STOUT

Grocery Retail

2026 Industry Update

RELENTLESS EXCELLENCE®

Stout Food & Beverage Expertise

Stout professionals leverage broad, in-depth coverage across the food & beverage industry and have recently advised numerous clients participating in a variety of key industry subsectors

Comprehensive Coverage of Food & Beverage

- Stout's food & beverage coverage team uses extensive knowledge across numerous subsector coverage areas, including trends, buyer landscape and strategy, as well as deep transaction and advisory experience to best position our clients and maximize outcomes
- Active deal activity and continuous ongoing dialogue with market-leading food & beverage businesses enables key decision making and tailor-made process recommendations to drive buyer engagement and valuations

Dedicated Coverage Team

Daniel Gomez
Head of Consumer & Managing Director

Nick Jachim
Vice Chairman & Managing Director

Stephen Scharafin
Managing Director

Conrad Hahne
Sr. Vice President

Parker Reno
Sr. Vice President

Select Recent Food & Beverage Experience

United Grocery Outlet, a portfolio company of GenCap America, has been acquired by Grocery Outlet Bargain Market	Tony's Finer Foods has been acquired by Apollo	Razzoo's Cajun Cafe: Sale of assets pursuant to Section 363 sale — Mi Crowd restaurant group	Buca di Beppo Italian Restaurant has been acquired by Main St Capital Corporation	Sunrise Produce has been acquired by Investcorp	Tokyo Joe's has been acquired by Salad Collective
SELL-SIDE ADVISOR	SELL-SIDE ADVISOR	SELL-SIDE ADVISOR	SELL-SIDE ADVISOR	SELL-SIDE ADVISOR	SELL-SIDE ADVISOR

Subsector Coverage Areas

- Grocery Retail
- Ethnic Foods
- Specialty Ingredients
- Co-Manufacturing
- Branded & Private Label
- Better-For-You
- Restaurants
- Foodservice Equipment

Grocery Retail – An Essential and Changing Consumer Category

Grocery retail remains one of the most resilient sectors in the economy, while undergoing significant structural change as shifting consumer priorities, inflation, and the rise of new store formats reshape where and how consumers shop

Key Themes

Growing Popularity of Fresh-Format, Value, and Non-Traditional Grocers

Bifurcated Market with Polarizing Growth Variance by Format

Tariff Uncertainty Causing Financial Performance Headwinds

Rising Small-Scale and Regional Grocery M&A

Political Policy Clouds Hispanic Grocery Outlook

Growing Competition and Need for Differentiated Product Assortment

Traditional grocery retailers face rising competition from all sides, including mass merchants like Walmart, Amazon, and Costco capturing everyday spend, discount players like Aldi winning on price, and specialty grocers like Whole Foods and Trader Joe's attracting health and experience-driven trips. To compete, conventional grocers must build differentiated product assortments through strong private label programs, curated specialty offerings, and localized purchasing that broader competitors cannot easily replicate. Those that fail to differentiate risk continued market share erosion as consumers increasingly split their grocery spending across formats that better fulfill their specific needs

Consumer Shift Towards Health Reinforcing At-Home Eating

Growing health consciousness is reinforcing at-home eating, leading to increased grocery spend and more frequent store visits as consumers seek out specific products that align with wellness goals. As consumers increasingly prioritize health and wellness, traditional grocers must compete with fresh-format and specialty retailers that have built their brands around clean-label, organic, and natural products. Broad retailers are also expanding into health-focused assortments, intensifying pressure on traditional grocers to improve their fresh and natural offerings to better meet evolving consumer demand

Increased At-Home Eating Occasions Reshaping Food Spend

Restaurant prices continue to climb at a faster rate than grocery, causing consumers to allocate more dollars toward at-home meals. As both categories rise in nominal terms due to inflation, the widening cost per meal gap between restaurant and grocery is leading to more meals at home, including prepared and ready-to-eat meal offerings. Average weekly household grocery spend has risen well above the rate of inflation since 2020, reflecting a behavioral shift. To appeal to consumers, retailers are adjusting their footprints and assortments to sell smaller portions and product formats, with greater nutrient density, across nearly all product categories

Rising Private Label Traction Due to Value-Seeking Behavior

Persistently elevated grocery prices have accelerated consumer migration toward private label products, driving market share gains across categories and income levels. While the shift was initially fueled by budget-conscious purchasing decisions, consumers are increasingly embracing store brands for reasons beyond affordability. Improvements in product quality, innovation, and assortment have narrowed the perceived gap with national brands, making private label a more deliberate choice at the shelf

Sources: Grocery Dive, Mass Market Retailers

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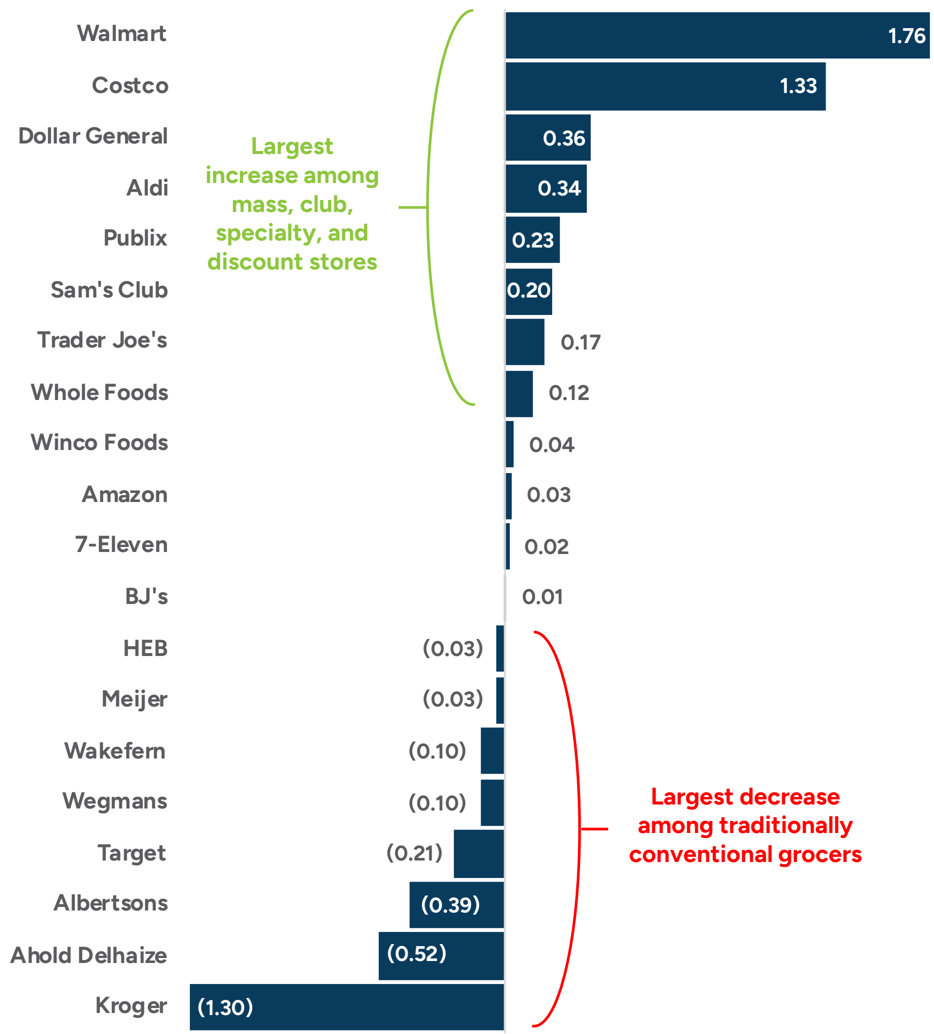
Market & Industry

