



PRESS RELEASE

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FOR IMMEDIATE RELEASE

Southeastern Grocers announces strategic divestiture of its portfolio

- *Southeastern Grocers has entered into definitive agreements to sell its business lines to ALDI and Fresco Retail Group, LLC*
- *Proposed divestiture will deliver on commitment to create value for its customers, communities and shareholders*

JACKSONVILLE, Fla. (Aug. 16, 2023) – Southeastern Grocers Inc. (SEG), parent company of Fresco y Más, Harveys Supermarket and Winn-Dixie grocery stores, today announces it has entered into definitive agreements with ALDI and Fresco Retail Group, LLC to effectuate a comprehensive strategic divestiture of its businesses.

Under the proposed merger agreement, ALDI will acquire all outstanding SEG capital stock in an all-cash transaction, which encompasses all SEG grocery operations under the Winn-Dixie and Harveys Supermarket banners. This includes approximately 400 stores in Alabama, Georgia, Louisiana, Mississippi and Florida where 75% of the stores are located. Following the completion of the sales process, ALDI will serve the customers and communities of Winn-Dixie and Harveys Supermarkets through the continued operation of the banners' existing stores. The retailer will also evaluate which locations will convert to the ALDI format. For those stores that are not converted, ALDI intends for them to continue to operate as Winn-Dixie and Harveys Supermarket stores.

Concurrently, SEG has agreed to divest its Fresco y Más operations. SEG anticipates that the sale of the Fresco y Más banner will be consummated in the first quarter of 2024. The Fresco y Más banner, including all 28 stores and four pharmacies, will be sold to Fresco Retail Group, LLC, an investment group strategically focused on food and grocery. Fresco Retail Group, LLC plans for all stores and pharmacies in the Fresco y Más banner to continue operating as they are presently.

Anthony Hucker, President and CEO of Southeastern Grocers, said, “Our successful transformational journey has created a unique opportunity with leading partners who share our vision and common commitments to creating value for their customers. We believe these next steps will fuel a phenomenal experience for our customers, new opportunities for our associates and increased value for our shareholders. As the sales processes proceed, we’ll stay acutely focused upon delivering the exceptional quality, service and value that our customers and communities have come to expect from us.”

The merger agreement has been approved by the holders of a majority of SEG’s outstanding shares, and the merger is expected to close in the first half of 2024, subject to regulatory approvals and customary

closing conditions. SEG will continue to operate its respective banners and stores in the normal course of business up to and until the transactions are completed.

RBC Capital Markets, LLC served as financial advisor to SEG. Willkie Farr & Gallagher LLP was transaction counsel and Kirkland & Ellis LLP served as antitrust counsel to SEG. For continued updates, as well as additional assets to assist in media coverage, please visit www.segrocers.com/updates.

About Southeastern Grocers

Southeastern Grocers Inc. (SEG), parent company and home of Fresco y Más, Harveys Supermarket and Winn-Dixie grocery stores, is an omnichannel retailer and supermarket company in the U.S., serving customers in brick-and-mortar grocery stores, liquor stores and in-store pharmacies as well as online with convenient grocery delivery and curbside pickup throughout Alabama, Florida, Georgia, Louisiana and Mississippi. Fresco y Más, Harveys Supermarket and Winn-Dixie are well-known and well-respected regional brands with deep heritages, strong neighborhood ties, proud histories of giving back, talented and caring associates and a strong commitment to providing the best possible quality and value to customers. For more information, visit www.frescoymas.com, www.harveysupermarkets.com and www.winndixie.com.

Cautionary Statements Regarding Forward-Looking Information

This press release contains certain forward-looking statements regarding SEG, including, but not limited to, its financial condition, prospects and its results of operations. All of these statements are based on estimates, projections and assumptions prepared by management that are inherently uncertain and that may not be realized as fact. These statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of SEG's control, that may cause SEG's business, industry, strategy or actual results to differ materially. SEG undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise. Forward-looking statements may include words such as "anticipate," "intend," "plan," "seek," "believe," "estimate," "expect," and similar references to future periods and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events but not all forward-looking statements contain these identifying words.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in this press release. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the following: regulatory requirements; adverse economic conditions; failure to successfully execute our strategic initiatives; timing of the consummation of our strategic initiatives; the impact of our strategic initiatives on our business; the competitive nature of the industry in which we conduct our business; our inability to timely identify or respond to customer trends; disruptions to our product supply or to C&S's distribution network; our inability to maintain the services of key personnel and failure to attract, train and retain qualified staff; risks associated with providing pharmacy services at our stores; our inability to open, relocate or remodel stores on schedule; increases or fluctuations in our operating costs; increase in marketing, advertising and promotional costs and inability to implement effective marketing, advertising

and promotional strategies; failure to maintain our reputation and the value of our brands, including protection of our intellectual property; risks associated with leasing substantial amounts of space, including liability under our operating leases assigned to third parties; impairment expenses on the value of our long-lived assets; changes in accounting standards, subjective assumptions, estimates and judgements by management related to complex accounting matters; failure to maintain the privacy and security of confidential customer and business information; disruptions of or compromises to our information technology system; a loss in customer confidence in the safety and quality of our products; our inability to retain the loyalty of our customers; unanticipated changes in the insurance market or factors affecting self-insurance reserve estimates; results of any ongoing litigation or legal proceedings in which we are involved or in which we may become involved; changes in laws, rules and regulations affecting our industry; the geographic concentration of our locations, which makes us vulnerable to severe storm damage, natural disasters and other local adverse weather conditions; threats or potential threats to security of food and drug safety, the occurrence of a widespread health epidemic and/or pandemic or other incidents beyond our control; attempts to unionize our employees; the seasonality of our business; and to utilize a significant portion of our NOLs or other tax attributes.

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