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Unattended Retail Driving Incremental Growth of Electronic Payments



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Introduction

We believe Cantaloupe's pending acquisition by 365 Retail highlights the importance of the growing trend of unattended retail. According to SEC filings, Cantaloupe was in discussions with 36 potential acquirers (27 financial, 9 strategic), and received 4 (2 financial, 2 strategic) final proposals. This report examines unattended retail and highlights some of the key beneficiaries of this growing market.

At its core, unattended retail refers to a retail environment where consumers can shop for goods and complete their purchases without the need for face-to-face interaction. Traditionally, unattended retail was associated with low-ticket purchases of goods (e.g., chips/soda) at vending machines; however, improving technology and changing consumer preferences have expanded the market to higher-ticket items. Further, newer formats (micro markets and smart stores) are quickly becoming an important channel for unattended retail.

Small-ticket purchases continue to dominate volume at vending machines, but selling higher-ticket fresh food or nonconsumables has been successful in the past and is an emerging trend. Further, formats such as micro markets and smart stores are generating significantly more volume (versus vending) for a variety of reasons (i.e., higher-ticket items, wider selection of products, higher traffic placements), which we believe will prove sustainable. We estimate that a micro market can generate 4 times the volume per location (versus vending machines), and while early, the average ticket size in smart stores is \$4.25 (versus \$2.11 in vending), according to Cantaloupe.

The aforementioned trends are evident in the financial results of pure-plays Nayax and Cantaloupe. Nayax's volume per device grew at a 13.5% compound annual clip from 2019 to 2024, while Cantaloupe grew at a 15.6% rate from fiscal 2021 to 2024. We estimate a vast majority of Nayax's more than \$5.5 billion of payment volume and Cantaloupe's \$3.3 billion is traditional small-ticket unattended goods/services, but the trends should prove sustainable as business mixes evolve.

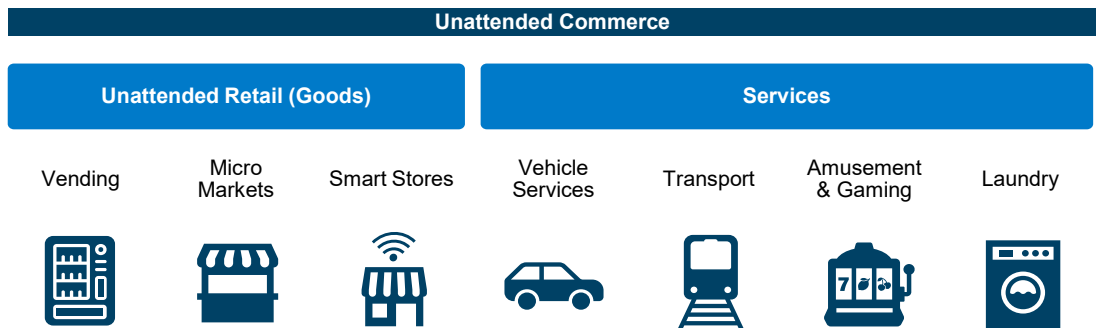
We reiterate our Outperform rating on Nayax, which trades at 17.7 times 2026 EBITDA; including acquisitions, Nayax is targeting 35% annual revenue growth and a 30% adjusted EBITDA margin, implying about \$1 billion of revenue and \$300 million of adjusted EBITDA by 2028. We maintain our Market Perform rating of Cantaloupe, which is being acquired by 365 Retail for \$945 million at 11.6 times 2026 EBITDA.

We view unattended retail as a compelling yet often underappreciated growth vector for electronic payments. As we outlined in our report on contactless payments ([Tapping Into Small-Ticket Transactions: Exploring Contactless Payments](#)), small-ticket transactions remain largely cash-based, and similar to tap-to-pay cards, technology in unattended retail is helping convert small-ticket transactions. Unattended retail should represent a tailwind to the electronic payments ecosystem, including the card networks, merchant acquirers, card issuers, and payment processors.

Unattended Retail: Large, Growing Market

Unattended retail generally refers to an environment in which consumers can obtain goods without the need for face-to-face interaction with an employee—from product selection to purchase. Traditionally, unattended retail has often been associated with small-ticket food and beverage (F&B) vending machines. In recent years, however, the channel is increasingly being leveraged to sell higher-ticket, nontraditional items. Further, the unattended retail category has expanded to include more sophisticated formats, such as micro markets and smart stores.

Exhibit 1
Unattended Commerce Ecosystem



Source: William Blair Equity Research

Unattended Operators and Distributors

Aside from the physical manufacturers of vending machines and fixtures, the key enablers of unattended retail include hardware, software, and payment vendors (e.g., Nayax, Cantaloupe, Crane NXT, 365 Retail) and operators that generally service and manage locations. Vending is an important distribution channel for both Coca-Cola and Pepsi, which have their own strategies to promote the channel. For example in Japan, Coca-Cola owns nearly 1 million vending machines and has 35 million users on its digital app, Coke ON.

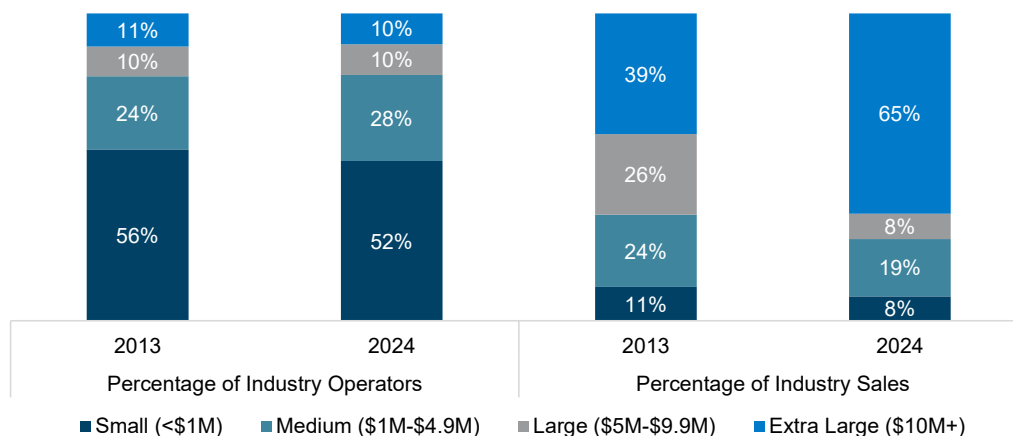
Operators range from small mom-and-pop businesses to multinational providers such as Compass Group, Aramark, and Sodexo. For example, Sodexo’s convenience and vending business (InReach) is targeting at least \$500 million of annual revenue in 2025, while Compass’s Canteen business has over 18,000 market locations, 230,000 connected vending machines, and over 22,000 coffee locations.

Consolidation has been a key trend in the unattended retail market between both hardware, software, and payment providers and operators. For example, the acquisition of Three Square Market (\$41 million, 2022) bolstered Cantaloupe’s micro market capabilities, while Nayax acquired VM-tecnologia (\$27 million, unattended in Brazil), Roseman Engineering (\$5.7 million electric vehicle [EV] charging, fuel), and UPPay (\$5.3 million self-service coffee in Brazil). 365 Retail’s pending acquisition of Cantaloupe expands its presence into vending and follows several deals including Par-level (unattended hardware and software), Kafoodle (menu and kitchen management software), and Impulsify (micro markets).

Traditional operator consolidation in 2024 included Aramark’s acquisition of Tomdra (300 clients) and SunDun (1,000 clients). Sodexo’s InReach business acquired Five Star Food Services, Capitol Vending and Coffee (250 clients), K&R Vending, CRH Catering, and Legend Food Service. We believe consolidation helps operators improve economies of scale in a labor-intensive business.

As outlined in exhibit 2, the largest operators have an estimated 65% of industry volume, while small mom-and-pop operators have less than 8% of volume.