Grocer Preference Shift and the Decline of the Conventional Supermarket

Consumers are favoring grocers that serve a specific need, whether fresh-format, value, specialty, or convenience, driving market share gains at the expense of conventional supermarkets

Change Among the Top 20 Grocers Over the Past Five Years

Percentage Change in Market Share



Sources: Grocery Dive, Numerator, JLL

Key Takeaway: Consumers are splitting grocery spend across specialized formats, turning to club and mass retailers for bulk value, discount grocers for everyday staples, premium chains for fresh and specialty, and e-commerce for convenience. Traditional supermarkets are losing share on price, assortment, and convenience as the one-size-fits-all model fades

Factors Driving Alternative Grocery Format Popularity

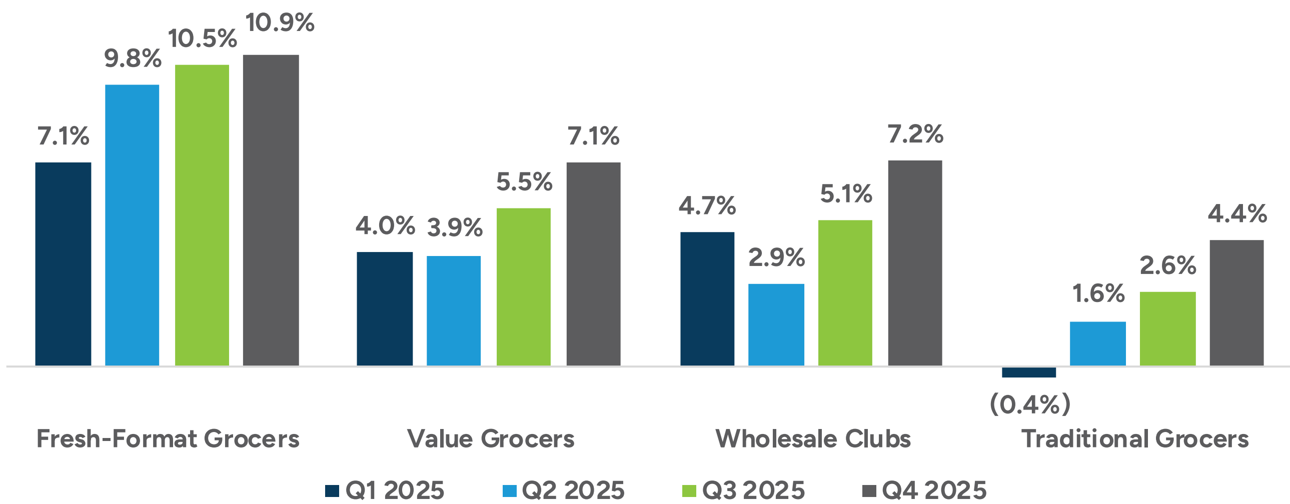
1	*Fresh-Format*	Growing consumer demand for organic, local, and specialty products with a curated shopping experience
2	*Value & Discount*	Budget-minded shoppers drawn to everyday low prices and streamlined store formats
3	*Club Stores*	Bulk-buying appeal driven by value-seeking families and small businesses
4	*Mass Retailers*	One-stop convenience combining grocery shopping with everyday essentials

Traditional Grocers Are Losing Market Share to Alternative Retail Formats

As consumers increasingly prioritize health and wellness, grocers and product assortments are evolving, and shoppers are redirecting trips toward fresh-format and specialty stores that better meet their needs

Fresh Format Grocers Led in YoY Growth in 2025

Quarterly Foot Traffic Compared to 2024



Key Takeaway: Fresh-format outpacing value, wholesale, and traditional by concentrating on wellness, affluence, and product assortment. Higher-income, health-conscious shoppers have positioned fresh-format as the fastest-growing segment in grocery

Health and Wellness Trends

- Portion Control
- High Protein
- High Fiber
- Plant-Based / Animal-Free Protein
- Low / No Sugar Added
- Dairy Free

