Grocery Outlet Holding Corp. Announces Closing of its Initial Public Offering

June 24, 2019

EMERYVILLE, Calif., June 24, 2019 (GLOBE NEWSWIRE) -- Grocery Outlet Holding Corp. (NASDAQ: GO) ("Grocery Outlet") today announced the closing of its previously announced initial public offering of 17,187,500 shares of its common stock at a price to the public of $22.00 per share. Shares of Grocery Outlet's common stock began trading on The Nasdaq Global Select Market on June 20, 2019 under the symbol "GO." The underwriters have determined to fully exercise their option to purchase up to an additional 2,578,125 shares of Grocery Outlet's common stock at the initial public offering price less the underwriting discount.

The offering raised net proceeds to Grocery Outlet of approximately $399.6 million, after deducting underwriting discounts and commissions and estimated offering expenses payable by Grocery Outlet. Grocery Outlet intends to use the net proceeds from the offering to repay the term loan outstanding under its second lien credit agreement, plus accrued interest thereon, and the remainder, together with cash on hand, to repay a portion of the term loan outstanding under its first lien credit agreement, plus accrued interest thereon. After repayment of such term loans, Grocery Outlet will have approximately $475 million of principal amount of term loans outstanding under its first lien credit agreement.

BofA Merrill Lynch, Morgan Stanley, Deutsche Bank Securities, Jefferies, Barclays, Goldman Sachs & Co. LLC, Guggenheim Securities, UBS Investment Bank and Cowen acted as joint book-running managers in the offering. Telsey Advisory Group, Drexel Hamilton and Penserra Securities LLC acted as co-managers in the offering.

A registration statement on Form S-1, including a prospectus, relating to the shares of the common stock of Grocery Outlet sold in the offering was declared effective on June 19, 2019 by the Securities and Exchange Commission. This press release shall not constitute an offer to sell or a solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The offering of these securities may be made only by means of a prospectus. Copies of the prospectus may be obtained by contacting: BofA Merrill Lynch, Attention: Prospectus Department, NC1-004-03-43, 200 North College Street, 3rd floor, Charlotte, NC 28255-0001 or by email at dg.prospectus_requests@baml.com; Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014; Deutsche Bank Securities Inc., Attention: Prospectus Group, 60 Wall Street, New York, New York 10005, or by emailing at prospectus.CPDG@db.com or by calling at (800) 503-4611; or Jefferies LLC, Attn: Equity Syndicate Prospectus Departments, 520 Madison Avenue, 2nd Floor, New York, NY 10022, by telephone at 877-821-7388 or by email at Prospectus_Department@Jefferies.com.

About Grocery Outlet
Based in Emeryville, California, Grocery Outlet is a high-growth, extreme value retailer of quality, name-brand consumables and fresh products sold through a network of independently operated stores. Grocery Outlet has more than 300 stores in California, Idaho, Nevada, Oregon, Pennsylvania and Washington. Grocery Outlet stores carry an ever-changing assortment of "WOW!" deals, complemented by everyday staple products.

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