



FOOD DISTRIBUTION SECTOR UPDATE

Q4 2025 Earnings Review

February 2026



Solomon's Comprehensive Approach to Food Distribution



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 <p>C&S Wholesale Grocers</p> <p>Acquisition of</p>  <p>SpartanNash</p> <p>Served as exclusive financial advisor to C&S Wholesale Grocers</p>	 <p>Roche Bros.</p> <p>Sale to owner of</p>  <p>Bozzuto's Inc.</p> <p>Served as exclusive financial advisor to Roche Bros.</p>	 <p>fresh ENCOUNTER</p> <p>Sale to</p>  <p>SpartanNash</p> <p>Served as exclusive financial advisor to Fresh Encounter</p>	<p>TERMINATED</p>  <p>Albertsons Companies</p> <p>Sale to</p>  <p>Kroger</p> <p>Served as financial advisor to Albertsons</p>	 <p>freshdirect.</p> <p>Split-off from</p>  <p>getir</p> <p>Served as lead financial advisor to FreshDirect</p>	 <p>Mr. Greens</p> <p>A portfolio company of</p>  <p>SHORELINE EQUITY PARTNERS</p> <p>Sale to</p>  <p>STERLING</p> <p>Served as lead financial advisor to Mr Greens</p>	 <p>Advent International</p> <p>Acquired a significant stake in</p>  <p>ImperialDade</p> <p>A portfolio company of</p>  <p>BainCapital</p> <p>Served as exclusive financial advisor to Advent</p>	 <p>EL RANCHO</p> <p>Sale to</p>  <p>HERITAGE GROCERS GROUP</p> <p>APOLLO</p> <p>Served as exclusive financial advisor to El Rancho</p>	 <p>save a lot</p> <p>Recapitalization, refinancing and relicensing conversion sales to various parties including</p>    <p>Served as financial advisor to Save a Lot</p>	 <p>Ahold</p> <p>Divestiture of</p>  <p>Kroger</p> <p>To</p>  <p>KKR</p> <p>Served as financial advisor to Ahold</p>
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Executive Summary

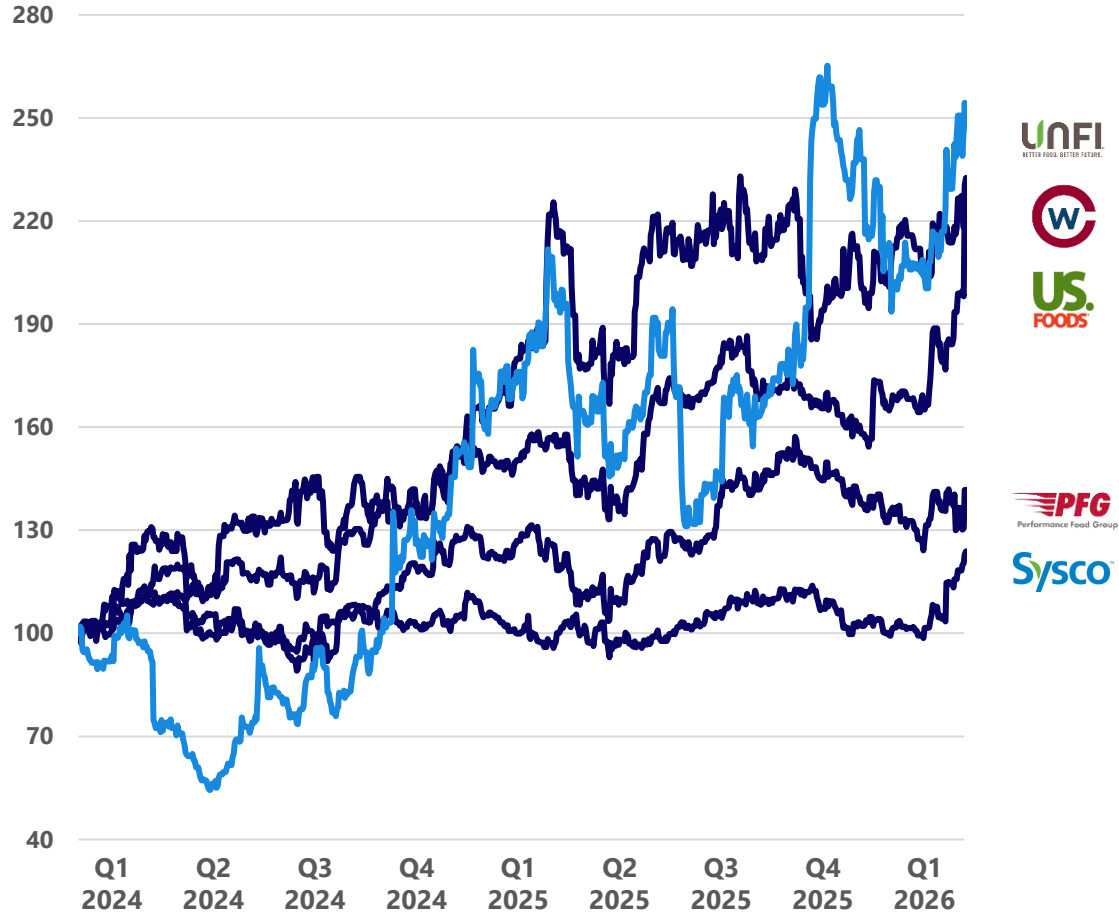
Public food distributors continue to deliver steady earnings growth in a dynamic macro environment