Sources: McKinsey, Ingredion, The Anchor, Food Navigator

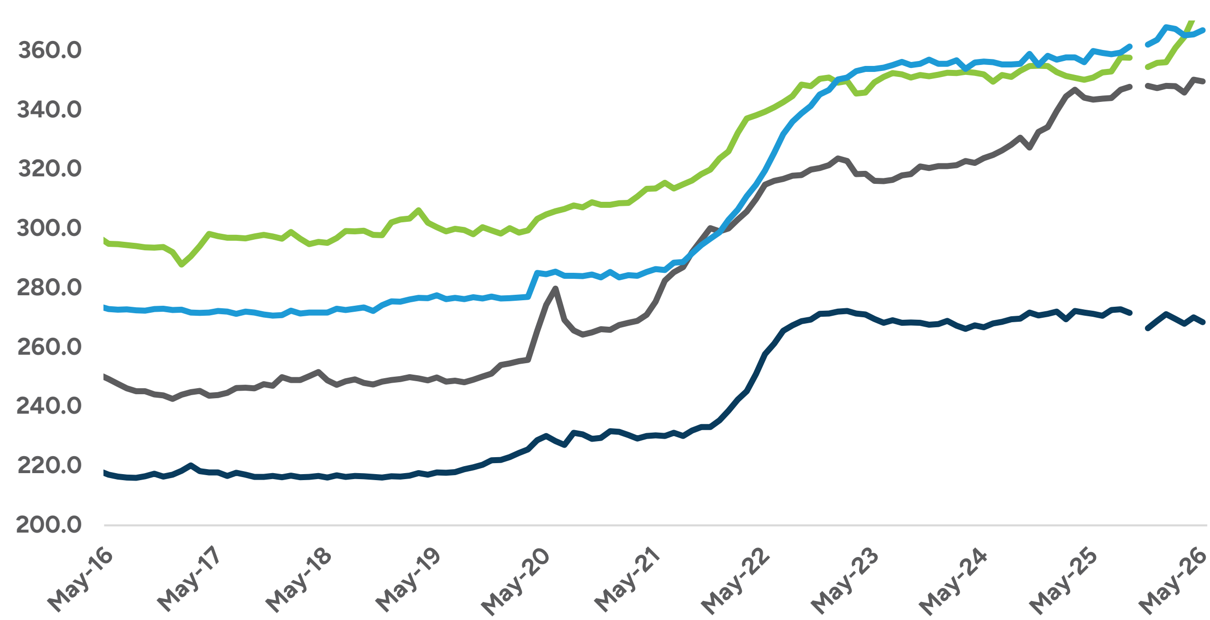
Headline Metrics

- Health-focused grocers are significantly outpacing the broader market, with Sprouts and Natural Grocers seeing YoY visit growth of **11.9%** and **5.9%**, respectively, compared to **0.8%** across the grocery sector overall
- **84%** of U.S. consumers indicate that health and wellness is a top priority with annual spend in the wellness industry growing **4-5%**
- Younger consumers, particularly Gen Z and Millennials, are willing to pay a **20-30% premium** for products carrying claims like organic, natural, high protein, and no artificial ingredients

Changing Food Prices and the Impact on Grocery Retail

Food prices have risen significantly since 2020, driven by persistent inflation, supply chain complications, and long-term tariff effects, motivating consumers to consider lower-priced products and private label alternatives

Consumer Price Index for All Urban Consumers[1]



10-Year Growth Rate by Category

Dairy and Related Products	*23.7%*
Meats, Poultry, Fish, and Eggs	*40.3%*
Fruits and Vegetables	*26.2%*
Cereals and Bakery Products	*34.4%*

Key Takeaway: Prices have risen sharply since 2020 across nearly all categories with limited signs of returning to pre-pandemic levels. Persistent inflation and long-term tariff impacts are driving consumers toward lower-priced brands and private label alternatives, while increasing the frequency of trips across multiple store formats in search of the best value

Price Volatility by Product Persists Despite Overall Inflation[2]

While inflation pressures remain present across major grocery categories, price movements vary significantly by product, with some items moderating while others continue to climb

YoY Rising Product Prices

Tomatoes	Coffee	Lettuce	Peanut Butter	Bananas
22.6%	**18.7%**	**13.8%**	**5.3%**	**5.0%**

YoY Declining Product Prices

Butter	Potatoes	Flour	Wine	Milk
(8.3%)	**(4.4%)**	**(1.4%)**	**(1.3%)**	**(0.4%)**

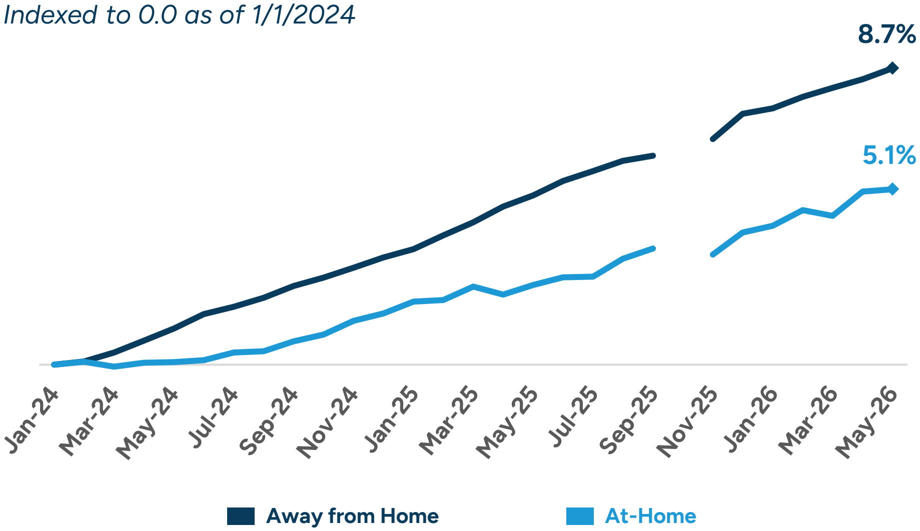
(1) Due to the Oct. 1 – Nov. 12, 2025 federal funding lapse, October 2025 CPI data is unavailable
(2) YoY rates reflect unadjusted % change from March 2025 to 2026
Source: U.S. Bureau of Labor Statistics via FRED (Federal Reserve Bank of St. Louis)

At-Home Dining Occasions on the Rise

With restaurant prices outpacing grocery prices, consumers are reducing away from home eating occasions for meals at-home, reinforcing grocery's role as the everyday meal solution

Restaurant Costs Continue to Outpace Grocery Costs[1]

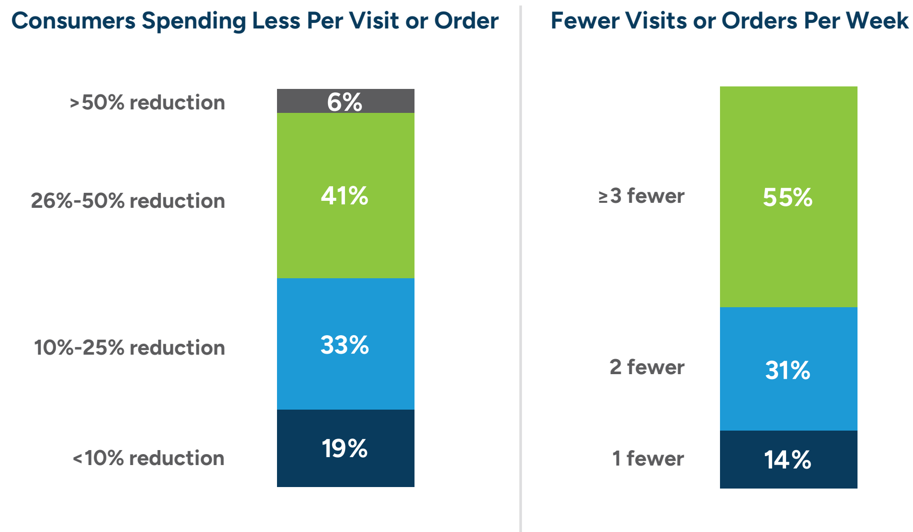
Consumer Price Index
Indexed to 0.0 as of 1/1/2024



Key Takeaway: While both food at home and food away from home prices continue to climb, consumers still source most of their meals at home, with a relatively small number of dining out occasions capturing a disproportionate and growing share of wallet as restaurant prices outpace grocery prices. As this gap widens, consumers are increasingly shifting eating occasions back to the home, reinforcing grocery's role as the more affordable and frequent choice for everyday meals

