



# Seale & Associates

ALCOHOLIC BEVERAGES INDUSTRY  
Q2 2023  
VALUATION UPDATE

# Introduction

We are pleased to share our Alcoholic Beverages Industry Multiples Valuation Update for Q2 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' strategic objectives in a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients that are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms and family-owned businesses across a wide range of industries.



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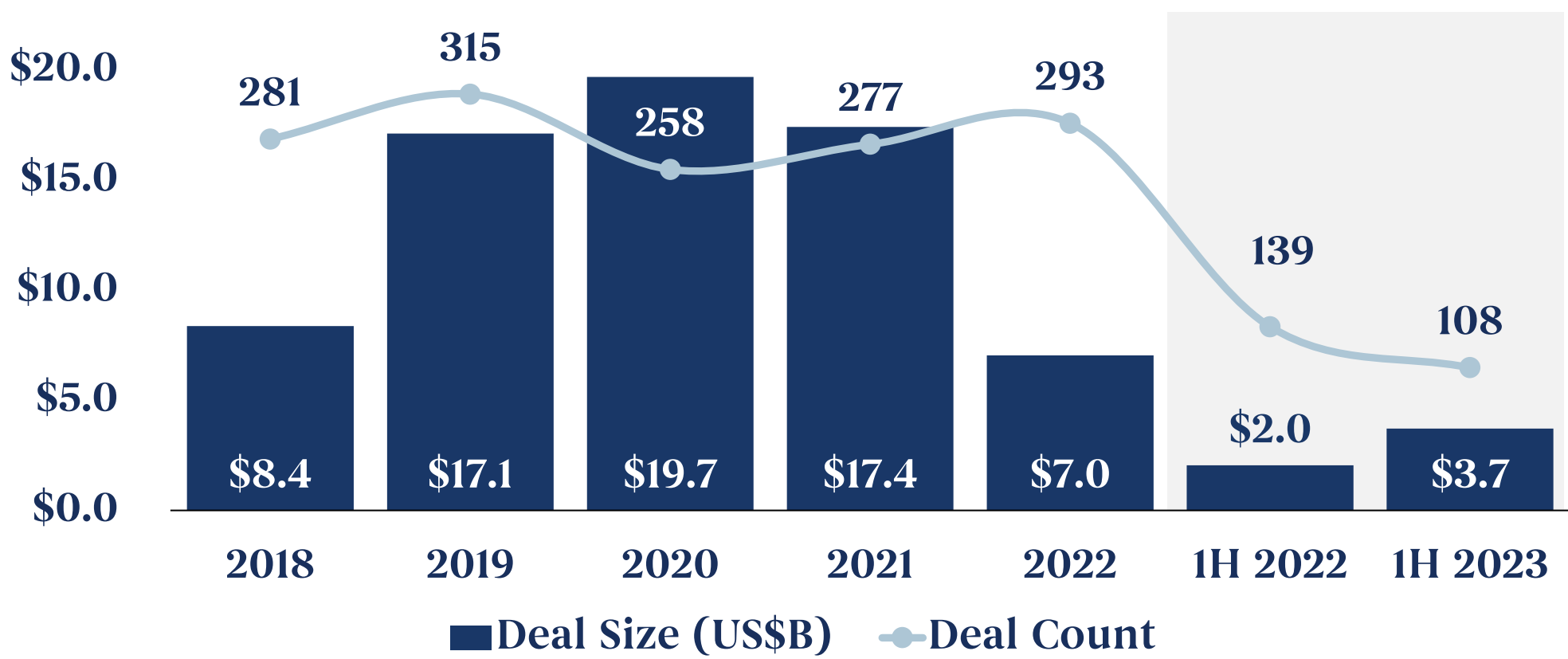
# Beverage’s Industry Overview, M&A Trends and Market Intelligence