Exhibit 2
Vending and Micro Market Operator Mix by Operator Revenue Size



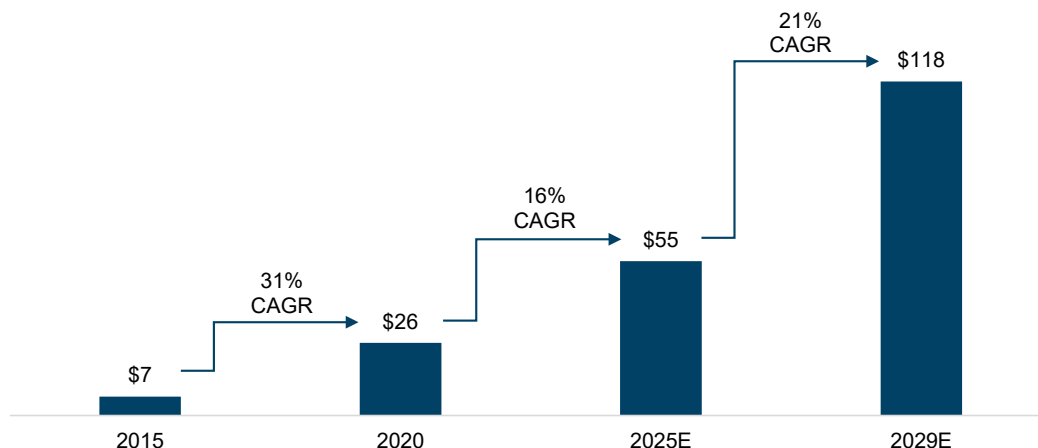
Sources: Automatic Merchandiser and William Blair Equity Research

Historically, Cantaloupe has had a larger presence among larger operators, while Nayax's customers generally consist of small mom-and-pop operators. In fiscal 2024 the number of connections per customer was 39 at Cantaloupe (versus 13 at Nayax) while 9% of Cantaloupe's revenue was from one customer. That said, both companies have various initiatives to expand their customer profiles, and we note that the largest operators (and their regional franchisees) will typically rely on multiple providers.

Our work suggests that vending machines are the most established channel in the unattended retail category. For perspective, market researcher Berg Insight estimates that the number of vending machines is expected to reach 16 million by 2028, while Nayax estimates electronic payment volume through vending machines will grow at a 21% compound annual clip to reach \$118 billion by 2029. Small-ticket vending remains a major component of industry sales today; however, as we outline below, evolving consumer preferences, demand from operators, the mix shift to higher-ticket items, and increased acceptance of electronic forms of payments are driving industry growth.

See exhibit 3, on the following page.

Exhibit 3
Cashless Vending Transaction Volume
 (\$s in billions)



Sources: Nayax company reports and William Blair Equity Research

It is important to note that the aforementioned estimates exclude newer, fast-growing formats such as micro markets and smart stores, which can generate 10 times more volume per device (versus a vending machine) or nearly 4 times more volume per location. The uplift in volume is driven by higher average tickets, increased variety of merchandise, and higher traffic placements (versus vending). These channels remain nascent; we estimate that there were fewer than 200,000 micro markets globally and an even smaller number of smart stores. Nonetheless, we believe growth of these emerging channels adds to the overall market opportunity.

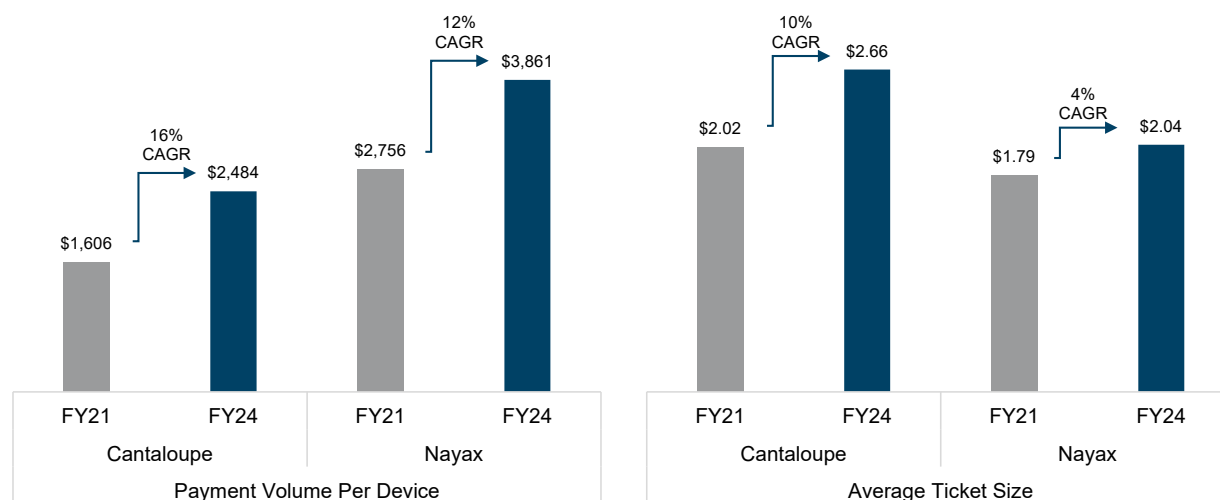
Further, our analysis does not include unattended services, a growing market that has at least 30 million endpoints with over \$80 billion of electronic payment volume, according to Nayax. Our analysis also does not include self-service checkout solutions or restaurant ordering solutions that minimize face-to-face interactions—a multitrillion-dollar global market. Nayax and Cantaloupe help service these markets—Cantaloupe is helping power self-service and payment experiences at Carnival's Celebration Key—but the market comprises a host of payments, hardware, and software providers.

Implications for Our Coverage

As pure plays, Nayax and Cantaloupe are driving the growth of electronic payments in unattended retail. Today, we believe a vast majority of the volume of Nayax and Cantaloupe is driven by traditional small-ticket vending (and services); however, both companies have seen higher average tickets and volume per device as a result of the aforementioned macro trends. We believe the prospects for continued momentum should prove sustainable as the business mix evolves.

See exhibit 4, on the following page.

Exhibit 4
New Formats and Higher-Ticket Items Driving Growth of KPIs



Sources: Cantaloupe, Nayax, and William Blair Equity Research

In addition, we believe the networks, issuers, acquirers, and processors are positioned to benefit as technological innovation in unattended retail is driving the shift to electronic payments. Visa and Mastercard have interchange rates for small-ticket transactions, and the adoption of tap-to-pay cards has helped convert small-ticket transactions to electronic payments (from cash). Companies such as Fiserv, Adyen, Nuvei, Global Payments, and Shift4 provide processing capabilities to unattended retail payment providers.

Benefits of Unattended Retail

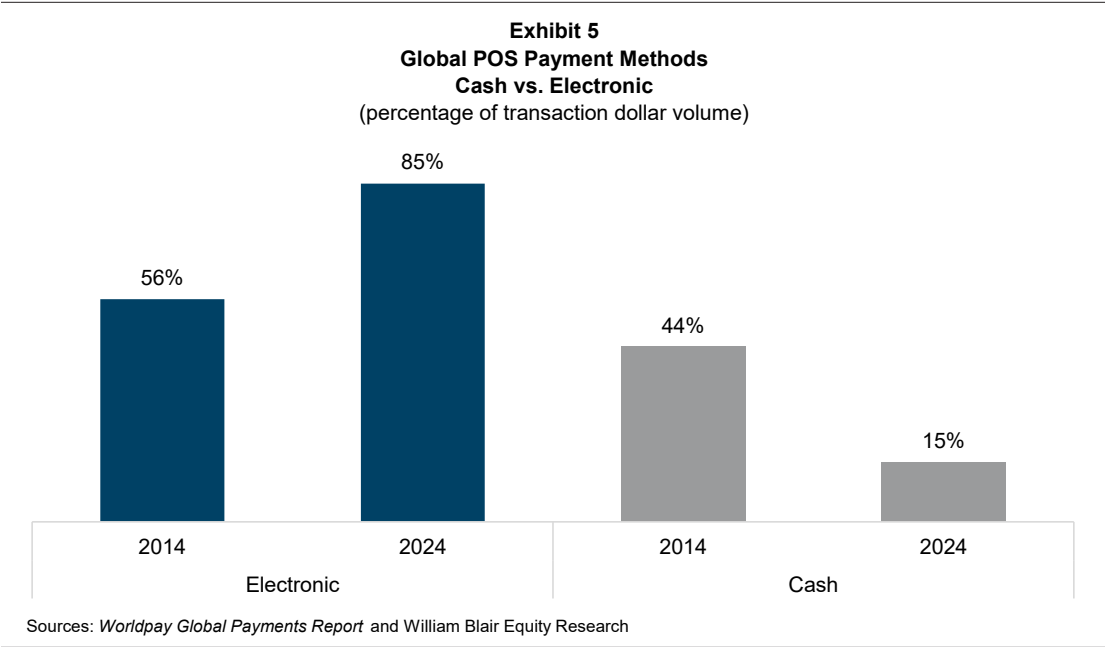
The growing demand for and adoption of unattended retail solutions is underscored by a host of benefits for both consumers and businesses. Consumers benefit from enhanced convenience (e.g., faster checkout, 24/7 availability), improved accessibility (e.g., proximity to workplaces or residential hubs), and alignment with evolving consumer preferences for minimal interpersonal interaction. According to a 2020 PYMNTS.com survey of consumers using unattended channels, respondents cited speed (49% of respondents) and the avoidance of employee interaction (33%) as key benefits.

