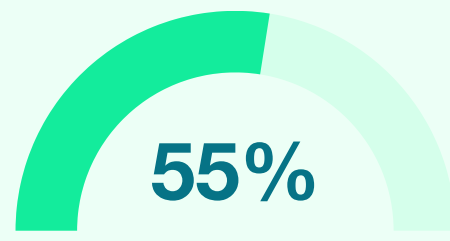
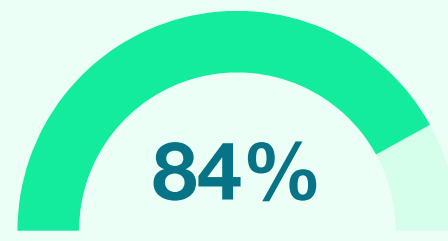


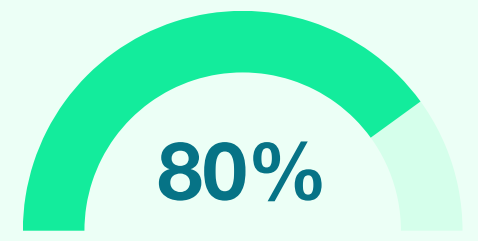
Consumer Trends



Willing to pay a premium for fresh food



Believe fresh food is healthier than processed food



U.S. consumers purchased from the deli prepared foods department



11.3%

Jump in Food Inflation in January 2023



~20%

Annual income spent on groceries



>60min

Time 3/4 of consumers spend preparing meals



6%

Expected growth rate for prepared foods at grocery stores



\$260

Consumer weekly spend on food prepared at home

What Fresh Means



Produce



Dairy



Meat



Seafood



Deli



Bakery



Soup Bar



Salad Bar

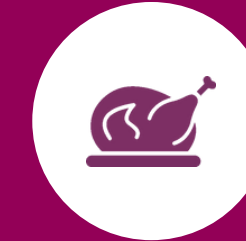
Fresh Includes



Made to Order Pizza



Grab-and-go Sushi



Rotisserie Chicken



Wok Stations

Exponential Growth in Prepared

\$31.3B

Sales in 2022 YOY

9.3%+

Growth in 2022 YoY

19.2%+

Growth in 2022 vs. 2019

Projected Consumer spend

\$855 B

Projected Spend in Prepared foods & non-Alcoholic Beverages in 2023

+8%

Up from \$794.8 Billion in 2022



Fastest Growing Category

+16.7%

Sales Growth YoY

+20%

Unit vol growth YoY

The Untold Truth about Shrink



\$100B

Total Shrink in Retail



With great growth opportunities, come massive potential shrink and loss in revenue!



Reasons for Shrink



Ingredient Loss



Incorrect Production Practices

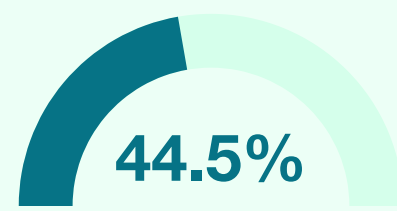


Vendor Short supply

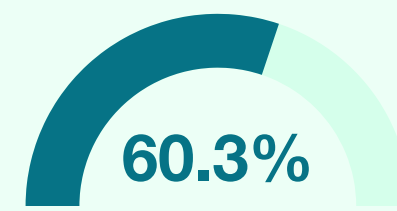


Human Errors

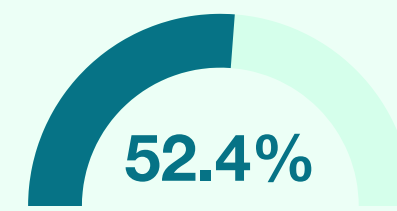
Investment by Retailers to Address Shrink