(1) Due to the Oct. 1 – Nov. 12, 2025 federal funding lapse, October 2025 CPI data is unavailable
Sources: USA Today, Circana, U.S. Bureau of Labor Statistics via FRED, McKinsey

U.S. Consumers Plan to Cut Back on Restaurant Spend in 2026



Headline Metrics

- **53%** of Americans have cut back on away from home food visits in the past year as a cost-saving measure
- Nearly **90% of Americans eat home-cooked meals** multiple times a week, compared to 17% ordering takeout or delivery and 12% eating at restaurants with the same regularity
- **86%** of eating occasions are sourced from home
- Food away from home prices grew **3.8%** over the past year, outpacing food at home growth of **2.0%**, reinforcing the value proposition of eating at home

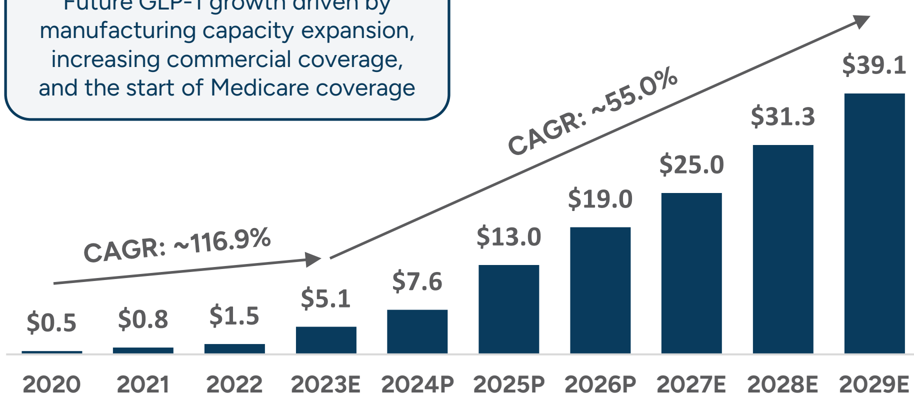
GLP-1 and Portion Control Impacts

As GLP-1 adoption accelerates, consumers are eating less and prioritizing protein and portion control, driving grocery demand for smaller packs, single-serve options, high-protein foods, and non-alcoholic alternatives

U.S. GLP-1 Spending ($ in Billions)

U.S. GLP-1 Market Size

Future GLP-1 growth driven by manufacturing capacity expansion, increasing commercial coverage, and the start of Medicare coverage



GLP-1 Increases Consumer Focus on Nutrient Intake

Consumers using GLP-1s typically prefer smaller portion sizes and higher protein content

3% of all consumers are taking GLP-1s, and 5% of the baby boomer generation

Projections indicate that by 2030, an estimated 9% of U.S. adults could be on GLP-1s

"Anti-obesity drugs will have a lasting influence on the food market… the weight-loss drugs are nudging some consumers toward smaller portions and more nutrient-dense protein and fiber-forward foods"

- Jeff Harmening, Chief Executive Officer, General Mills

Grocery Retailer Implications

Smaller Formats with Greater Nutrient Density

Anti-obesity drug usage is causing retailers to over-index to smaller portion sizes and products with greater nutrient density. Consumers are shifting from processed foods, sugary drinks, and alcohol toward produce, protein, and supplements

Maintaining Price Amidst Rising Costs

Retailers are selling smaller portion sizes at the same price as historically larger sizes to combat rising costs, increasing the per-ounce price for many everyday items. Party-size Cheetos shrank to ***15 ounces from 17.5 ounces*** *while its per-ounce price rose to* ***$0.40 from $0.17***

Single-Serve & Grab-and-Go

Smaller meals shift demand to single-serve and grab-and-go formats, supporting nutrition goals and reducing waste. ***Spending is up 7.9% on jerky and 6.8% on Greek yogurt***

Non-Alcoholic Alternatives

Alcohol spending falls 12% *as consumers prefer non-alcoholic alternatives. Retailers are offsetting the decline by expanding mixes, zero-proof drinks, and THC drink alternatives*

Sources: JP Morgan, Cargill, Ingredion, PwC, LendingTree

Prepared Foods Becoming a Staple Product Offering

Prepared foods have become one of the fastest-growing offerings for grocers, now representing over half of deli sales as consumers trade down from restaurants and trade up from home cooking

Demand for Prepared Foods…	…Supported by Consumer Values that are Here to Stay
1 *Restaurant Alternative*	As restaurant prices outpace grocery inflation, shoppers are increasingly turning to prepared meals as a more affordable and convenient meal alternative to dining out
2 *Health & Wellness*	Growing demand for fresh, nutritious grab-and-go options is reshaping prepared food assortments as consumers prioritize high-protein, clean-label, and low-sugar offerings
3 *Meal Prep Replacement*	Ready-to-heat meals and prepared items are replacing home cooking for time-pressed households, with nearly half of consumers deciding what to eat the same day
4 *Value & Variety*	52% of shoppers view deli-prepared foods as good value, while expanded offerings like sushi, hot bars, and global cuisines deliver restaurant-quality variety at grocery prices

YoY Increase by Deli Prepared Foods Category[1]

Appetizers	Entrees	Sandwiches	Prepared Meats	Salads
8.5%	**6.2%**	**2.6%**	**2.0%**	**1.9%**

Key Takeaway: Grocers that offer diverse, quality prepared foods at a compelling value relative to restaurants are positioned to capture meal occasions, replacing both home cooking and dining out for consumers seeking convenience and variety on the go