## Beverage’s Industry Overview

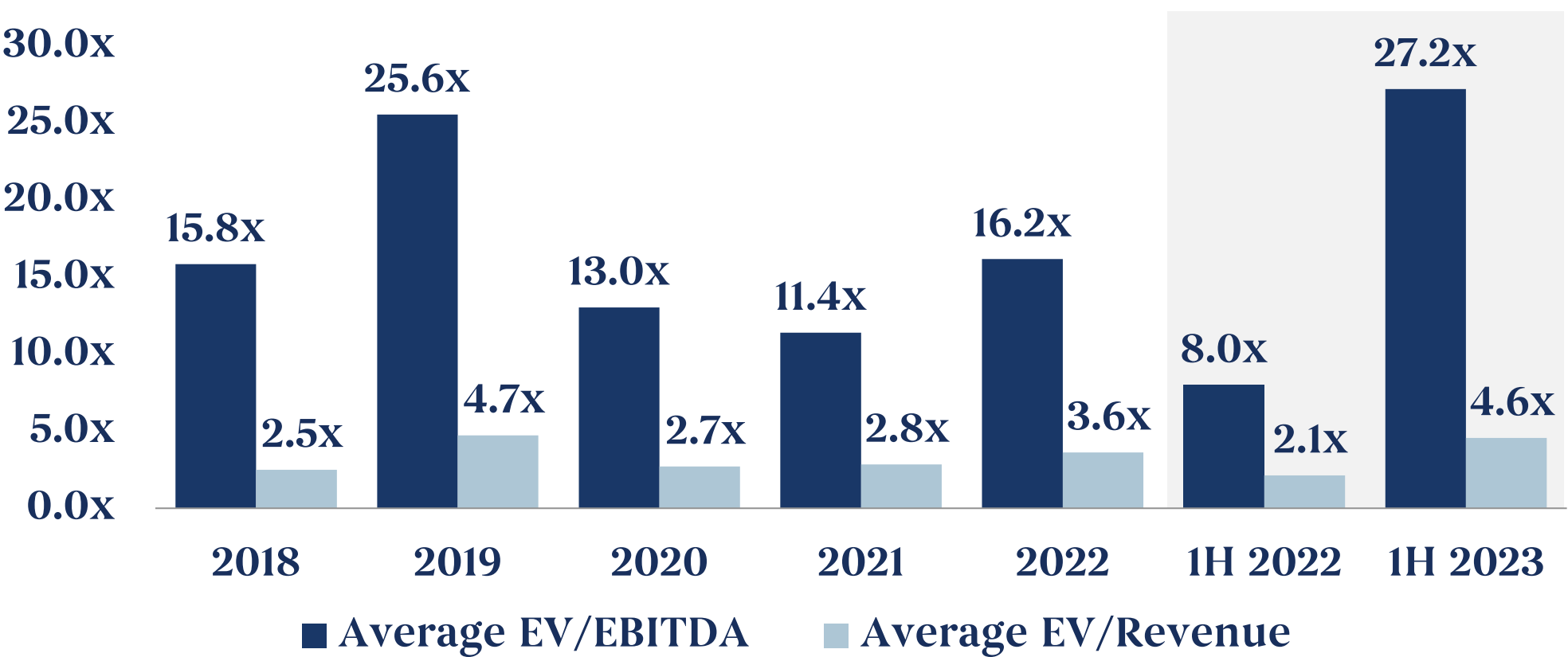
- The global beverage industry closed in 2022 with a revenue of US\$2,318.9 billion. It is expected to grow to US\$2,926.7 billion by 2027, representing a CAGR of 4.8%
- In 2022, alcoholic beverages accounted for 64.2% of the global beverage market, generating US\$1,488.96 billion. Non-alcoholic beverages represented the remaining 35.8%, with a market value of US\$830.0 billion
- Worldwide beverage deal flow slowed in H1 2023, likely due to rising interest rates, cautious investors, and general market uncertainties
- Rising costs of raw materials and labor are putting pressure on food & beverage companies, as consumers are beginning to push back on rising prices
- Businesses continue to focus on core competencies while remaining conservative on growth projects
- There continues to be an abundant amount of capital in the market from excess cash on the balance sheets of public companies and private equity firms
- Deal activity in the food and beverage space has proven to be resilient in times of market uncertainty