- Sales growth among public food distributors in Q4 was driven by consistent price growth, steady LSD case growth and contributions from programmatic tuck-in acquisitions
 - Investments in sales teams, increased service levels, loyalty programs and expanded value and private label assortments are driving growth in a challenging operating environment
 - Independent case growth continues to outpace chain business as public food distributors are effectively utilizing scale and service advantages to gain share in more resilient foodservice segments
- Earnings growth is exceeding topline growth powered by efficiency and profitability initiatives
 - Investments in AI-powered tools and digital platforms, including automated ordering and margin-accretive product recommendations, are improving sales productivity and mix
 - Continued investment in route / network optimization and warehouse efficiency is driving profitability
- Continued investment in sales teams, technology and distribution centers in growing markets are positioning public food distributors for sustained growth, particularly if restaurant traffic trends improve throughout 2026
- M&A continues to be a core growth strategy with Sysco announcing a tuck-in acquisition during the quarter
 - Deal activity in the sector remains robust with ample opportunities for both continued tuck-in acquisitions and more transformational transactions expanding specialty product portfolios and capabilities

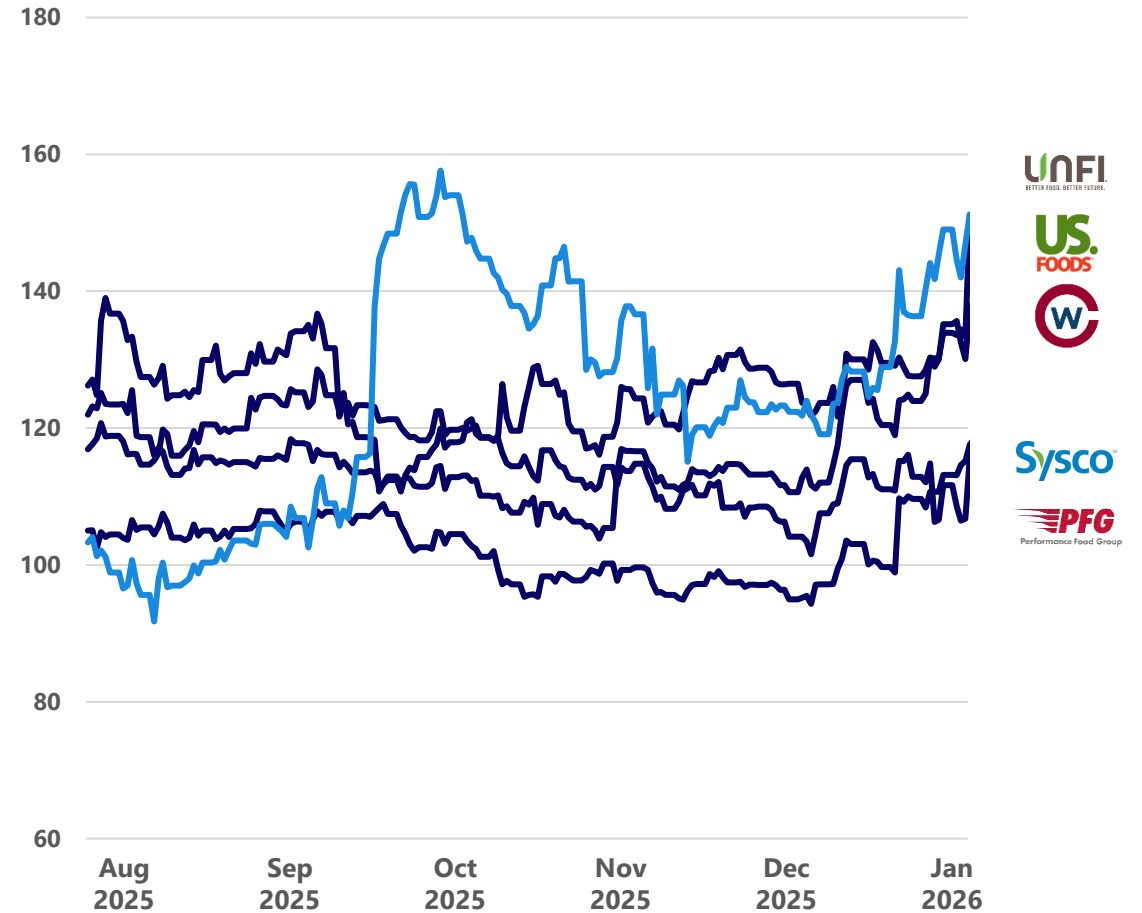
Public Food Distributor Share Price Change

Public food distributor stock price performance has varied with investors rewarding sustained margin enhancement and earnings growth

Share Price Change (Since 2024)



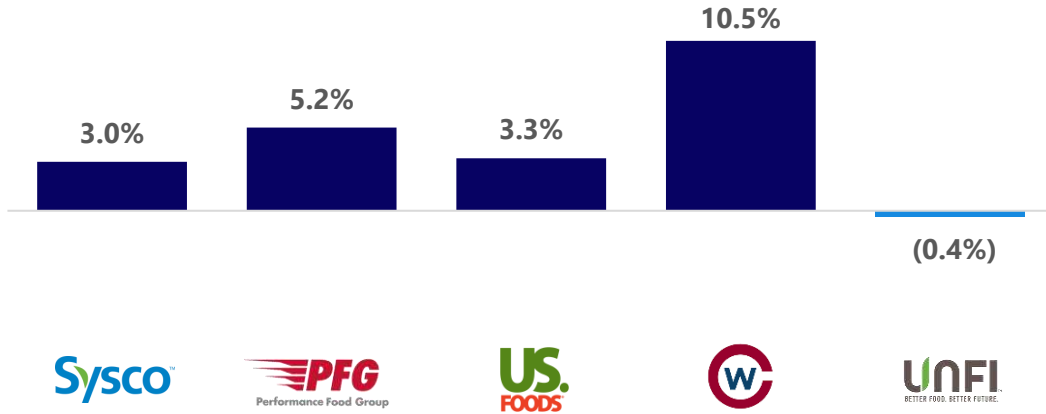
Share Price (L6M)