28%

of Shoppers Buy Deli-Prepared Foods Instead of Going to a Restaurant

↑ from 12% in 2017

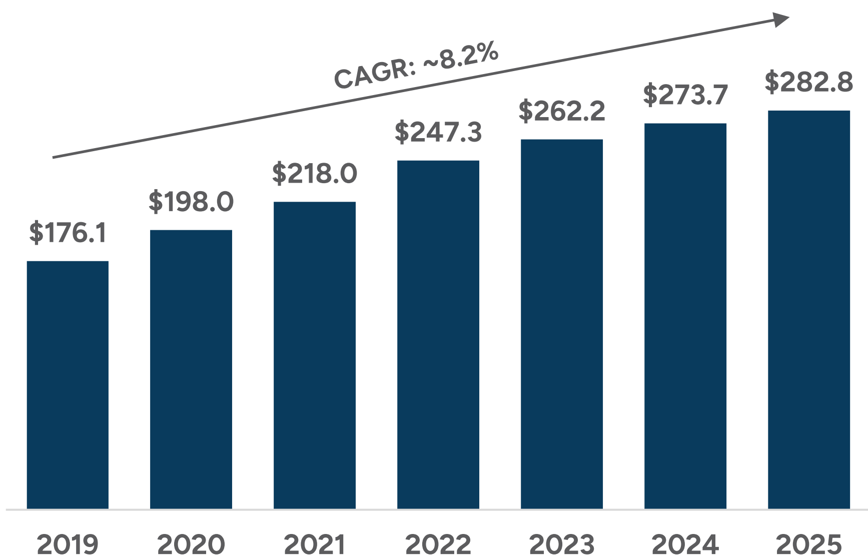
(1) Data for 52 weeks ending 12/28/2025

Sources: NBC, FMI, IDDBA / Circana, Grocery Dive, Supermarket News

Private Label and Value-Seeking Behavior Shaping the Sector

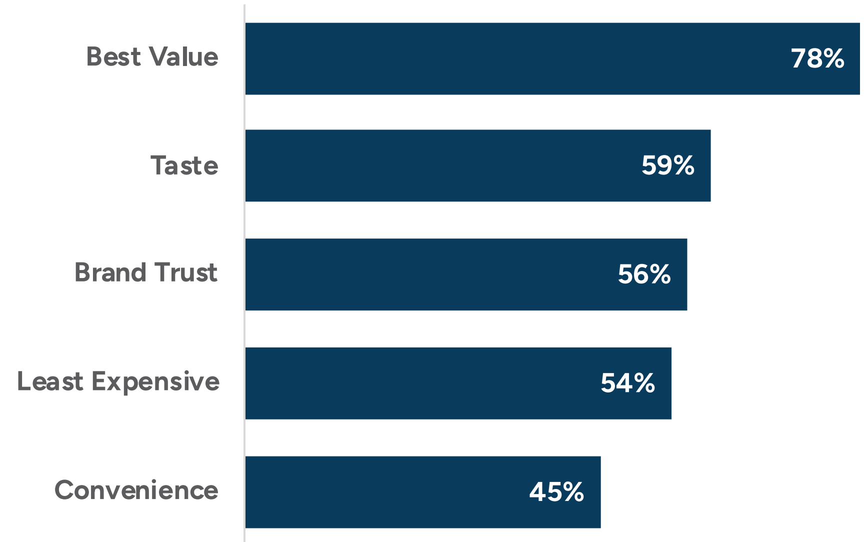
Private label and value-oriented products are gaining traction as persistently high prices push consumers away from national brands toward lower-cost alternatives across product categories

Private Label Sales of CPGs in the U.S. (*$ in Billions*)



Key Takeaway: What started as an inflation-driven shift has become a lasting change in shopper behavior. Store brands are now a go-to choice across income levels, competing with national brands on quality and innovation, not just price

Consumer Rationale for Private Label Purchases (2025)



Key Takeaway: Value is the top reason consumers buy private label, but it's no longer just about spending less. Taste and brand trust now outrank price alone, a clear sign that store brands are winning on quality and credibility as well as cost

Categories with the Largest YoY Private Label Share Gains

Meats and Seafood	Bakery Items	Chocolate Candy	Sports Drinks	Carbonated Soft Drinks	Salty Snacks
1.2%	**1.0%**	**0.8%**	**0.5%**	**0.3%**	**0.3%**

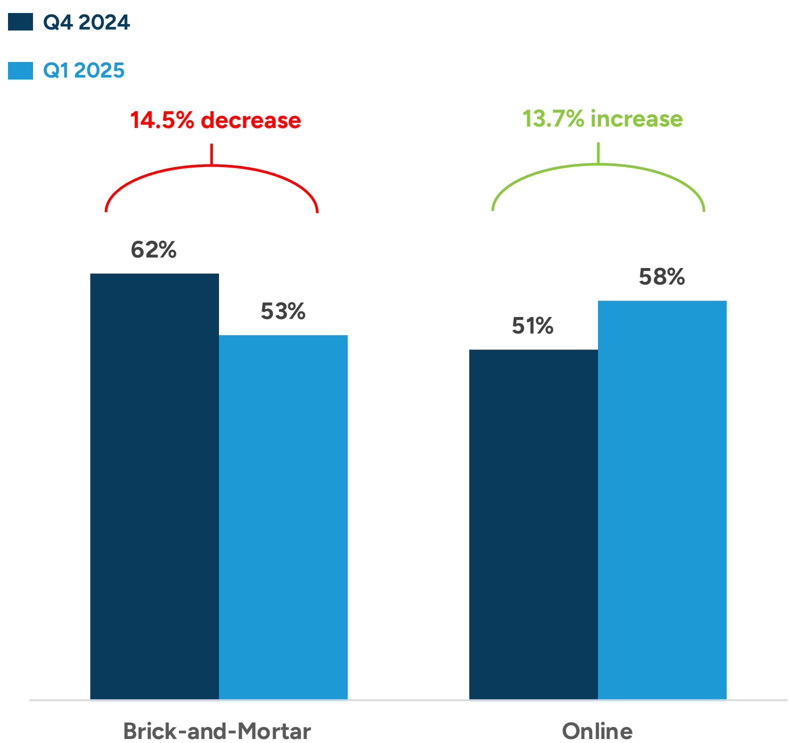
Sources: Statista, Food Navigator

Policy Changes Are Shifting Hispanic Grocery Dynamics

Hispanic grocery retailers are facing pressure from immigration enforcement activity, causing a dramatic shift from in-store shopping to online shopping, signaling a channel shift rooted in safety concerns rather than preference

Shift in Hispanic Shopping Behavior

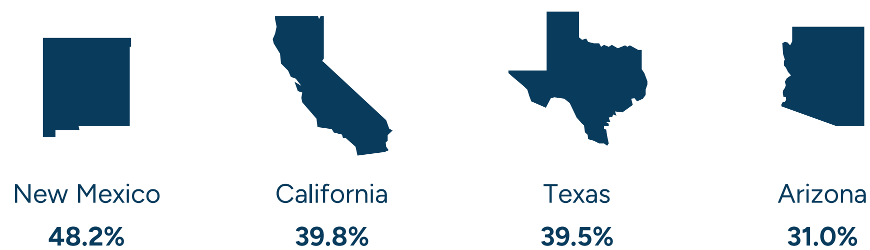
Share of Hispanic Shopper Purchases by Channel



Hispanic Grocers Bearing Greatest Effects

- Immigration enforcement impacted leading Hispanic grocery chain Chedraui, driving a **2.8% YoY same store sales (SSS) decline** in U.S. stores in Q1 2026, despite SSS growth in its Mexico stores
- Consumer spending in California neighborhoods with large Latin American foreign-born populations fell **20-25%** in the eight weeks following ICE's May 2025 enforcement surge
- **1 in 5** small businesses lost employees in the 12 months following February 2025 due to deportations, visa denials, or ICE raids
- Small businesses in immigrant-heavy neighborhoods are reporting year-over-year revenue declines of **30 to 60%**