**Sources:** Statista Alcoholic and Non-Alcoholic Reports, Capital IQ

Beverage’s Industry M&A Deal Size and Volume









Beverage’s Industry M&A Average EV/EBITDA and EV/Revenue











## Beer - Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023 EV/EBITDA		EV/Revenue
						2021	2022	2021	2022	
Ambev S.A.		BRA	\$50,335	\$48,843	\$16,155	28.1%	12.1x	10.0x	9.9x	2.9x
Anheuser-Busch InBev SA/NV		BEL	\$112,249	\$193,632	\$58,764	31.2%	13.0x	10.9x	10.0x	3.3x
Asahi Group Holdings, Ltd.		JPN	\$19,533	\$30,645	\$19,337	15.2%	13.8x	12.3x	11.3x	1.7x
Beijing Yanjing Brewery Co.,Ltd.		CHN	\$4,846	\$4,122	\$1,984	9.2%	14.3x	17.9x	23.3x	2.2x
Carlsberg A/S		DNK	\$23,683	\$27,099	\$10,096	18.6%	13.1x	10.3x	12.9x	2.6x
Compañía Cervecerías Unidas S.A.		CHL	\$2,976	\$4,035	\$3,463	12.1%	8.6x	6.1x	9.9x	1.2x
Constellation Brands, Inc.		USA	\$45,116	\$57,604	\$9,604	34.0%	16.2x	26.9x	44.8x	6.0x
Heineken N.V.		NLD	\$58,352	\$75,799	\$30,693	19.1%	16.8x	13.2x	11.6x	2.4x
Kirin Holdings Company, Limited		JPN	\$11,771	\$16,544	\$15,218	11.9%	10.5x	8.9x	9.0x	1.2x

## Beer - Global Comparable Public Companies (Continued)











Company		Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023	
							2021	2022	EV/ EBITDA	EV/ Revenue
Molson Coors Beverage Company		USA	\$14,240	\$20,895	\$10,833	14.7%	7.8x	8.6x	12.5x	1.9x
Olvi Oyj		FIN	\$655	\$634	\$662	12.1%	12.0x	8.3x	7.7x	1.0x
Royal Unibrew A/S		DNK	\$4,437	\$5,153	\$1,732	16.8%	19.8x	16.2x	17.5x	3.0x
Sapporo Holdings Limited		JPN	\$1,996	\$3,638	\$3,716	6.4%	12.4x	28.8x	16.7x	1.1x
The Boston Beer Company, Inc.		USA	\$3,751	\$3,681	\$2,070	9.4%	29.8x	45.8x	18.0x	1.8x
Unión de Cervecerías Peruanas Backus y Johnston S.A.A.		PER	\$8,649	\$8,310	\$1,854	46.2%	12.3x	10.0x	9.3x	4.3x
■ Excluded from mean and median						Mean	13.0x	11.0x	12.0x	2.2x
						Median	12.7x	10.1x	11.3x	2.1x

## Spirits – Global Comparable Public Companies




























Company		Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023 EV/EBITDA EV/Revenue	
							2021	2022	EV/EBITDA	EV/Revenue
Becle, S.A.B. de C.V.		MEX	\$8,775	\$9,811	\$2,563	19.8%	22.5x	20.8x	18.0x	3.6x
Brown-Forman Corporation		USA	\$32,230	\$34,854	\$4,228	31.1%	30.8x	26.0x	25.8x	8.2x
Davide Campari-Milano N.V.		ITA	\$15,516	\$17,270	\$3,076	23.5%	33.1x	24.0x	24.0x	5.6x
Diageo plc		GBR	\$96,435	\$118,471	\$20,381	33.8%	22.6x	19.2x	15.0x	5.5x
HITEJINRO Co., Ltd.		KOR	\$1,136	\$1,580	\$1,931	12.9%	9.0x	8.1x	6.4x	0.8x
Jiangsu Yanghe Brewery Joint-Stock Co., Ltd.		CHN	\$27,119	\$22,601	\$4,677	41.8%	28.3x	18.9x	12.2x	5.1x
MGP Ingredients, Inc.		USA	\$2,339	\$2,547	\$788	20.5%	16.3x	17.2x	15.6x	3.2x
Pernod Ricard SA		FRA	\$56,595	\$67,655	\$12,673	30.2%	21.8x	17.7x	16.2x	5.2x
Rémy Cointreau SA		FRA	\$8,092	\$8,678	\$1,682	30.3%	35.5x	24.3x	16.6x	5.1x
Takara Holdings Inc.		JPN	\$1,598	\$1,592	\$2,638	13.7%	9.0x	4.6x	4.8x	0.7x
■ Excluded from mean and median						Mean	26.4x	21.0x	16.6x	5.2x
						Median	25.4x	20.0x	16.2x	5.2x