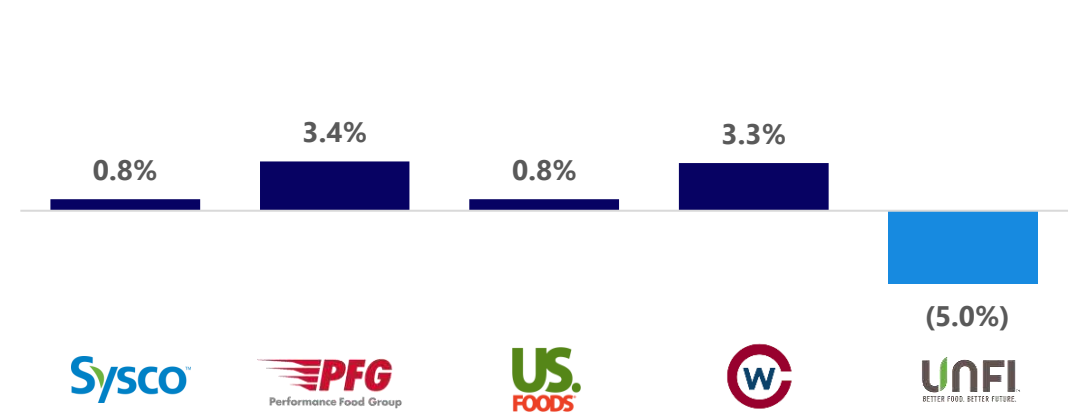
■ Foodservice Distributor ■ Grocery Wholesaler