States with Significant Hispanic Populations (2025)



Key Takeaway: Amid rising ICE enforcement action, fewer Hispanic shoppers are willing to step into grocery stores and public areas in general. In-store grocery participation has dropped sharply while online purchasing has risen, signaling a channel shift rooted in safety concerns rather than preference

Key Takeaway: Southern and West Coast areas of the U.S. are experiencing the greatest effects of ICE pressures as they represent the largest Hispanic populations

Sources: University of California Irvine, Clarify Capital, Wall Street Journal, Public Source, Herman Legal Group, HomeSnacks, Grupo Comercial Chedraui Q1 2026 Earnings Call

Sector Activity

Case Study: United Grocery Outlet Acquired by Grocery Outlet

Stout served as exclusive financial advisor to Gen Cap America on the sale of Bargain Barn (d/b/a United Grocery Outlet) to Grocery Outlet (NASDAQ:GO), delivering a thorough process that achieved an optimal outcome

United Grocery Outlet

a portfolio company of

Gen Cap America

has been acquired by

Grocery Outlet bargain market

SELL-SIDE ADVISOR

Transaction Type
Sell-Side Advisory

Industry
Grocery Retail

Products
Name-Brand Consumables & Fresh Products

Business Description

- United Grocery Outlet is a leading extreme-value, closeout grocery retailer operating 39 stores across the Southeastern U.S.

Process Summary and Outcome

- Engaged by Gen Cap America to serve as its exclusive financial advisor
- Ran a broad, competitive sell-side process designed to maximize value for shareholders
- After a tightly controlled auction process, Grocery Outlet emerged as the ideal buyer based on strong strategic fit
- Successfully closed the transaction with Grocery Outlet and negotiated favorable deal terms for the management team

Key Positioning Themes

- ✓ **Scalable Extreme-Value Grocery Platform With Significant White-Space Opportunity**
- ✓ **Proven Unit Economics And A Repeatable New-Store Playbook Supporting Visible Organic Growth**
- ✓ **Low Capital Intensity And Disciplined Operations Supporting Strong Cash Flow Conversion**
- ✓ **Flexible Sourcing Strategy Drove Differentiated Merchandising and Unique Product Assortment**
- ✓ **Loyal, Recurring Customer Traffic Supporting Durable Same-Store Sales And Defensible Cash Flow**
- ✓ **Full-Basket Value Proposition With Staples And Treasure-Hunt Discovery**

Case Study: Tony's Fresh Market Acquired by Apollo Global Management

Stout served as exclusive financial advisor to Tony's Fresh Market ("Tony's"), in its sale to Apollo Global Management (NYSE: APO), executing a thoughtful and disciplined process to maximize value

TONY'S Fresh Market

has been acquired by

APOLLO

SELL-SIDE ADVISOR

Transaction Type
Sell-Side Advisory

Industry
Grocery Retail

Products
Fresh Produce, Prepared Foods & Multicultural Grocery

Business Description

- Tony's Fresh Market is a Chicago-area specialty grocery chain offering multicultural groceries, fresh produce, quality meats, and prepared foods at affordable prices

Process Summary and Outcome

- Engaged by Tony's to serve as its exclusive financial advisor
- Ran a broad, yet targeted, sell-side process which commanded robust market interest
- Generated strong interest from both strategic and financial buyers seeking to build exposure to specialty grocery and multicultural food retail
- Closed a successful partnership with Apollo Global Management, one of the world's leading consumer and retail investors

Key Positioning Themes

- ✓ **Leading Chicago-Area Specialty Grocer with Strong Community Roots**
- ✓ **Loyal, Diverse Customer Base Drawn to Differentiated Fresh & Multicultural Assortment**
- ✓ **Consistent Growth & Reliable Cash Flow Generation**
- ✓ **Attractive Store-Level Economics Anchored by High-Margin Perishables**
- ✓ **Proven, Repeatable New Store Model with Rapid Payback**
- ✓ **Experienced Founder-Led Management Team Committed to the Business**

Select Recent M&A Transactions

Date	Target	Acquiror / Investor	Acquiror Type	Target Sector
Jul-26	Giant Eagle	Kroger	Strategic	Supermarket
Mar-26	Sette+7 Supermercati	Conad Adriatico	Strategic	Supermarket
Mar-26	Ross Granville Market	Lucky's Market Local	Strategic	Supermarket
Mar-26	La Cocoș	Schwarz	Strategic	Discount Grocery
Jan-26	Maskom Supermercados	Grupo MAS	Strategic	Supermarket
Dec-25	Netto Marken-Discount	dpi deutsche projekt invest gmbh	Financial Sponsor	Discount Grocery
Dec-25	Green Valley Grocery	Anabi	Strategic	Convenience Store
Oct-25	Festival Foods; Hometown Grocers	1939 Group, Inc.	Strategic	Supermarket
Oct-25	Morton Williams	Wakefern Food Corp.	Strategic	Supermarket
Sep-25	SpartanNash	C&S Wholesale Grocers	Strategic	Food Distribution and Supermarket

Sources: Company website, Capital IQ, Stout proprietary database

Select Recent M&A Transactions

Date	Target	Acquiror / Investor	Acquiror Type	Target Sector
Sep-25	Brandco Direct	tradish	Strategic	Online Food and Grocery
Aug-25	Village Market Food Centers	Harding's Friendly Markets	Strategic	Supermarket
Aug-25	佳宝食品超級市場 KAI BO FOOD SUPERMARKET	京东 JD.COM	Strategic	Supermarket
Jul-25	James Super Save Foods	HARPS	Strategic	Supermarket
Jul-25	Circle K 35 Retail Fuel and Convenience Store Locations	Majors Management	Strategic	Convenience Store
Jun-25	T&R'S CORNER STORE	Individual Investor	Financial Sponsor	Convenience Store
May-25	AB	JSC Tander	Strategic	Supermarket
Apr-25	Kessler's	Coborn's Inc	Strategic	Supermarket
Apr-25	Craven Foods	HARPS	Strategic	Supermarket