Businesses benefit from improved customer satisfaction, which can increase sales and retention, reduce labor cost and shrinkage, extend operating hours, increase customer throughput, and improve employee satisfaction. Further, unattended channels are generally a fraction of the cost of traditional brick-and-mortar locations. For example, VenHub estimates a buildout of its smart store solution is \$250,000 (versus \$750,000 to \$1.5 million for a traditional convenience store).

Electronic Payments and Unattended Retail

We view unattended retail as a compelling yet often underappreciated growth vector for electronic payments. Despite its legacy connotations, unattended retail is a growing industry, with significant white space for cashless enablement.

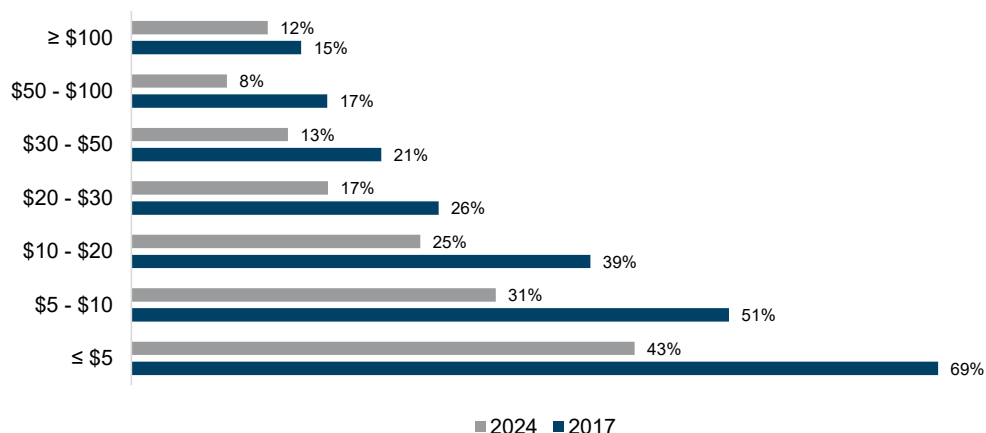
As outlined in exhibit 5, on a global basis, electronic payment methods accounted for 85% of in-person dollar volume in 2024 (up from 56% in 2014), according to the *Worldpay Global Payments Report*. Penetration rates of electronic payments vary by geography, with North America the most penetrated at 89%, while the Middle East and Africa have the lowest penetration rate at 72%.



Despite strong overall electronic payment penetration in the United States, we estimate cash was used for 43% of in-person transactions that were \$5 or less and 31% of transactions between \$5 and \$10 (versus 16% for transactions over \$10), based on data from the Federal Reserve.

See exhibit 6, on the following page

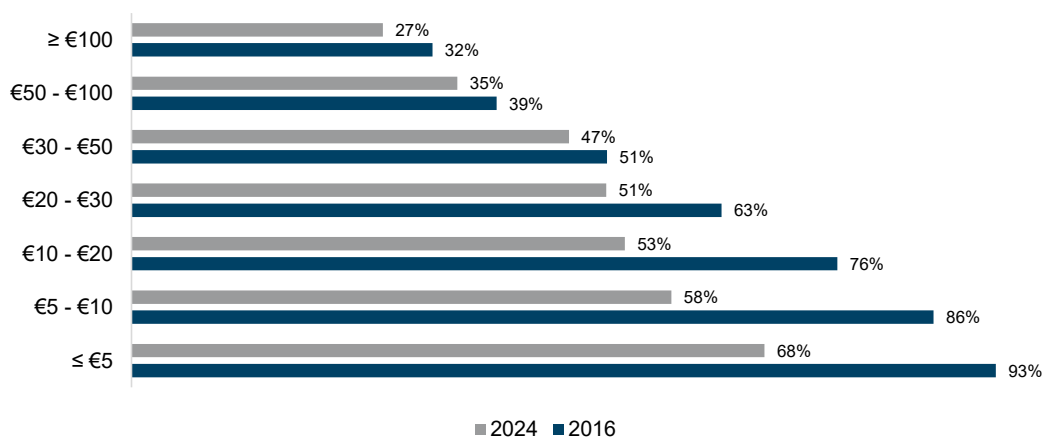
Exhibit 6
2024 U.S. In-Person Cash Usage by Transaction Size
Excluding Bill Payment
 (percentage of transactions)



Sources: The Federal Reserve and William Blair Equity Research

The use of cash for low-ticket transactions follows similar trends in Europe; according to the European Central Bank, cash was used for 68% of in-person transactions that were €5 or less and 58% of transactions between €5 and €10 (versus 48% for transactions over €10).

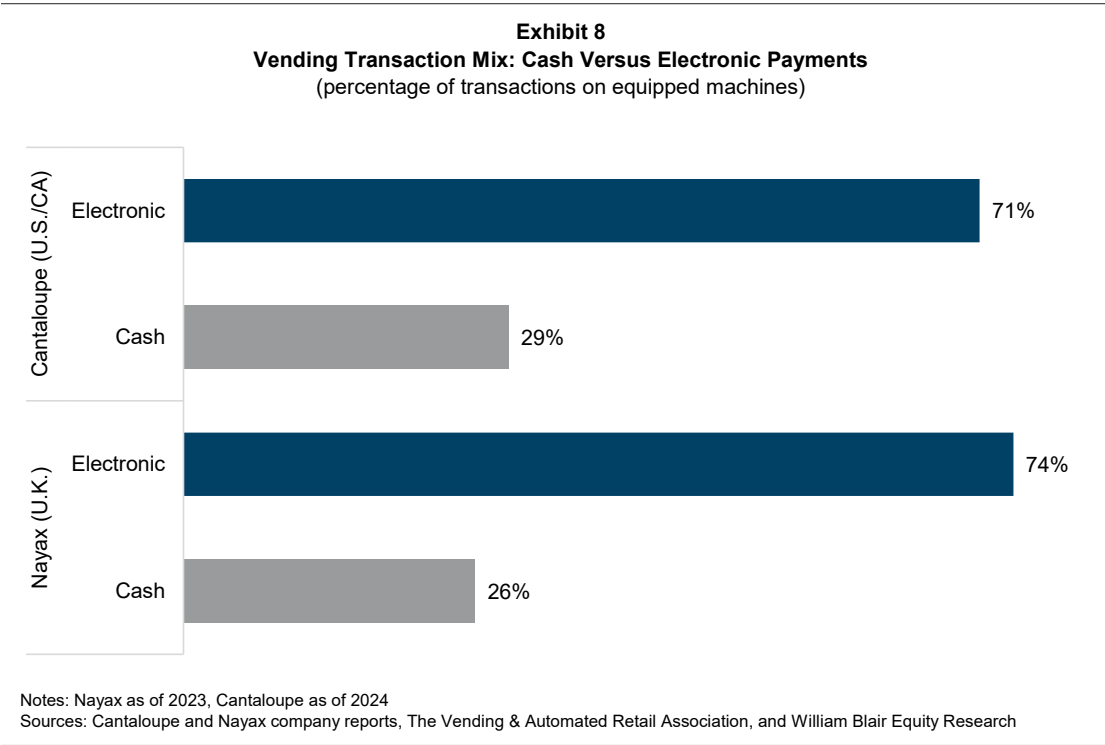
Exhibit 7
2024 Europe In-Person Cash Usage by Transaction Size
 (percentage of transactions)



Sources: European Central Bank and William Blair Equity Research

In our view, the muted adoption of electronic payments for small-ticket transactions is related to the perceived convenience of cash and the lack of cashless acceptance by merchants. However, participants in the ecosystem have outlined various strategies to drive adoption; strategies vary by vertical but include tap-to-pay and lower interchange rates for small-ticket transactions. Tap-to-pay helps increase convenience, while lower interchange rates help make electronic payments more economically feasible for operators and their providers.