Public Food Distributor CY Q4 2025 Performance Update

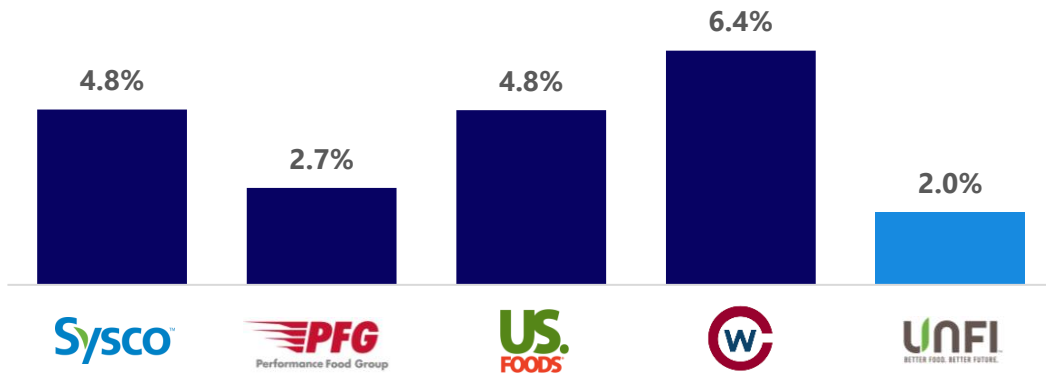
Sales Growth



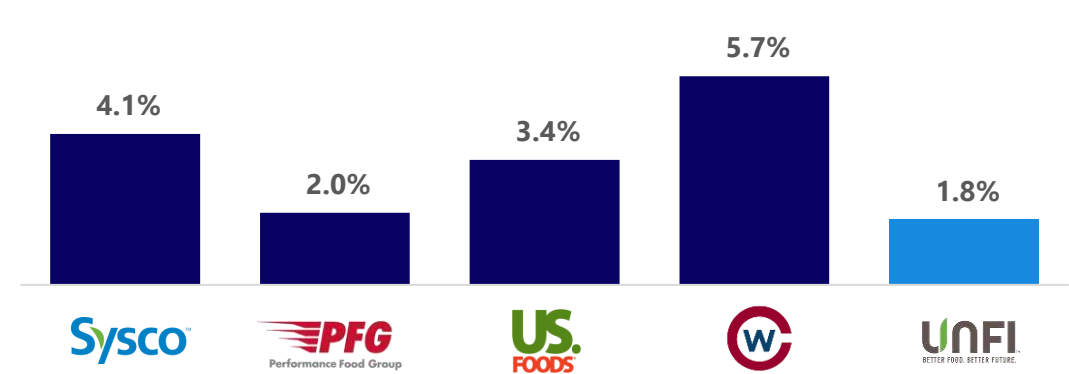
Case Volume Growth ⁽¹⁾



EBITDA Margin



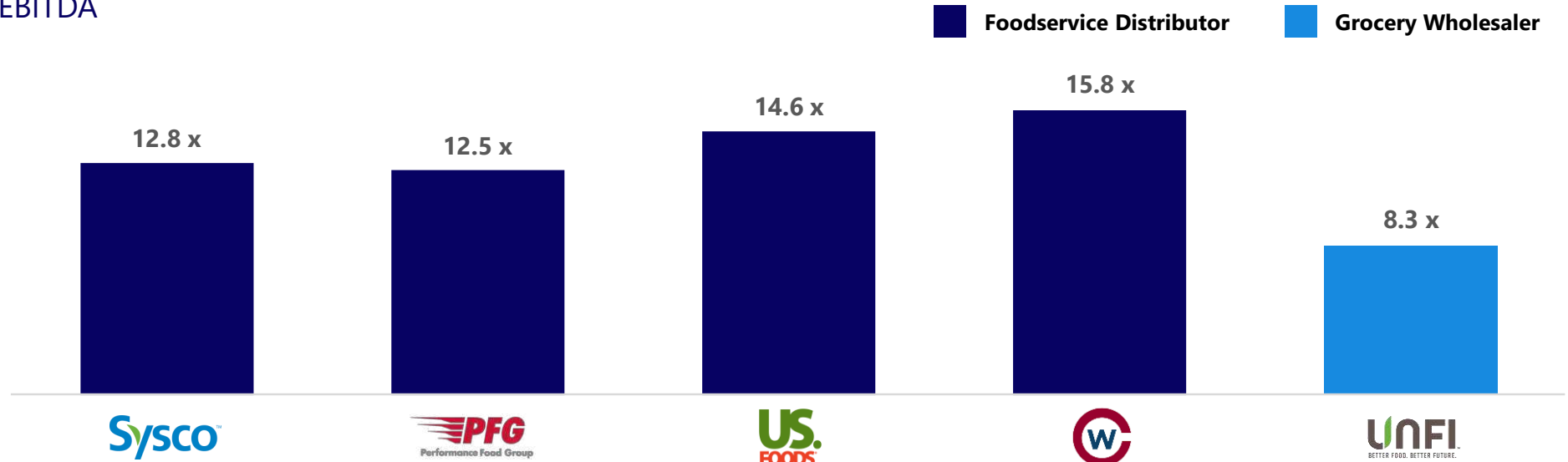
EBITDA – Capex / Sales



■ Foodservice Distributor ■ Grocery Wholesaler

Public Food Distributor Valuation

Total Enterprise Value / LTM EBITDA

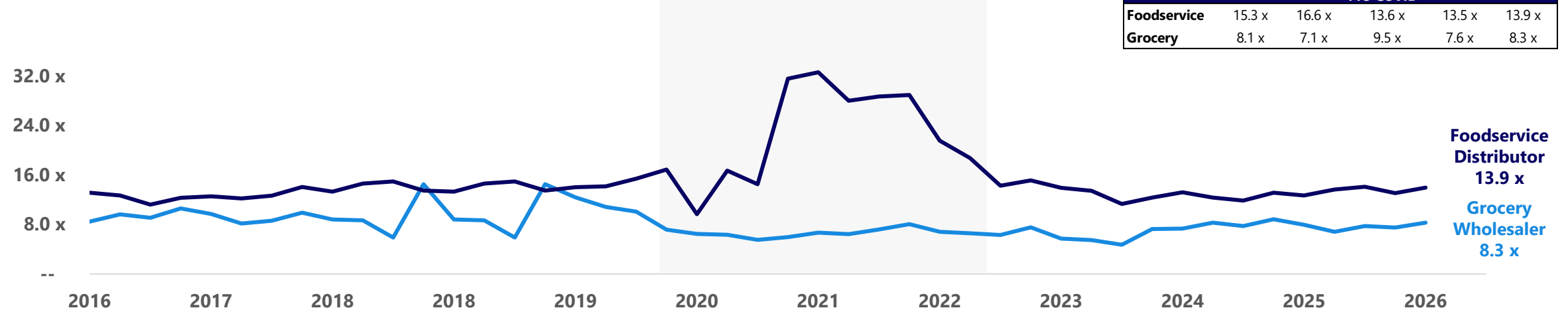


	Sysco	PFG	US Foods	W	UNFI
TEV (\$B)	\$55.6	\$22.6	\$27.0	\$3.8	\$4.5
LTM Revenue Growth	2.6%	10.4%	4.1%	9.4%	1.5%
NTM Revenue Growth	4.4%	5.3%	5.4%	6.8%	1.0%
LTM EBITDA Margin	5.2%	2.8%	4.7%	5.7%	1.7%
LTM EBITDA - Capex / Sales	4.2%	2.0%	3.7%	4.7%	1.1%
Div Yield	2.4%	—	—	—	—

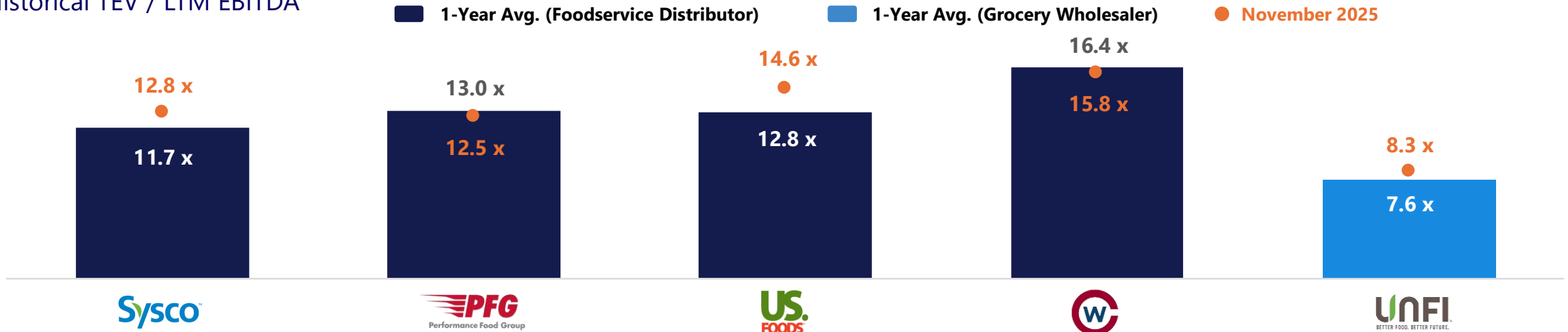
Public Food Distributor Valuation Over Time

Public food distributors are trading in line with Pre-COVID averages

Historical TEV / LTM EBITDA



Historical TEV / LTM EBITDA



Source: Company filings, S&P Capital IQ Consensus Estimates as of February 2026.
 Note: Years represent calendar years. Earnings figures adjusted to remove the impact of non-recurring and non-operating expenses. EBITDA burdened with stock-based compensation.
 1. Reflects the average LTM TEV / LTM EBITDA multiple from Q4 2015 – Q4 2019.