Sources: Company website, Capital IQ, Stout proprietary database

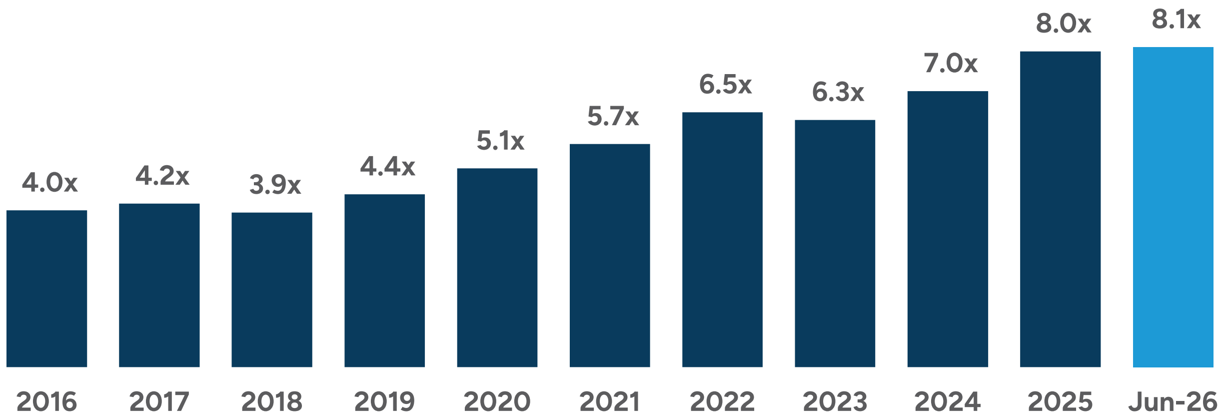
Public Markets Performance

Company Name	Ticker	Market Data: Share Price 6/30/26	Market Data: Share Price % 52 High	Market Data: Ent. Value[1]	LTM Financial Performance Data: Revenue	LTM Financial Performance Data: EBITDA Margin	LTM Financial Performance Data: Debt / EBITDA	Valuation Multiples: EV / Rev LTM	Valuation Multiples: EV / EBITDA LTM	Valuation Multiples: EV / EBITDA NTM
Grocery Retail										
Albertsons Companies, Inc.	NYSE:ACI	$13.53	59.4%	$15,399.4	$83,172.5	4.3%	2.5x	0.2x	4.3x	4.0x
BJ's Wholesale Club Holdings, Inc.	NYSE:BJ	87.22	78.6	11,918.6	21,965.3	5.1	0.7	0.5	10.7	9.6
Costco Wholesale Corporation	NasdaqGS:COST	935.47	85.3	400,631.1	293,587.0	4.7	0.4	1.4	29.1	25.7
Grocery Outlet Holding Corp.	NasdaqGS:GO	9.98	51.4	1,417.5	4,729.5	4.4	2.4	0.3	6.9	6.1
Koninklijke Ahold Delhaize N.V.	ENXTAM:AD	40.24	82.8	50,377.0	91,351.0	5.9	3.6	0.6	9.3	6.8
Loblaw Companies Limited	TSX:L	45.31	92.5	68,864.9	64,483.0	8.9	2.9	1.1	12.0	8.9
Metro Inc.	TSX:MRU	63.85	84.1	18,291.4	22,175.4	8.4	2.6	0.8	9.8	8.4
Sprouts Farmers Market, Inc.	NasdaqGS:SFM	84.58	49.4	7,830.6	8,898.9	9.4	0.1	0.9	9.3	8.7
Tesco PLC	LSE:TSCO	6.09	90.3	47,688.6	73,712.0	6.0	3.4	0.6	10.8	9.3
The Kroger Co.	NYSE:KR	55.53	72.5	48,227.6	148,645.0	5.4	2.1	0.3	6.0	5.9
The North West Company Inc.	TSX:NWC	34.77	87.0	2,042.1	2,588.5	12.0	1.5	0.8	6.6	5.4
Village Super Market, Inc.	NasdaqGS:VLGE.A	42.18	87.5	571.6	2,395.8	4.4	0.7	0.2	5.4	NA
Weis Markets, Inc.	NYSE:WMK	78.31	93.5	1,738.9	5,012.8	5.1	0.0	0.3	6.8	NA
Woolworths Group Limited	ASX:WOW	27.69	98.2	50,245.0	70,282.0	4.7	5.2	0.7	15.2	7.9
Median			**84.7%**	**$16,845.4**	**$43,329.2**	**5.3%**	**2.2x**	**0.6x**	**9.3x**	**8.1x**
Mean			**79.5%**	**$51,803.2**	**$63,785.6**	**6.3%**	**2.0x**	**0.6x**	**10.2x**	**8.9x**

(1) Enterprise Value ("EV") equals Market Value plus straight and convertible debt (excl. operating leases where available), preferred stock, minority interest, less cash and short-term investments
Source: S&P Capital IQ as of 6/30/2026

Public Markets Performance

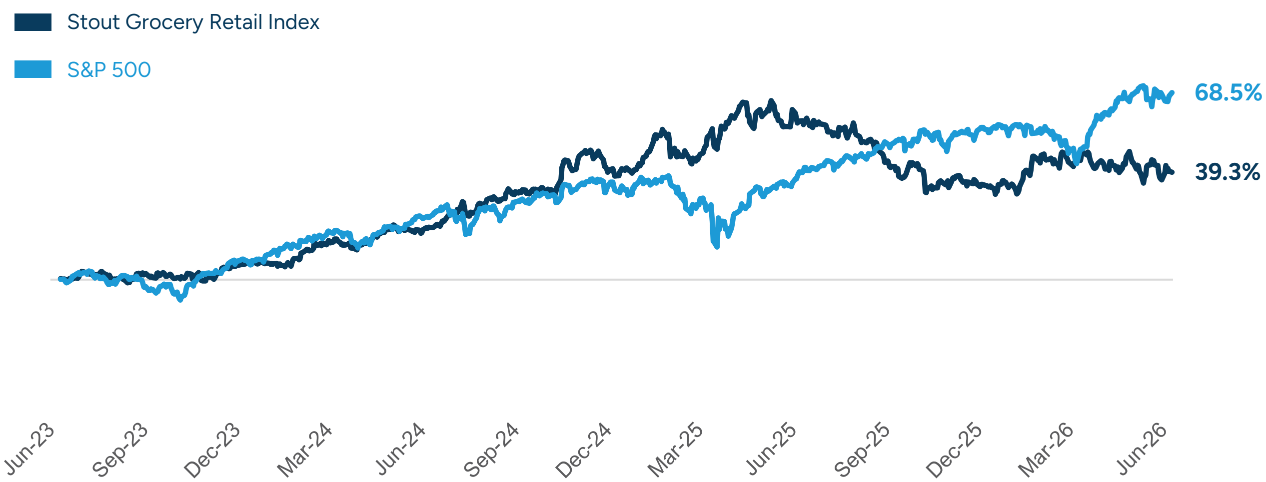
Historical Median EV/NTM EBITDA Multiples



Key Takeaway:
Public valuation NTM multiples have gradually increased over the past 10 years, reflecting optimism about the recovery and future of the grocery retail and overall consumer industry each year. The median EV/NTM EBITDA multiple for the Stout Grocery Retail Index at the close of June was 8.1x