We believe the aforementioned efforts have been successful for Cantaloupe and Nayax as their average ticket size is less than \$3.00, yet electronic payment methods represent the dominant payment method at connected devices. It is interesting to note that tap-to-pay accounted for 77% of Cantaloupe’s cashless transactions in the U.S. and Canada in 2024, while it represented 94% of Nayax’s cashless transactions in the U.K. in 2023.

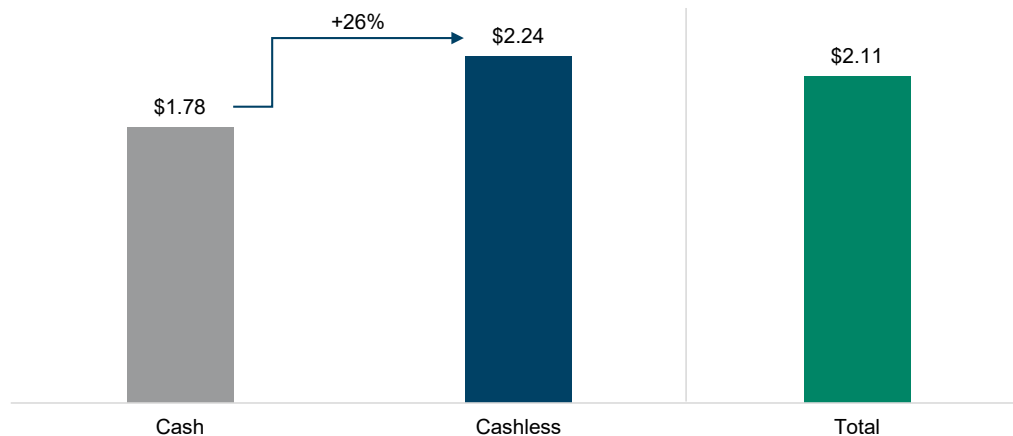


Operator Adoption

The various positive attributes of electronic payments (e.g., more convenience, more spending) hold true in unattended retail. The average ticket size of a cashless transaction on a vending machine was 26% above a cash transaction, according to data from Cantaloupe’s *2025 Micropayment Trends Report*. Further, cashless devices are often equipped with telemetry systems, which when combined with software can help reduce operating costs by at least 20%, and providers that enable cashless acceptance typically price their offerings at or below the total cost of cash acceptance.

See exhibit 9, on the following page.

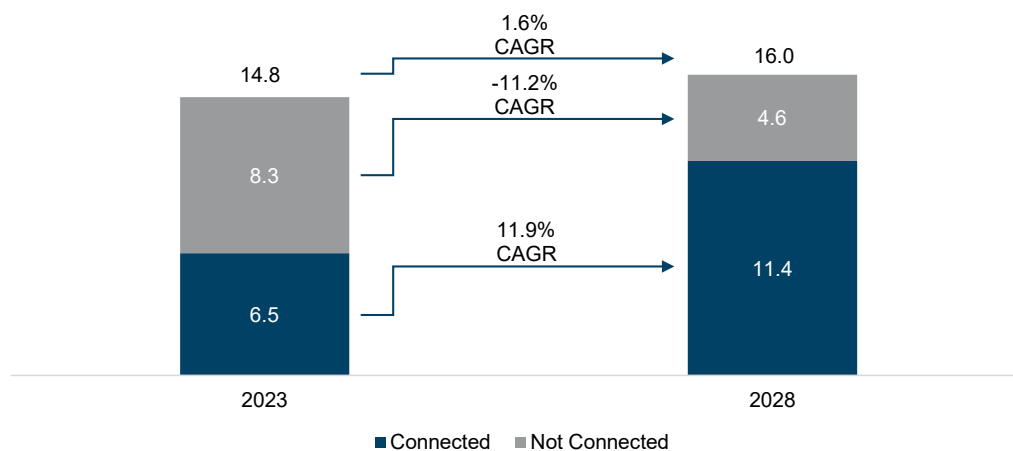
Exhibit 9
Cantaloupe Vending Average Ticket Size
by Payment Method



Note: Data for Cantaloupe-equipped food and beverage vending machines in the U.S. and Canada
 Sources: Cantaloupe company reports and William Blair Equity Research

Despite the aforementioned benefits of electronic payments, Berg Insight estimates only 44% of vending machines (about 6.5 million units) were connected in 2023 and expects 71% penetration (11.4 million units) by 2028. Similarly, Nayax estimates only 20% to 25% of the 45 million unattended machines (includes unattended services) globally accept cashless payments.

Exhibit 10
Connected Vending Machines Globally
 (machines in millions)



Sources: Berg Insight and William Blair Equity Research

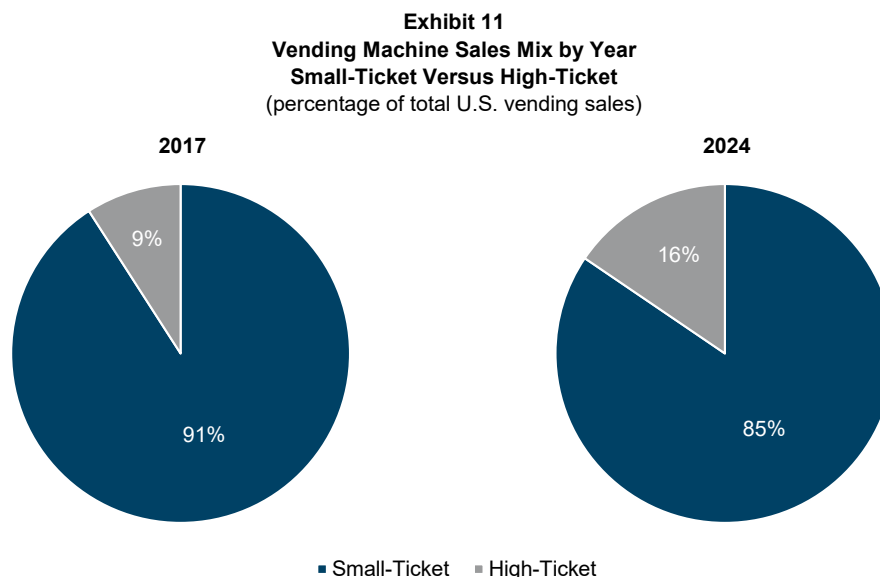
In addition to the opportunity to retrofit legacy vending machines with cashless devices, OEM vending machine manufacturers are working with payment providers to integrate cashless acceptance on new machines. An estimated 15% of vending machines in the U.K. do not accept cash payments, according to the Vending & Automated Retail Association. Further, emerging channels such as micro markets and smart stores are cashless native and, in many instances, do not accept cash. Still, we have seen various pieces of legislation both domestically and globally that have been focused on mandating continued cash acceptance.

Vending Machines

Vending machines are a key vertical for unattended retail, given that there are an estimated 14.8 million vending machines globally, according to Berg Insight.

Today, small-ticket consumable items (cold beverages, snacks, candy, etc.) continue to account for the lion's share of sales in vending machines; in 2024, Cantaloupe's average vending ticket size was \$2.11 in the U.S. and Canada. Yet evolving consumer preferences, growing interest from traditional retailers, and improving technology have helped diversify the types of products offered in vending machines. Selling higher-priced items in vending machines should drive industry sales and payment volume for the unattended retail ecosystem.

As shown in exhibit 11, 16% of vending machine revenue was from high-ticket items (ready-to-eat food, frozen food, nonconsumables, etc.), up from 9% in 2017, according to *Automatic Merchandiser* magazine.



Note: High-ticket categories include fresh prepared meals, frozen food, ice cream, and nonedible items
Sources: *Automatic Merchandiser* and William Blair Equity Research

Higher-Ticket Food

Several companies offer higher-priced food items at vending machines; for example, Sprinkles operates a network of over 30 cupcake "ATMs," which can sell 500 to 1,000 cupcakes per day at an average price of over \$4.00 per unit.

Farmer's Fridge, a Chicago-based operator of fresh food vending machine "fridges," is another example that showcases the opportunity to move beyond small-ticket items. Founded in 2013 with the goal of making fresh and healthy meals as convenient and accessible as a candy bar, Farmer's Fridge owns and operates a fleet of over 1,700 units located in airports, shopping malls, retailers, train stations, schools, offices, and healthcare facilities across 16 states.