Financial and Operational Highlights

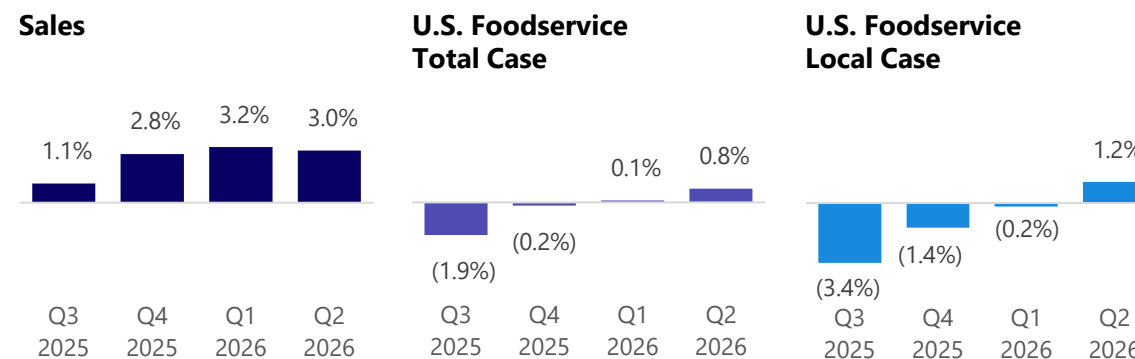
- Q2 sales increased 3% YoY to \$20.8B
 - U.S. Foodservice volume increased 0.8% driven by improving local case trends
 - Local case volume increased 1.2%, representing a 140bps sequential improvement vs. Q1 and the third straight quarter of sequential improvement
 - Performance exceeded prior guidance and outpaced decelerating industry traffic
 - Management expects 2.5%+ local case growth in 2H 2026 (2.1%+ organic)
 - Volume to national accounts increased modestly, with strength in foodservice management, healthcare and travel & entertainment partially offset by softness in national restaurant chains
 - International sales grew 7% YoY (4% on a constant currency basis) on positive volume with double-digit operating income growth
- Gross Profit increased 4% to \$3.8B (18.3% gross margin, +15bps margin expansion) driven primarily by management of product cost inflation, sourcing efficiencies and favorable mix toward local volumes
- Adjusted EBITDA increased 3% to approximately \$1.0B
 - Volume improvements, continued gross margin expansion and expense control contributed to EBITDA performance
- Management announced the tuck-in acquisition of Ginsberg's Foods, a broadline distributor in the Northeast
- Management reaffirmed confidence in full-year outlook of 3% - 5% sales growth and expects adjusted EPS in the high end of the previously provided \$4.50 - \$4.60 range

Financial Performance

(\$ in millions)

	Three Months Ended			Estimates	
	Dec-25	Dec-24	% Change	Consensus	Surprise
U.S. Foodservice	\$14,383	\$14,044	2.4%	\$14,518	(0.9%)
International Foodservice	3,999	3,728	7.3%	3,858	3.7%
SYGMA	2,126	2,116	0.5%	2,190	(2.9%)
Other	254	263	(3.4%)		
Total Sales	\$20,762	\$20,151	3.0%	\$20,777	(0.1%)
Adj. EBITDA	\$1,001	\$969	3.3%	\$1,019	(1.8%)
Adj. EBITDA Margin	4.8%	4.8%	1 bps	4.9%	(8 bps)
Adj. Net Income / (Loss)	\$476	\$458	3.9%	\$467	1.9%
Adj. Net Income Margin	2.3%	2.3%	2 bps	2.2%	4 bps
Adj. Earnings Per Diluted Share	\$0.99	\$0.93	6.5%	\$0.98	1.1%

Rolling Quarterly Sales and Case Volume Growth



Performance Food Group

Q2 2026 Performance Update – December 27, 2025

Financial and Operational Highlights

- Q2 sales increased 5% YoY to \$16.4B
 - Total case volume increased 3.4% YoY with organic case volume growth of 2.8%
 - Foodservice sales grew 5% YoY driven by increased volume in both independent and chain business, and increased price per case
 - Organic independent case volume grew 5.3% YoY
 - Convenience sales grew 6% YoY (+6.8% case growth) driven by a recent acquisition, the addition of new chain customers and increased price per case
 - Specialty sales grew modestly YoY driven by increased price per case and growth in the vending and retail channels, partially offset by a decline in theater sales
- Gross profit grew 8% to \$2.0B (12.0% gross margin, +3bps margin expansion) driven by cost of goods sold optimization as well as a favorable shift in the mix of cases sold, including growth in the independent channel
- Adjusted EBITDA increased 7% to \$439M (+4bps margin expansion)
 - EBITDA growth driven by gross profit gains offset by increased operating costs from ramping of the Cheney Brothers acquisition and general cost inflation
- Announced Scott McPherson ascending to CEO role (formerly President, COO) with the planned retirement of George Holm (transitioning to Executive Chair)
- Management updated its full year guidance:
 - Sales of \$67.3B - \$68.3B (compared to prior guidance of \$67.0B - \$68.0B)
 - Adj. EBITDA of \$1.9B - \$2.0B (consistent with prior guidance)