## Wine - Global Comparable Public Companies























Company		Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023 EV/EBITDA EV/Revenue	
							2021	2022	EV/EBITDA	EV/Revenue
Delegat Group Limited		NZL	\$536	\$781	\$224	34.1%	14.7x	13.3x	10.1x	3.6x
Italian Wine Brands S.p.A.		ITA	\$219	\$379	\$423	6.9%	11.5x	12.3x	11.7x	0.9x
Laurent-Perrier S.A.		FRA	\$832	\$1,056	\$330	28.9%	18.1x	11.1x	9.8x	2.9x
Purcari Wineries Public Company Limited		CYP	\$92	\$124	\$70	25.6%	9.7x	6.8x	6.8x	1.8x
Sociedad Anónima Viña Santa Rita		CHL	\$193	\$329	\$212	9.3%	11.1x	13.4x	16.2x	1.6x
Treasury Wine Estates Limited		AUS	\$5,397	\$6,226	\$1,727	27.7%	15.2x	15.8x	12.3x	3.7x
Vintage Wine Estates, Inc.		USA	\$51	\$355	\$289	-13.7%	38.0x	37.6x	NM	1.2x
Viña Concha y Toro S.A.		CHL	\$859	\$1,346	\$1,041	12.5%	7.9x	7.8x	8.7x	1.3x
Viña San Pedro Tarapacá S.A.		CHL	\$273	\$339	\$341	11.4%	7.6x	5.9x	6.4x	1.0x
Yantai Changyu Pioneer Wine Company Limited		CHN	\$2,242	\$2,105	\$565	23.8%	17.2x	15.1x	15.3x	3.7x
■ Excluded from mean and median						<b>Mean</b>	12.6x	11.3x	10.8x	2.2x
<b>NM:</b> Not Mentioned						<b>Median</b>	11.5x	12.3x	10.1x	1.7x

# Alcoholic Beverages – Q2 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Jun-23		USA	Produces hard ciders made from apples		Donovan Orchards LLC	100.0%	-	-	-
Jun-23		USA	Produces and sales big bold wines		<i>Coups de Foudre</i> <sup>™</sup>	100.0%	-	-	-
Jun-23		ITA	Produces wine		-	100.0%	-	-	-
Jun-23		CAN	Produces and markets alcoholic beverages		-	90.0%	\$111.1	-	1.9x
Jun-23		GBR	Owns and operates a brewery			100.0%	-	-	-
Jun-23		ESP	Produces beverages, spirits, and distilleries		-	ND	-	-	-
Jun-23		FIN	Produces wines and distillates	-		100.0%	\$0.3	-	-
Jun-23		USA	Produces and sells canned wine		-	100.0%	-	-	-
Jun-23		USA	Produces beer		-	100.0%	-	-	-
May-23		USA	Produces and sells alcohol brand products		-	100.0%	-	-	-
May-23		USA	Produces and sells beers		-	100.0%	-	-	-
May-23		USA	Produces and distributes craft beers and ciders	Nathan Kelischek and Chris Zieber		100.0%	-	-	-
May-23		FRA	Produces champagne		-	ND	-	-	-