We understand Farmer's Fridge meals begin at about \$6 but can be multiples of that amount depending on the item and location. Further, the company has expanded dayparts beyond salads to offer breakfast foods and snacks. The company prepares meals in its Chicago production

facility and uses an internally built demand-planning algorithm system that leverages real-time data from its machines to determine production and restocking needs. Despite the operational challenges presented by selling fresh food through the unattended channel, the company targets 3%-4% food waste (versus 4%-10% waste for a typical restaurant, according to the National Resources Defense Council).

Exiting 2023, Farmer's Fridge had more than \$50 million of annualized revenue and generated over 60% product margins. Further, according to a 2023 interview, the company is profitable on a unit level with a typical unit payback of less than 12 months, and the CEO believes the market can support at least 100,000 locations over time. (See our colleague's [Private Company Spotlight on Farmer's Fridge](#) from June 2023.)

Various companies are leveraging robotics, while more novel and nascent, to bring freshly prepared hot meal self-service machines to market. Companies including LBX Food Robotics, Robo-Burger, Automated Retail Technologies, and Yo-Kai Express have developed vending machines that can freshly prepare items including burgers, pizzas, and bowls of ramen. It remains early, but these machines have achieved adoption from large operators in the U.S., such as Compass Group and Sodexo.

Nonconsumable Items

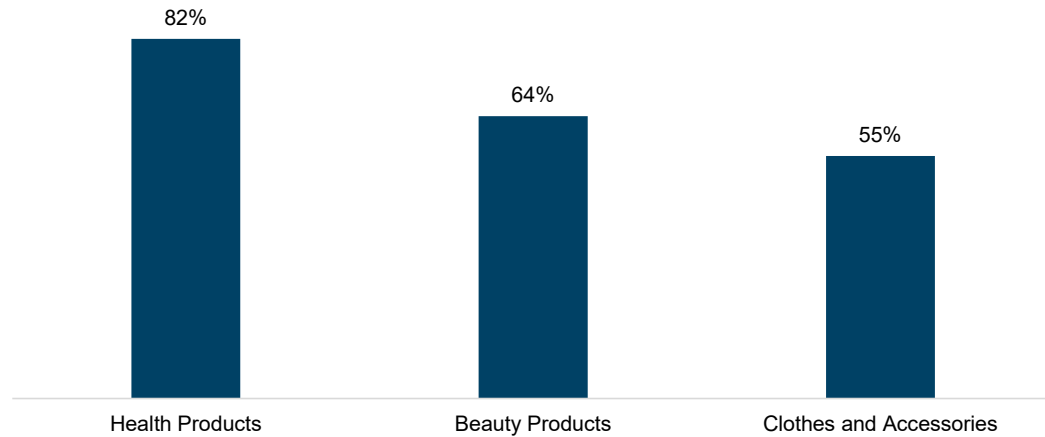
While also in the nascent stages, there have been clear success stories in the past of using vending machines to sell nonconsumable items, suggesting a large opportunity, in our view. Given the variety of higher-ticket items sold (cosmetics, pharmacy, electronics, toys), the average ticket varies but vastly exceeds the \$2.11 average ticket of traditional F&B vending transactions.

Best Buy entered the vending machine business in 2008, and it had about 200 units (80% located at airports) in 2018, but the initiative has since been shuttered. At its peak, American Kiosk Management had machines generating \$30,000 to \$40,000 of revenue per month selling Proactiv (skin care), and the business had nearly 1,000 vending machines that generated \$50 million of annual revenue. More recently, we have observed vending machines produced by MagexUSA that were branded with LEGO, CVS, pharmabox, Kylie Cosmetics, and Uniqlo, among others.

We believe demand for higher-priced items via vending is strong. A pre-pandemic survey (released in February 2020) conducted by PYMNTS.com found that 21% of all individuals and 38% of individuals who have used unattended channels would be interested in purchasing nontraditional items via vending machine. Of the individuals who expressed interest, the top categories of interest included health products, beauty products, and clothes and accessories. Given the timing of the survey, we believe demand has likely accelerated because of shifts in consumer preference following the pandemic.

See exhibit 12, on the following page.

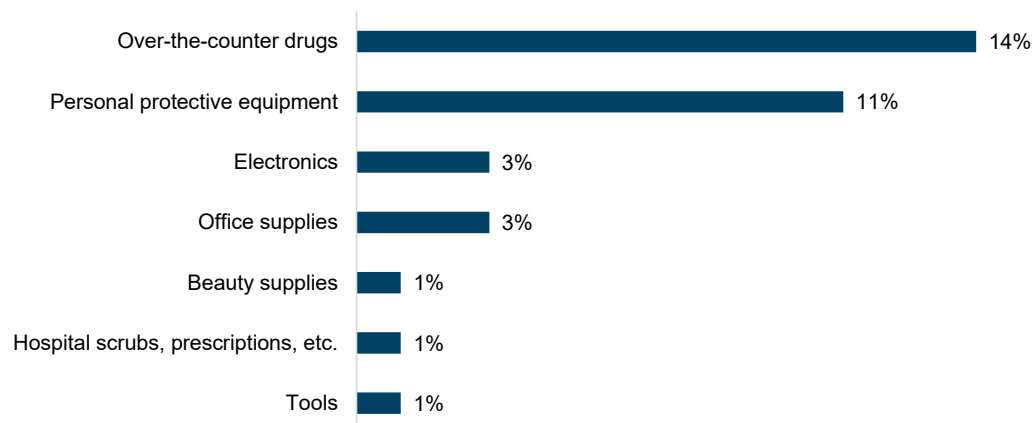
Exhibit 12
Purchases Consumers Would Like to Make via Unattended Retail Channels
 (percentage of individuals who expressed interest in category)



Source: PYMNTS.com

Despite strong demand, the sale of nonconsumable items in vending machines remains in a nascent stage. According to *Automatic Merchandiser* magazine, 1% of vending machine sales and 0.5% of micro market sales were from nonconsumable items, while the National Automatic Merchandising Association (NAMA) has found that on average, only 1% of the 2.9 million vending machines in the U.S. offer nonconsumable items. Based on a survey of vending operators, the NAMA found that the most common nonconsumable items offered in vending machines included OTC drugs, personal protective equipment, electronics, and office supplies.

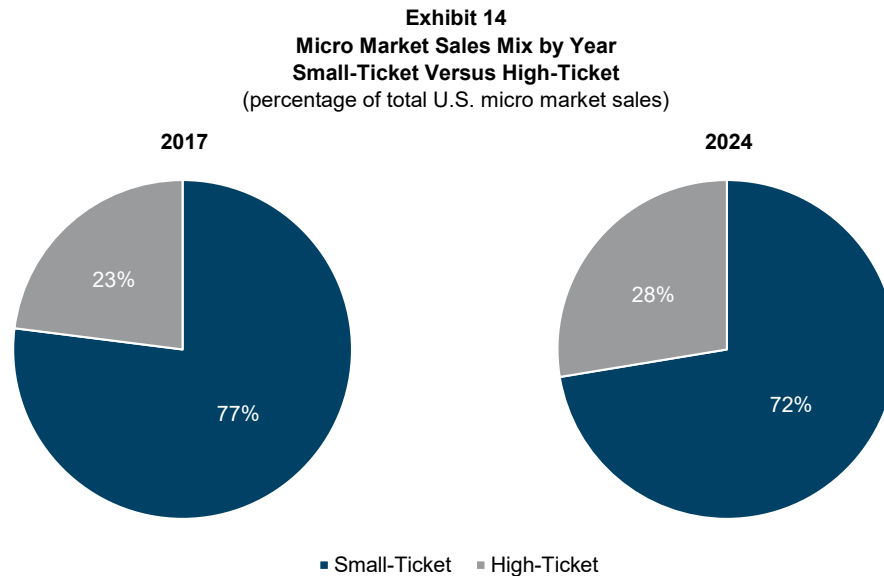
Exhibit 13
Top Nonconsumable Vending Categories
 (percentage of vending operators offering)



Sources: National Automatic Merchandising Association and Technomic

New Formats: Micro Markets and Smart Stores

While vending has an established position in unattended retail, micro markets and smart stores are quickly gaining share of industry sales as a result of a host of factors, including greater product breadth, expanded use-cases, convenience, and speed. Nayax estimates that the typical micro market can carry 150 to 400 products (versus 40 for vending machines). This dynamic is evident as nearly 30% of micro market sales in 2024 were from high-ticket items (e.g., ready-to-eat food), according to *Automatic Merchandiser* magazine, versus 16% for vending machines.