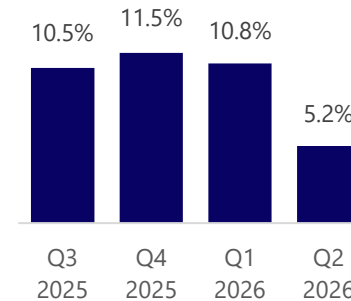
Financial Performance

(\$ in millions)

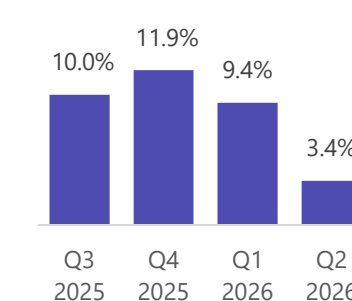
	Three Months Ended			Estimates	
	Dec-25	Dec-24	% Change	Consensus	Surprise
Foodservice	\$8,803	\$8,379	5.1%		
Convenience	6,331	5,968	6.1%		
Specialty	1,253	1,235	1.5%		
Other	58	58	1.4%		
Total Sales	\$16,445	\$15,638	5.2%	\$16,515	(0.4%)
Adj. EBITDA	\$439	\$411	6.6%	\$452	(2.9%)
Adj. EBITDA Margin	2.7%	2.6%	4 bps	2.7%	(7 bps)
Adj. Net Income / (Loss)	\$154	\$153	0.3%	\$170	(9.7%)
Adj. Net Income Margin	0.9%	1.0%	(5 bps)	1.0%	(10 bps)
Adj. Earnings Per Diluted Share	\$0.98	\$0.98	–	\$1.09	(10.1%)

Rolling Quarterly Sales and Case Volume Growth

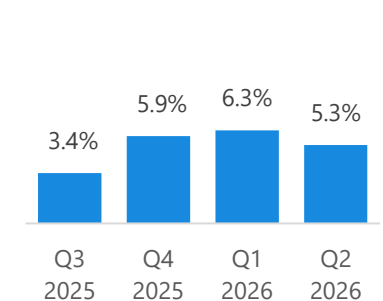
Sales



Total Case



Organic Independent Foodservice Case



Financial and Operational Highlights

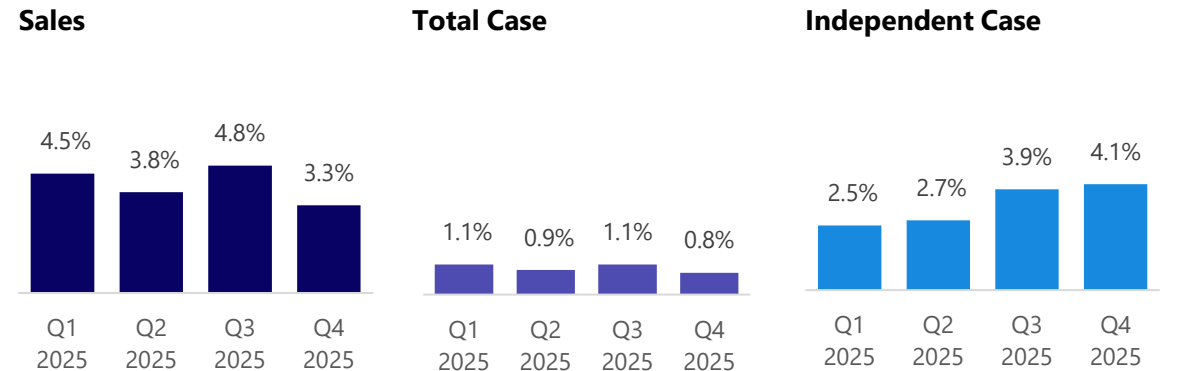
- Q4 sales increased 3% YoY to \$9.8B
 - Total case volume increased 0.8% driven by a 4.1% increase in independent restaurant, 2.9% increase in healthcare and a 3.1% increase in hospitality, partially offset by a 3.4% decline in chain
 - Independent restaurant case growth accelerated 20bps QoQ
 - Organic case volume increased 0.3% including a 3.7% increase in organic independent restaurant volume
- Gross profit grew 3% to \$1.7B (17.6% gross margin) driven by increased case volume, improved cost of goods sold (including increased private label penetration) and inventory management, partially offset by an unfavorable YoY LIFO adjustment
- Adjusted EBITDA increased 11% YoY to \$471M (+34bps margin expansion)
 - EBITDA growth driven by gross profit gains with distribution productivity improvement and streamlined administrative processes offsetting higher operating costs associated with increased volumes and general cost inflation
- Management provided full year 2026 guidance:
 - Sales growth of 4% - 6% (case growth 2.5% - 4.5%)
 - Adj. EBITDA growth of 9% - 13%
 - Adj. Diluted EPS growth of 18% - 24%

Financial Performance

(\$ in millions)