Indexed Stock Price Performance – Last 3 Years

Indexed to 0.0 as of 6/30/2023



Key Takeaway:
The Stout Grocery Retail Index, a market cap-weighted composite of leading public grocers, gained 39.3% in the three years to June 2026 versus the S&P 500's 68.5%. The lag between the index and overall public market performance is driven by underperforming stocks (Albertsons, Grocery Outlet, Weis Markets, and Woolworths) rather than broad sector weakness

Sources: S&P Capital IQ, Stout Proprietary Index based on 2026 public company data set (p.19)

Connect With Us

Overview of Stout — Leading Growth-Focused Investment Bank

Stout is a global investment bank and advisory firm serving a wide range of clients, including public corporations, private equity firms, and privately owned companies across numerous industries

300+	1,300+	120+	20%	25
Fortune 500 Clients Served Annually	Professionals Globally	M&A Professionals	Cross-Border Engagements	Stout Offices Globally

Unmatched Global Reach

NORTH AMERICA

Atlanta	Denver	New York
Baltimore	Detroit	Philadelphia
Charlotte	Grand Rapids	San Diego
Chicago	Houston	San Francisco
Cleveland	Irvine	Tysons Corner
Dallas	Los Angeles	Washington, DC

EUROPE

Berlin
Lausanne
London
Milan

ASIA

Hong Kong
Shanghai
Singapore

Deep Domain Expertise

CONSUMER	SERVICES	HEALTHCARE	INDUSTRIALS

INVESTMENT BANKING

Mergers & Acquisitions Advisory
ESOP Advisory
Capital Markets Advisory
Special Situations and Distressed M&A

TRANSACTION ADVISORY

Due Diligence – Financial, Tax, IT, Legal Claims
Integration & Separation
Interim Management & Business Transformation
Transaction Accounting & Internal Controls

STRATEGY SERVICES

Commercial Diligence
Growth Strategy
Market Analysis
Customer Insights

VALUATION ADVISORY

Fairness & Solvency Opinions
Corporate Tax Planning and Compliance
ESOP Valuations & Opinions
Financial Reporting and Valuation Disputes
Trust and Estate Planning

ACCOUNTING & REPORTING ADVISORY

Accounting & Risk Advisory
Accounting & Finance Operations
Financial Statement Preparation & SEC Filings
Public Company Readiness

DISPUTES, CLAIMS, & INVESTIGATIONS

Claims, Contract Compliance, & Corp. Investigations
Expert Testimony and Consulting
Regulatory Compliance and Financial Crimes

Select Food & Beverage Experience

Western Botanicals
has been acquired by
Riverside
SELL-SIDE ADVISOR

Tapatío
has been acquired by
Highlander partners, L.P.
SELL-SIDE ADVISOR

Razzoo's Cajun Cafe
Sale of assets pursuant to Section 363 sale
Microwd restaurant group
SELL-SIDE ADVISOR

Barchemy
has been acquired by
Avance
SELL-SIDE ADVISOR

Specialty Bakers Since 1901
a portfolio company of
Stonebridge Partners
has been acquired by
HC
SELL-SIDE ADVISOR

Rumiano
has been acquired by
Sartori
SELL-SIDE ADVISOR

Pasture Brands Holdings / Farmers Pillars
a portfolio company of
B·C·P Benford Capital Partners
has been acquired by
Pete & Gerry's
a portfolio company of
butterfly
SELL-SIDE ADVISOR

Indo-European Foods Inc.
a portfolio company of
Corridor Capital
has been acquired by
Global Market Foods
a portfolio company of
Peak Rock Capital
SELL-SIDE ADVISOR

Buca di Beppo Italian Restaurant
has been acquired by
Main St Capital Corporation
SELL-SIDE ADVISOR

Lillie's Q
has been acquired by
OWS Foods
a portfolio company of
Shore Capital Partners
SELL-SIDE ADVISOR

The Zidian Group
Sugar Free / Gia Russa / Bronx
has been acquired by
Lassonde
SELL-SIDE ADVISOR

SF EP San Francisco Equity Partners
has acquired
Xceed Foodservice Group
BUY-SIDE ADVISOR

United Grocery Outlet
a portfolio company of
GenCap America
has been acquired by
Grocery Outlet bargain market
SELL-SIDE ADVISOR

Harwood Private Equity
has acquired
Crest Foods
BUY-SIDE ADVISOR

Ruby
has been acquired by
atalanta
SELL-SIDE ADVISOR

Watershed Distillery
has been acquired by
Marussia Beverages USA
SELL-SIDE ADVISOR

Sunrise Produce
has been acquired by
Investcorp
SELL-SIDE ADVISOR

Better 4 You Meals
Sale of assets pursuant to Section 363 sale
revolution foods.
ADVISOR TO DEBTOR

Tokyo Joe's
has been acquired by
Salad Collective
SELL-SIDE ADVISOR

Versa-Gard
has been acquired by
cornerstone Foodservice Group
a portfolio company of
ShoreView
SELL-SIDE ADVISOR

Tony's Fresh Market
has been acquired by
Apollo
SELL-SIDE ADVISOR

somafina Nutraceutical Builders
has been acquired by
Heartwood Partners
SELL-SIDE ADVISOR

wineshipping
a portfolio company of
Endeavour
has been acquired by
Greenbriar Equity Group LLC
SELL-SIDE ADVISOR

Mateo's Gourmet Salsa
has been acquired by
Sauer Brands
a portfolio company of
Falfurrias Management Partners
SELL-SIDE ADVISOR

Starwest Botanicals, Inc.
has been acquired by
Incline Equity Partners
SELL-SIDE ADVISOR

IcelandDirect
has been acquired by
New Heritage Capital
SELL-SIDE ADVISOR

Fresh Food Group
a portfolio company of
Kainos Capital
has been acquired by
stellex
Tillridge / The Jim Pattison Group
SELL-SIDE ADVISOR

Warnock Food Products
has been acquired by
Calbee
SELL-SIDE ADVISOR

Lloyd Pans
a portfolio company of
Centre Lane Partners
has been acquired by
cornerstone Foodservice Group
a portfolio company of
ShoreView
SELL-SIDE ADVISOR

Aspen Beverage Group
a portfolio company of
Finlays Since 1750
has been acquired by
Swire
SELL-SIDE ADVISOR

Spring USA
Fiskars
has been acquired by
ShoreView
SELL-SIDE ADVISOR

Wise Company
a portfolio company of
Trivest
has been acquired by
BRS
SELL-SIDE ADVISOR

Note: Transaction experience may include work by Stout professionals while at prior firms

Connect With Our Dedicated Food & Beverage Team

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