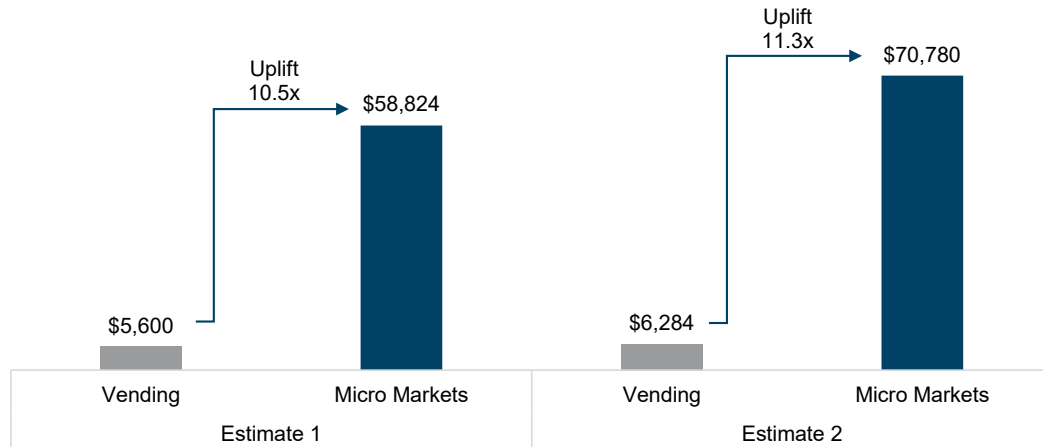


Note: High-ticket categories include fresh prepared meals, frozen food, ice cream, and nonedible items
 Sources: *Automatic Merchandiser* and William Blair Equity Research

Based on data from Cantaloupe's 2025 *Micropayment Trends Report*, we estimate that micro markets can generate over 10 times the sales volume of a traditional F&B vending machine. This analysis is directionally consistent with our analysis of data in the NAMA Foundation's *State of Convenience Services* report, which suggests sales uplift of more than 11 times.

See exhibit 15, on the following page.

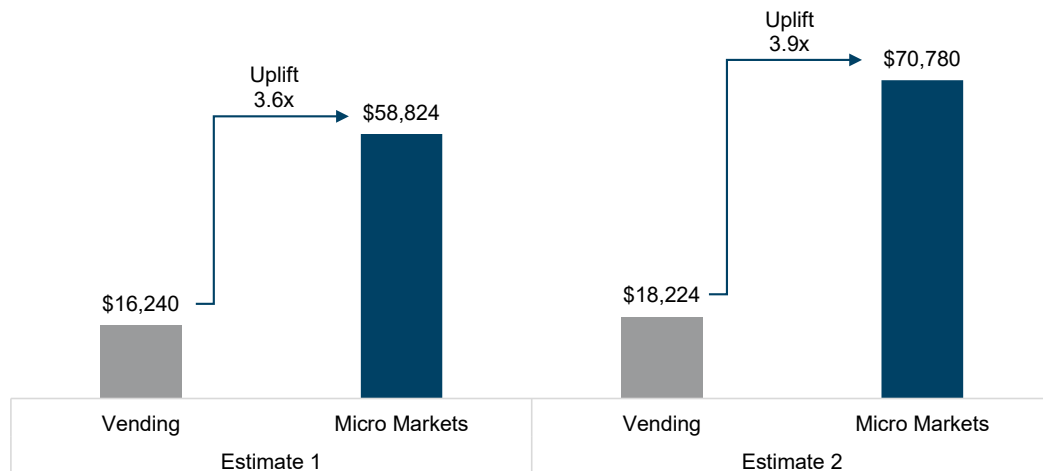
Exhibit 15
Micro Market Versus Traditional Vending
Sales Per Device



Sources: Cantaloupe, National Automatic Merchandising Association, Technomic, and William Blair Equity Research

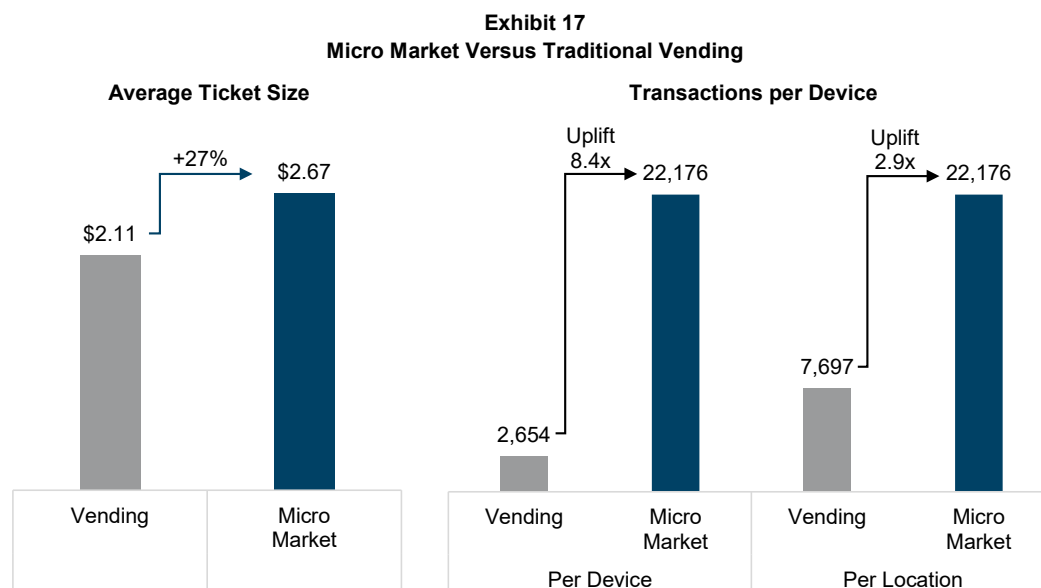
Still, given that micro markets have larger physical footprints and can stock more items, they often replace multiple vending machines. Adjusting for these factors, we believe that sales uplift is best measured at the location level. Based on the NAMA findings that an average location houses 2.9 vending machines, we estimate that the shift to a single micro market per location results in a revenue uplift of 3.6 to 3.9 times.

Exhibit 16
Micro Market Versus Traditional Vending
Sales Per Location



Sources: Cantaloupe, National Automatic Merchandising Association, Technomic, and William Blair Equity Research

While basket purchases (as opposed to single-item transactions) may skew comparisons, our analysis of data from Cantaloupe's *Micropayments Trend Report* suggests that the average ticket size for a micro market was \$2.67, or about 27% higher than the average vending machine ticket size. Further, we highlight that the average transaction volume uplift of a micro market is 8.4 times on a device basis, or 2.9 times on a location basis.



Sources: Cantaloupe, National Automatic Merchandising Association, Technomic, and William Blair Equity Research

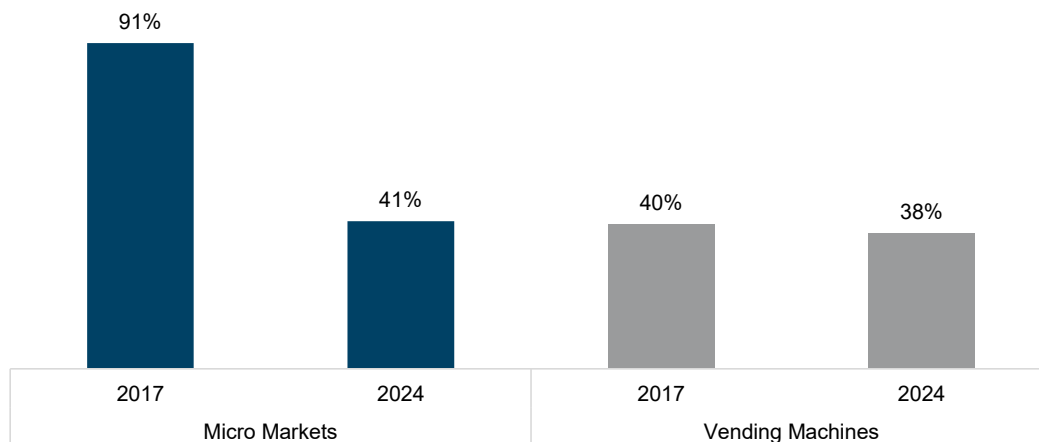
Micro Markets and Theft

The revenue opportunity associated with micro markets is clear; however, theft is a key operational challenge. According to survey data from *Automatic Merchandiser* magazine, an average of 89% of micro market operators have reported shrinkage rates that exceed the U.S. retail average (according to the National Retail Foundation) of 1.6%. This above-market shrinkage underscores the vulnerability of unattended retail formats to theft and mismanagement.