	Three Months Ended			Estimates	
	Dec-25	Dec-24	% Change	Consensus	Surprise
Total Sales	\$9,800	\$9,491	3.3%	\$9,901	(1.0%)
Adj. EBITDA	\$471	\$424	11.1%	\$468	0.7%
Adj. EBITDA Margin	4.8%	4.5%	34 bps	4.7%	8 bps
Adj. Net Income / (Loss)	\$235	\$197	19.3%	\$227	3.7%
Adj. Net Income Margin	2.4%	2.1%	32 bps	2.3%	11 bps
Adj. Earnings Per Diluted Share	\$1.04	\$0.84	23.8%	\$1.01	3.0%

Rolling Quarterly Sales and Case Volume Growth



The Chefs' Warehouse



Q4 2025 Performance Update – December 26, 2025

Financial and Operational Highlights

- Q4 sales increased 11% YoY to \$1.1B
 - Organic specialty case volume increased 3.3% YoY (5.4% excluding the impact of the elimination of non-core programs)
 - Center-of-plate pounds declined 2.4% YoY, but grew 7.5% excluding the impact of the elimination of a non-core commodity poultry program
 - Unique customers increased 1.2% and placements increased 4.2%
- Gross profit grew 10% to \$277M (24.2% gross margin, 8bps margin decline) driven by increased volumes, price inflation and acquisitions
 - Gross margin increased 45bps in the specialty category and declined 50bps in center-of-plate
- Adjusted EBITDA increased 16% YoY to \$74M (+29bps margin expansion)
 - Margin expansion driven by continued benefits from strategic facility consolidations, regional route consolidations and transfer reductions driving increased gross profit per route, offset by general cost inflation
- Management provided full year 2026 guidance:
 - Sales of \$4.35B - \$4.45B
 - Adj. EBITDA of \$276M - \$286M

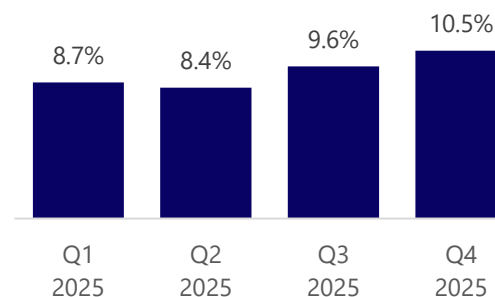
Financial Performance

(\$ in millions)

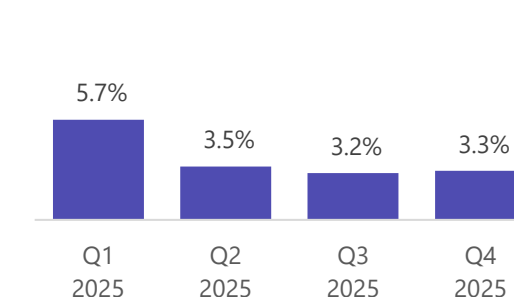
	Three Months Ended			Estimates	
	Dec-25	Dec-24	% Change	Consensus	Surprise
Sales	\$1,143	\$1,034	10.5%	\$1,099	4.0%
Adj. EBITDA	\$74	\$64	15.7%	\$68	8.9%
Adj. EBITDA Margin	6.4%	6.2%	29 bps	6.2%	29 bps
Adj. Net Income / (Loss)	\$30	\$24	25.3%	\$28	7.6%
Adj. Net Income Margin	2.6%	2.3%	31 bps	2.5%	9 bps
Adj. Earnings Per Diluted Share	\$0.68	\$0.55	23.6%	\$0.62	9.7%

Rolling Quarterly Sales and Case Volume Growth

Sales



Organic Specialty Case



United Natural Foods



Q1 2026 Performance Update – November 1, 2025

Financial and Operational Highlights

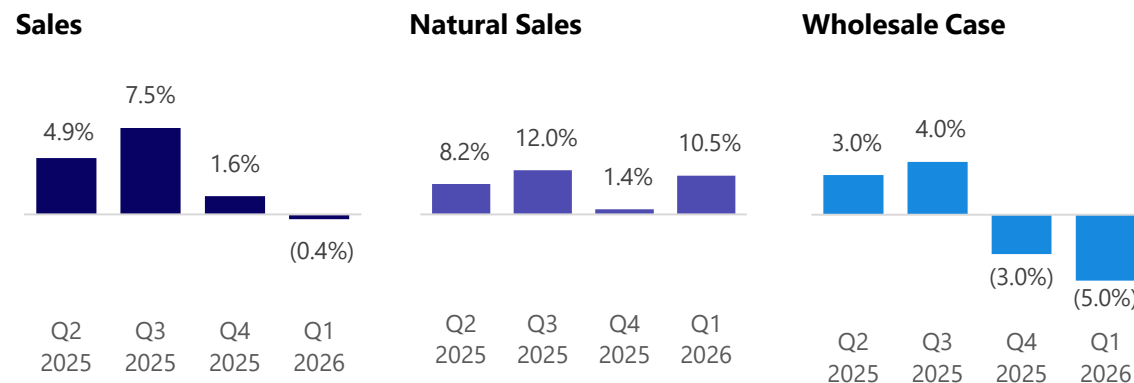
- Q1 sales flat YoY at \$7.8B
 - Natural and organic sales grew 11% with strong unit growth outperforming the market
 - Conventional sales declined 12% primarily driven by the accretive transition out of the Allentown facility
 - Wholesale unit volumes declined 5% with natural and organic growth offset by network optimization
 - Retail sales fell 5% partially due to store closures, same-store sales declined 3%
- Gross margin increased 20bps YoY to 13.4%
 - Increase driven by the positive impact of network optimization and customer mix, favorable impact of supplier programs and higher levels of procurement gains
- Adjusted EBITDA increased 23% YoY to \$156M (+38bps margin expansion)
 - Increased sales, gross margin expansion and continued traction of Management’s Lean initiatives driving EBITDA growth
- Management affirmed 2026 guidance:
 - 2026 Sales of \$31.6B - \$32.0B (flat at midpoint to 2025 reflecting impact of continued optimization)
 - Adj. EBITDA of \$630M - \$700M (increased of 20% YoY at midpoint of range)

