen steady growth and surpassed many milestones for our brand, while simultaneously strengthening our franchise system and building a loyal guest following. We're excited to take our success to the next level with this new partnership with Rhône. Together, we look forward to unlocking even greater opportunities for the Freddy's franchise family."

#### **Expanding a Growth Mindset**

Rhône has significant experience supporting businesses in their global expansion efforts and partnering with management teams to drive growth and create long-term value. Rhône's history of investments in consumer businesses makes it a natural partner for Freddy's.

"Rhône looks forward to bringing its experience with global consumer brands to its most recent investment in Freddy's as the company expands its footprint and further improves its guest experience," said Lucas Flynn, a Managing Director at Rhône. "We see a compelling opportunity to partner with Chris and the rest of the leadership team to help bring the unique Freddy's offering to more customers around the world and support the company in this next chapter of growth."

#### **Building Off Foundational Success**

As a portfolio company of Thompson Street Capital Partners, the past five years have been focused on growth investments to accelerate unit and AUV expansion, in combination with foundational improvements to enhance guest and franchisee experience, including back-of-house efficiency, consumer digital platforms, menu innovation, and franchisee support.

"Our partnership with Freddy's was centered on building an even stronger foundation for the brand—investing in people, systems, and innovation," said Joe St. Geme, a Managing Director at Thompson Street Capital Partners. "Those efforts were extremely successful, resulting in sustained growth and the achievement of significant operational and strategic milestones during our ownership. We're grateful for the collaboration with Chris and his team, and are confident that alongside Rhône, Freddy's is well-positioned for this exciting next stage of growth."

#### **Prioritizing The Freddy's Way**

Following the acquisition, the Freddy's executive team will remain unchanged, with Chris Dull continuing to lead the charge as President & CEO, as well as Bill Valentas as CFO, Brian Wise as COO, Erin Walter as CMO, and Andrew Thengvall as CDO & CLO. Following this change

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in ownership, the brand remains committed to providing the same quality steakburgers, frozen custard treats, and shoestring fries guests have come to love, all paired with genuine hospitality.

“Freddy’s has and always will remain committed to The Freddy’s Way, which has guided our brand to success,” said Dull. “Our guests and franchisees alike can rest assured that we will always prioritize maintaining high-quality food items and genuine hospitality and cleanliness in our restaurants, just as we have for the last 23 years.”

William Blair served as the lead financial advisor to Freddy’s, with North Point also acting as a financial advisor. Jefferies LLC served as the financial advisor to Rhône.

### ABOUT FREDDY’S FROZEN CUSTARD & STEAKBURGERS

Freddy’s Frozen Custard & Steakburgers is a leading fast-casual franchise concept with over 550 locations across the United States and Canada. Founded in Wichita, Kansas, in 2002, the brand offers a unique combination of cooked-to-order steakburgers, all-beef hot dogs, shoestring fries and other savory items along with freshly churned frozen custard treats. Known for operating the Freddy’s Way, guests experience genuine hospitality and food prepared fresh with premium ingredients. This signature approach has fueled Freddy’s ongoing growth throughout the U.S. and garnered national recognition from industry-leading rankings, including being named No. 60 on Fast Casual’s Top 100 Movers + Shakers, No. 59 on Entrepreneur’s Franchise 500, No. 60 on Technomic’s Top 500 and No. 7 on Yelp’s 50 Fastest Growing Brands. For more on Freddy’s, visit the Newsroom and follow us on Facebook and Instagram. For more information about development opportunities, visit [freddysfranchising.com](http://freddysfranchising.com).

### ABOUT RHÔNE

Rhône, established in 1996, is a global private equity firm with a focus on investments in businesses with a transatlantic presence. Rhône’s investment philosophy includes the development of strong, strategic partnerships with the companies in which it invests. Rhône has a history of successful corporate carve-out transactions and working with entrepreneur and family-led businesses, and operates across its London, New York, Madrid, and Milan offices. Rhône has invested in a diversified portfolio of companies including investments in the restaurant, consumer, and industrial sectors. For more information about Rhône, its investment professionals, and its current portfolio, please visit: <https://www.rhonegroup.com/>.

### ABOUT THOMPSON STREET CAPITAL PARTNERS

Thompson Street Capital Partners is a middle-market private equity firm that helps transform already exceptional businesses into market leaders. Based in St. Louis, Missouri, TSCP invests globally in the life sciences and healthcare, software and technology, business and consumer services and products sectors. TSCP partners with management teams to increase value by accelerating growth, both organically and via complementary acquisitions. For more information, visit [www.tscp.com](http://www.tscp.com).

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