Operators have historically relied on a range of loss prevention measures, including inventory tracking systems, dedicated personnel, surveillance infrastructure, and signage. Still, in traditional micro markets, the simplest, lowest-cost, and most-efficient mitigator is trust, which is most easily established in a controlled-access environment. As a result of theft/shrinkage, micro markets have historically had a greater location presence in workplace settings, which have an inherently higher level of trust.

Yet as the value proposition of micro markets has become more widely validated, product pricing models have become more proven, security technologies have advanced, and consumer comfort with unattended retail has grown, the deployment footprint has diversified. Today, only about 40% of micro markets are in offices and manufacturing facilities (down from 90% in 2017), with the remaining 60% now found in more public or semipublic venues such as residential buildings, hospitals, universities, and transportation hubs, which we believe should drive increased transaction volumes per individual market.

Exhibit 18
Vending Machine and Micro Market Workplace Deployments by Year
 (percentage of total machines in workplace locations)



Note: Workplace locations include offices and manufacturing facilities
 Sources: *Automatic Merchandiser* and William Blair Equity Research

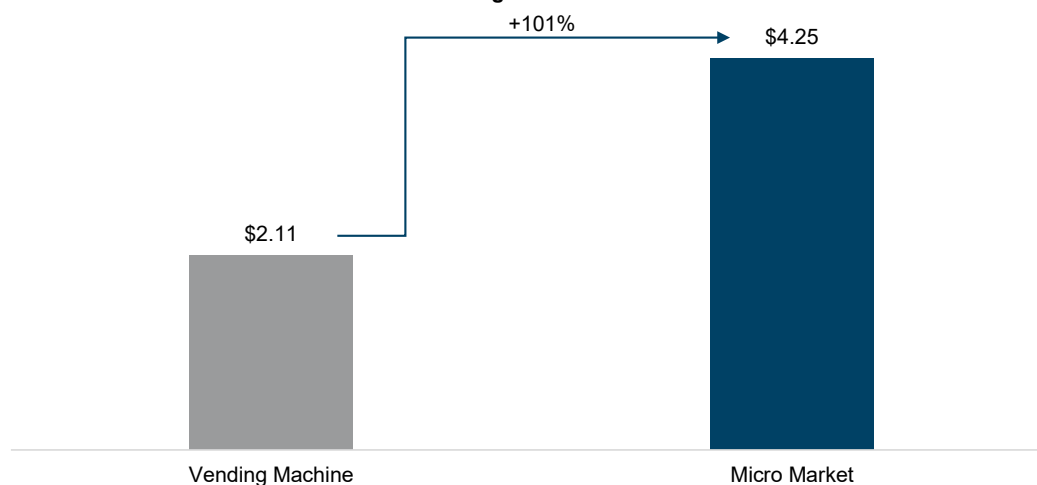
Smart Stores

The emergence of smart store technologies has played a pivotal role in broadening the deployment of micro markets into public and semipublic venues. These formats offer a hybrid solution, merging the breadth of product assortment and frictionless experience typical of micro markets with the security attributes of traditional vending. By requiring a customer to tap or dip a payment method before access or entry, and employing cameras and embedded scales to identify and charge for removed products, smart stores mitigate shrinkage risk while preserving the core value proposition of unattended retail.

Smart store form factors range from compact smart coolers and cabinets, comparable in size to legacy vending machines, to “just walk out” stores capable of replacing full-scale convenience and grocery stores. This spectrum of deployment flexibility supports site selection across both high-traffic public areas and low-trust private settings—locations previously constrained by theft concerns. While adoption is still in its early phases, preliminary data suggest that smart stores may drive meaningful sales uplift; according to Cantaloupe, smart stores have an average ticket size of \$4.25, representing an over 100% increase versus a vending machine. We believe these technologies, while even more nascent, could offer solutions for attended retail environments as well, where operators continue to balance theft deterrence against consumer experience.

One of the more prominent examples of smart stores is Amazon’s Just Walk Out technology, which uses AI, sensors, cameras, and RFID to create a seamless shopping experience. The technology powers Amazon Go stores, but it also powers foodservice, small-format retail, and merchandise stores across various verticals (i.e., travel, hospitality, healthcare, sports, c-stores, education). We understand Just Walk Out technology is used in over 200 venues and relies on a host of partners such as Adyen, Shift4, Stripe, Transact + Cbord, and Worldpay, among others.

Exhibit 19
Smart Stores Versus Vending
Average Ticket Size



Source: Cantaloupe company reports

Unattended Retail Providers

In this section, we outline a host of payments, software, and hardware companies serving the unattended retail market. While this is not an exhaustive list of providers, we believe the following companies represent a comprehensive mix of the legacy and emerging providers serving unattended retail operators globally.

365 Retail Markets

Founded in 2008, 365 Retail Markets provides various solutions to the unattended retail and self-service markets, including the vending, smart store, catering, dining point-of-sale (POS), and micro market verticals. It operates in more than 30 countries and cites over 1 billion annual transactions via 80,000 devices. Over the years, 365 Retail Markets has made several acquisitions, including Avanti Markets, Impulsify, Kafoodle, Sentry, Spoonfed, Stockwell, Company Kitchen, and Parlevel, and has expanded outside the United States. Providence Equity Partners announced a majority investment in the business in 2020.

Byte Technology

Founded in 2015 and based in California, Byte specializes in smart kiosks designed for fresh F&B distribution. Its smart cabinet-, fridge-, and freezer-kiosks offer 24/7 access to meals and snacks, with theft-proof technology and real-time inventory tracking. Byte's data-driven platform helps operators reduce waste, optimize pricing, and deliver a seamless, contactless customer experience in workplaces, hospitals, and high-traffic locations. Customers include Erewhon, Equinox, Compass Group, Aramark, and Sodexo.

Cantaloupe

Founded in 1992 as USA Technologies, Cantaloupe operates primarily in the U.S. and provides payments, software, and hardware solutions that enable self-service commerce (e.g., vending, micro markets, smart stores, amusement and gaming, and event concessions). Cantaloupe has 34,100 customers, comprising 1.3 million connections, and in 2024 processed 1.2 billion transactions,

representing \$3.3 billion of transaction volume. The company generated revenue of \$285.1 million and adjusted EBITDA of \$37.3 million in 2024 and is being acquired by 365 Retail Markets for 13.8 times calendar 2025 adjusted EBITDA.

Castles Technology

Founded in 1993 and based in Taiwan, Castles Technology provides payment terminals, terminal management software, SoftPOS, and other related software and services for attended and unattended retail environments. Its unattended readers are used in a variety of verticals such as vending, EV charging, and transportation. Castles provides terminals to a host of unattended retail payments and software providers, including Cantaloupe, 365 Retail Markets, Printec, Setomatic Systems, and VE Solutions.

CCV

Founded in 1958, CCV is a Netherlands-based provider of payments and loyalty solutions for attended, unattended, and online commerce. The company serves various unattended verticals, including EV charging, vending, parking, public transport, and service stations. CCV has about 150,000 customers, representing 750,000 terminals, and in March 2025 was acquired by Fiserv for about \$290 million.

Crane Payments Innovation (CPI)

A subsidiary of Crane NXT, CPI serves four key markets, including components, systems, aftermarket services, and connectivity solutions, and targets select key markets including vending (35% of sales), gaming (20% of sales), retail (15% of sales), and financial services (25% of sales). In 2024, CPI generated net sales of \$873.2 million and adjusted operating profit of \$260.3 million.

ECR Software Corporation (ECRS)

Founded in 1989 and based in North Carolina, ECRS offers a unified commerce platform comprising front-of-store (POS and self-checkout), back-office, warehouse, inventory, and supply chain automation systems and solutions. While ECRS primarily operates in attended channels, the company offers a range of micro market kiosk and POS software solutions.

FEIG Electronic

Founded in 1966 and based in Germany, FEIG provides solutions including payment terminals, control electronics, and contactless ID. The company's cVEND business targets hardware/payment solutions in various verticals, including vending, parking, gas stations, and public transport. Under the company's PayServ brand, FEIG provides a variety of payment solutions (e.g., international gateway, direct PSP connection) for cVEND terminals.