Financial Performance

(\$ in millions)

	Three Months Ended			Estimates	
	Nov-25	Nov-24	% Change	Consensus	Surprise
Natural	\$4,240	\$3,838	10.5%		
Conventional	3,325	3,764	(11.7%)		
Retail	554	586	(5.5%)		
Other	(279)	(317)	(12.0%)		
Total Sales	\$7,840	\$7,871	(0.4%)	\$7,908	(0.9%)
Adj. EBITDA	\$156	\$127	22.8%	\$145	7.4%
Adj. EBITDA Margin	2.0%	1.6%	38 bps	1.8%	15 bps
Adj. Net Income / (Loss)	\$35	\$10	250.0%	\$24	46.3%
Adj. Net Income Margin	0.4%	0.1%	32 bps	0.3%	14 bps
Adj. Earnings Per Diluted Share	\$0.56	\$0.16	250.0%	\$0.40	40.0%

Rolling Quarterly Sales and Case Volume Growth



APPENDIX

North American Food Distributor Trading Analysis

Trading - Food Distribution

(\$ In Millions, Except Per Share Data)

Company	LTM Sales	Share Price	% of 52-Week High	Equity Value	Total Ent. Value	TEV / LTM Sales	TEV / EBITDA			P / E			LTG Rate	P / E / G 2027E ⁽¹⁾	Div. Yield	
							LTM	2026E ⁽¹⁾	2027E ⁽¹⁾	LTM	2026E ⁽¹⁾	2027E ⁽¹⁾				
Sysco	\$82,646	\$89.28	98.6%	\$43,137	\$55,560	0.67x	12.8x	12.1x	11.5x	19.8x	18.8x	17.0x	7.0%	2.4x	2.4%	
Performance Food Group	65,766	98.64	90.7%	15,667	22,602	0.34x	12.5x	11.4x	10.0x	21.8x	19.2x	15.1x	8.7%	1.7x	--	
US Foods	39,424	96.59	94.7%	21,686	27,013	0.69x	14.6x	13.1x	12.0x	27.2x	20.2x	17.2x	19.0%	0.9x	--	
Chefs' Warehouse	4,150	69.29	100.0%	3,411	3,751	0.90x	15.8x	14.3x	12.9x	38.3x	32.3x	28.0x	NM	NM	--	
Foodservice Distributors						Mean	0.65x	13.9x	12.7x	11.6x	26.8x	22.6x	19.3x	11.6%	1.7x	0.6%
United Natural Foods	\$31,753	\$39.16	91.0%	\$2,531	\$4,460	0.14x	8.3x	8.0x	6.9x	55.2x	28.1x	16.5x	79.3%	0.2x	--	
Grocery Wholesale / Hybrids						Mean	0.14x	8.3x	8.0x	6.9x	55.2x	28.1x	16.5x	79.3%	0.2x	--

Source: Company filings, S&P Capital IQ Consensus Estimates as of February 2026.

Note: Earnings figures adjusted to remove the impact of non-recurring and non-operating expenses. EBITDA burdened with stock-based compensation.

1. Calendarized to December year end for comparative purposes.

North American Food Distributor Operating Analysis

Operating - Food Distribution

(\$ In Millions, Except Per Share Data)

Company	LTM Sales	Growth		LTM EBITDA	LTM FCF ⁽²⁾	Operating Efficiency				Credit Statistics		
		LTM Sales	LTM Case ⁽¹⁾			LTM Gross Margin	LTM EBITDA Margin	LTM CapEx / Sales	LTM FCF / Sales	Credit Rating	Debt ⁽³⁾ / LTM EBITDA	FCF / Interest
Sysco	\$82,646	2.6%	(0.3%)	\$4,327	\$3,454	18.5%	5.2%	1.1%	4.2%	BBB	3.1x	5.2x
Performance Food Group	65,766	10.4%	8.5%	1,813	1,319	11.9%	2.8%	0.8%	2.0%	BB	3.8x	3.3x
US Foods	39,424	4.1%	1.0%	1,849	1,439	17.4%	4.7%	1.0%	3.7%	Ba3 / BB	2.9x	4.7x
Chefs' Warehouse	4,150	9.4%	3.9%	237	196	24.2%	5.7%	1.0%	4.7%	B+	3.2x	4.7x
Foodservice Distributors					Mean	18.0%	4.6%	1.0%	3.6%	-	3.3x	4.5x
United Natural Foods	\$31,753	1.5%	(0.2%)	\$538	\$340	13.3%	1.7%	0.6%	1.1%	B	3.7x	2.4x
Grocery Wholesale / Hybrids					Mean	13.3%	1.7%	0.6%	1.1%		3.7x	2.4x

Source: Company filings, S&P Capital IQ Consensus Estimates as of February 2026.

Note: Earnings figures adjusted to remove the impact of non-recurring and non-operating expenses. EBITDA burdened with stock-based compensation.

1. Sales-weighted average of last 4 quarters. Reflects Sysco, PFG and US Foods total case, Chefs' Warehouse organic specialty case and UNFI wholesale case volume growths.

2. FCF calculated as Adj. EBITDA - Capex.

3. Total debt includes finance lease liabilities.

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