Retailers indicated that loss prevention as an area of investment

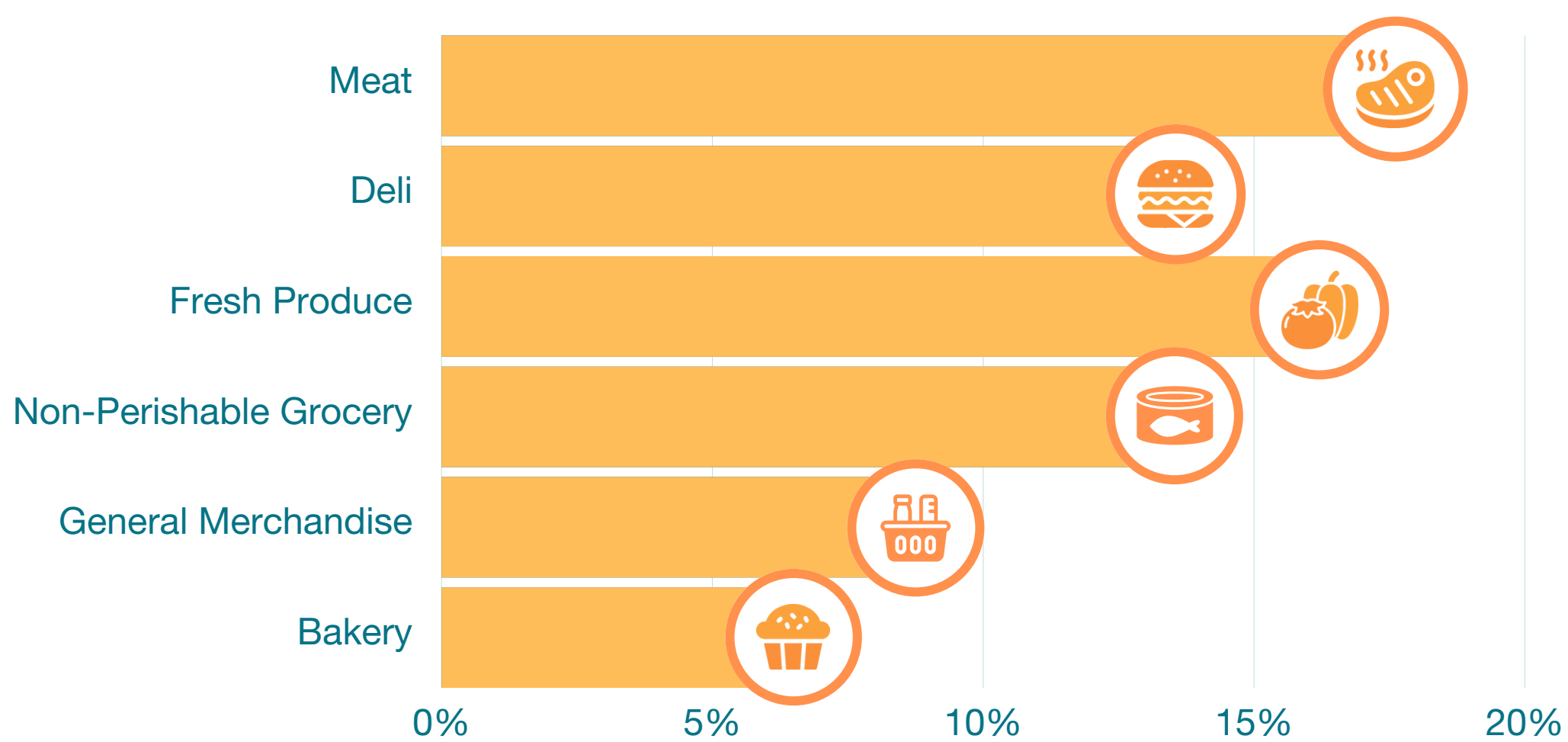


Retailers increasing their technology budget



Retailers increasing their capital and equipment budget for Loss Prevention

What Shrink Looks Like



Effective Ways to Manage Ingredient Shrink

- ✓ Prioritize Accuracy over Speed
- ✓ Train employees on cost of mistakes
- ✓ Invest in technology to streamline production
- ✓ Accurately Forecast raw ingredients requirements
- ✓ Track ingredient use and leftover using technology
- ✓ Improve Ingredient utilization with roundup forecasting