Gimme Vending

Founded in 2014 and based in Atlanta, Gimme Vending provides hardware and VMS software tools that help foodservice and grocery delivery operators better manage their micro market, vending, and office coffee delivery services businesses. Gimme's DEX hardware enables operators to leverage real-time sales and inventory data to automate operational functions including inventory management, pre-kitting, planogram, and route efficiency. Gimme's VMS integrates with cashless devices from Crane, Cantaloupe, and Nayax, and has additional integrations with 365 Retail Markets (real-time kiosk sales syncing) and Lightspeed Automation (pre-kitting).

Grubrrr

Founded in 2019 and based in Florida, Grubrrr is a provider of self-ordering software for kiosks, mobile ordering, and kitchen display systems. The company's solutions serve both enterprises and small businesses and cater to a variety of verticals including quick-service restaurants, fast casual

restaurants, stadiums, movie theatres, casinos, micro markets, and retail. Grubrr partners with numerous kiosk manufacturers, POS providers, payment processors, loyalty solutions providers, and online ordering systems.

Ingenico

Founded in 1980, Ingenico is a French provider of payment hardware and software solutions for attended and unattended retail environments. Its unattended product line includes card reader terminals used in vending, kiosks, transportation, and parking. In 2022, Ingenico was acquired by Apollo Global Management (from Worldline).

Kiosk Information Systems

Founded in 1993 and based in Colorado, Kiosk Information Systems is a manufacturer of kiosks and provider of associated software/services, for a variety of industries, including retail, health-care, hospitality, and transportation. Its barcode self-checkout product can be deployed in a variety of settings, including in micro markets. The company has deployed over 250,000 solutions and was acquired by Posiflex Technology, a Taiwan-based POS manufacturer, in 2016.

Kooick

Founded in 2019 and based in New York, Kooick is a SaaS platform that leverages AI/ML and sensor fusion to identify and track objects as they are stocked, retrieved, or moved on shelves and cabinets without the use of tags. The company partners with manufacturers of shelves and cabinets for a variety of use-cases, including inventory management, unattended commerce, and program compliance. Kooick partners with Due North, a cooler manufacturer, to enable unattended self-service product purchasing.

Magex

Founded in 1998 and based in Italy, Magex is a global provider of smart vending machines and automated retail solutions, offering highly customizable kiosks for a wide range of industries, including food, fashion, electronics, and pharmaceuticals. Magex uses modular conveyor belts (as opposed to coils), which enable its machines to vend products of various shapes and sizes, while also offering scales (for variable weight management) and product elevators (to vend delicate items). Customers include Covergirl, Kylie Cosmetics, Michael Kors, Sprinkles, GNC, and Pharmabox.

MagTek

Founded in 1972 and based in California, MagTek manufactures secure payment, access, and authentication hardware and provides associated software solutions. MagTek's card readers are used in a variety of attended and unattended use-cases and connect to its omnichannel payments gateway, which processes 405 million transactions annually, representing \$11 billion of payments volume.

Mashgin

Founded in 2013, Mashgin provides modern, touchless self-checkout solutions to streamline self-services in retail locations such as convenience stores, grocers, cafeterias, and sports arenas. The company has processed more than 35 million transactions and \$310 million in volume to date and its devices are present in more than 1,000 locations. In addition, in June 2022 it was announced that Circle K would install 10,000 Mashgin devices across 7,000 stores. The company raised \$62.5 million in a series B round at a \$1.5 billion valuation in 2022 and has raised \$75 million to date. Key investors include NEA, Matrix Partners, Susa Ventures, and Y Combinator.

MatiPay

Founded in 2015, MatiPay provides various solutions such as telemetry, marketing, and payments solutions for the unattended retail market. The company cites over 70,000 connected devices globally that were used by more than 950,000 consumers over the last 12 months. The Italy-based company is owned by the Angel Group, and Neva Finventures acquired a minority stake in 2019.

Nayax

Founded in 2005, Nayax is a global provider of payments, software, and hardware solutions that enable unattended retail, with emerging growth initiatives in traditional retail and energy and mobility. Nayax has over 100,000 customers and 1.3 million connections, and in 2024 processed 2.4 billion transactions, representing \$4.9 billion of transaction volume. The company generated revenue of \$314 million and adjusted EBITDA of \$35.5 million in 2024.

PayRange

Founded in 2013 and based in Oregon, PayRange provides mobile payment and software solutions for the unattended commerce vertical and broader self-service industry. The company enables cashless acceptance in over 500,000 machines operated by over 10,000 businesses with over 8 million users. In September 2024, Ridgeview Partners, in partnership with Baupost, made a strategic growth investment in the business.

Payter

Founded in 2006, Payter is a Netherlands-based developer of contactless payment terminals for unattended retail, including vending, parking, and transit. Its devices enable closed- and open-loop payments through a host of processor, acquirer, and gateway partnerships in the U.S., U.K., and Europe.

Swyft

Founded in 2013 and based in San Francisco, Swyft provides automated retail smart vending systems designed to reduce customer friction, eliminate shrink, streamline operation, and drive engagement. Swyft systems can be deployed in a variety of retail use-cases, including in-store retail, satellite retail, and location amenities, and across a broad set of products. The company also offers a robust POS system and supports omnichannel retail strategies through seamless integration with mobile and e-commerce platforms. Customers include CVS, Benefit, Marriott, Hilton, Simon, Hyatt, and various airports.

VE Solutions

Founded in 1959 as Vendors Exchange International, VE Solutions is an Ohio-based provider of vending equipment, remanufacturing services, and technology solutions for the unattended retail sector. While historically focused on vending parts and refurbishment, VE Solutions has expanded into software and kiosk development, including its V3 and M2 micro market kiosks and QuickPass cooler lock. VE's micro market and smart cooler devices integrate with a variety of third-party VMS solutions (Cantaloupe, Gimme, Crane, and Nayax), POS software providers, loyalty systems (Nayax, Cantaloupe, TCN), and credit processors (Global Payments and Nayax).

VenHub

Founded in 2021 and based in California, VenHub develops fully autonomous, robotic-operated convenience stores designed for unattended retail. The company's modular units are built using shipping containers and integrate AI, robotics, and smart inventory management to enable 24/7 operation without on-site staff. A typical VenHub storefront can be installed in less than 7 days, serves up to 80 customers per hour, and stocks 600-900 SKUs. In December 2024, the company disclosed that it had over 1,000 preorders, representing more than \$300 million of potential revenue.

The Wittern Group

Founded in 1931 and based in Iowa, Wittern is a manufacturer and service provider in the vending and unattended retail industry. Through its portfolio of companies—including U-Select-It, Intelligent Dispensing Solutions (IDS), eVending, Vending.com, Selectivend, and Federal Machine—it offers a full range of vending equipment, asset control systems, and support services. Wittern's offerings include traditional vending machines, micro market equipment, and controlled dispensing systems.

The prices (8/13) of the common stock of other public companies mentioned in this report follow:

Adyen NV	\$1,696.00
Amazon.com, Inc. (Outperform)	\$224.56
Apollo Global Management Inc	\$140.95
Aramark	\$40.74
Best Buy Co., Inc.	\$72.73
Cantaloupe, Inc. (Market Perform)	\$10.98
Carnival Corporation (Outperform)	\$30.64
Coca-Cola Company	\$70.46
Compass Group PLC	\$34.52
Crane NXT, Co.	\$61.73
CVS Health Corporation	\$65.90
Fiserv, Inc. (Outperform)	\$134.29
Global Payments Inc. (Market Perform)	\$86.46
Hilton Worldwide Holdings Inc.	\$272.85
Hyatt Hotels Corporation	\$145.24
Marriott International, Inc.	\$269.70
Mastercard Incorporated (Outperform)	\$577.90
Nayax Ltd. (Outperform)	\$43.13
PepsiCo, Inc.	\$149.35
Shift4 Payments, Inc. (Outperform)	\$90.09
Simon Property Group, Inc.	\$172.59
Sodexo SA	\$60.44
Visa Inc. (Outperform)	\$342.55
Worldline SA	\$3.49

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DOW JONES: 43975.10

S&P 500: 6373.45

NASDAQ: 21385.40

Additional information is available upon request.

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Outperform (Buy)	72	Outperform (Buy)	10
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