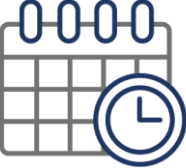









Alcoholic Beverages– Q2 Global Transactions (Continued)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
May-23		USA	Produces wine		-	15.0%	-	-	-
May-23		USA	Produces cider	Mackenzie Smith and Taylor Benson	Courtney Mailey	100.0%	-	-	-
May-23		SWE	Produces and distributes wine, spirits and liqueurs		-	100.0%	-	-	-
May-23		CAN	Produces wine		-	100.0%	-	-	-
May-23		CAN	Produces wine		-	100.0%	-	-	-
Apr-23		USA	Produces tequila	Dave Schmier and Paul Hletko		ND	-	-	-
Apr-23		ESP	Produces beer		-	8.0%	-	-	-
Apr-23		GBR	Produces and sells canned wine	CANNED WINE CO	-	100.0%	-	-	-
Apr-23		ITA	Produces and distributes wines		-	6.2%	-	-	-
Apr-23		GBR	Produces malt whiskies, gins and liqueurs		-	ND	-	-	-
Apr-23		USA	Produces beer		-	100.0%	-	-	-
Apr-23		USA	Produces wine		-	100.0%	-	-	-

ND: Not Disclosed

Private Equity Transactions

INDUSTRY CLASIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE /EBITDA	NUMBER OF TRANSACTIONS
								
<div>Beverage Manufacturing</div> <div>NAICS 3121 – Beverage Manufacturing</div>	2020-2021	\$74.4M	\$44.8M	21.2%	1.9x	24.1%	8.4x	4
<div>Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers</div> <div>NAICS 4248 – Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers</div>	2008-2021	\$27.1M	\$38.1M	-1.9%	0.8x	12.9%	8.2x	4

Source: GF Data

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.



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S U S C R I B E



# Representative Global Engagements

 <i>has acquired</i> 	 <i>has acquired</i> 	 <i>has sold</i>  <i>to</i> 	 <i>has sold</i> <i>Triumph Air Repair &amp; Triumph Engines businesses</i> <i>to</i> 	 <i>has acquired</i>  <i>from</i> 	 <i>has partnered with</i>  <i>a company backed by</i> 	 <i>has acquired</i> 	 <i>has sold the North American guarding business of</i>  <i>to</i> 	 <i>has sold</i>  <i>to</i> 	 <i>has sold</i>  <i>to</i> 	 <i>a subsidiary of</i>  <i>has sold</i>  <i>A division of Carrier Commercial Refrigeration, Inc.</i> <i>to</i> 
 <i>has sold</i>  <i>to</i> <i>Daives Baird Pty Ltd a sister company of</i> 	 <i>has acquired</i> 	 <i>has sold</i>  <i>to</i> <i>Code Flower Inc.</i>	 <i>has sold its</i> <i>GRACE Membranes Business</i>  <i>a subsidiary of</i> 	 <i>has sold</i>  <i>and</i>  <i>to</i> 	 <i>has sold a controlling interest to</i> 	 <i>has been acquired by</i> 	 <i>has sold</i> <i>SENSI CARE and ALOE VESTA</i> <i>to</i> 	 <i>has sold their</i> <i>Sanitaryware Manufacturing Plant</i> <i>to</i> 	 <i>has acquired</i> <i>Multiple snack companies</i>   	 <i>has sold</i>  <i>to</i> 
 <i>has sold</i>  <i>to</i> 	 <i>has been acquired by</i> 	 <i>has sold</i> <i>Oxbow Sulphur, Inc.</i> <i>to</i> 	 <i>has been acquired by</i> 	 <i>has sold</i>  <i>to</i> 	 <i>Engineers &amp; Constructors</i> <i>has acquired</i> 	 <i>has acquired</i> 	 <i>has acquired</i> 	 <i>has sold its</i> <i>SYCAR Resins business</i> <i>to</i> 	 <i>has sold</i>  <i>to</i> <i>Private Equity Partners</i>	 <i>has been acquired by</i> 
 <i>has sold</i>  <i>to</i> 	 <i>has acquired</i>  <i>KFC Costa Rica</i> <i>from</i> 	 <i>has been acquired by</i> 	 <i>has sold</i>  <i>to</i> 	 <i>has sold the</i> <i>Films Business of</i>  <i>to</i> 	 <i>has been acquired by</i> 	 <i>has sold</i>  <i>to</i> 	 <i>Oxbow's Senior Subordinated debt issued by</i>  <i>was refinanced by</i> 	 <i>has sold</i>  <i>to</i> 	 <i>has acquired</i>  <i>from</i> <i>THE MOORE COMPANY</i>	 <i>sold its concrete pumping business to</i> 

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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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