



Seale & Associates

ALCOHOLIC BEVERAGES
INDUSTRY
Q1 2024
VALUATION UPDATE

25 years

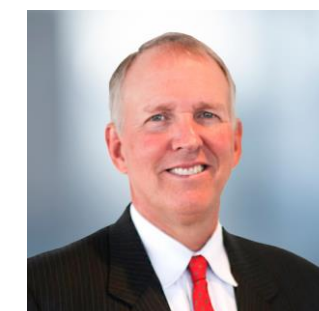
Introduction

We are pleased to share our Alcoholic Beverages Industry Multiples Valuation Update for Q1 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's 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.

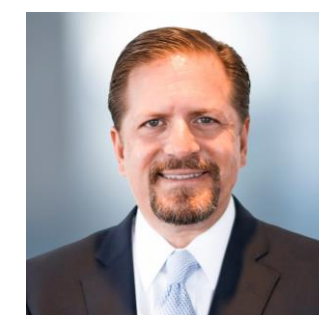
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

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



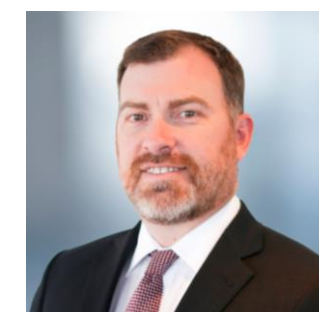
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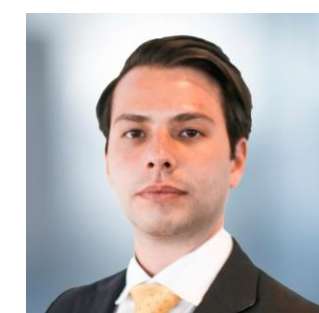
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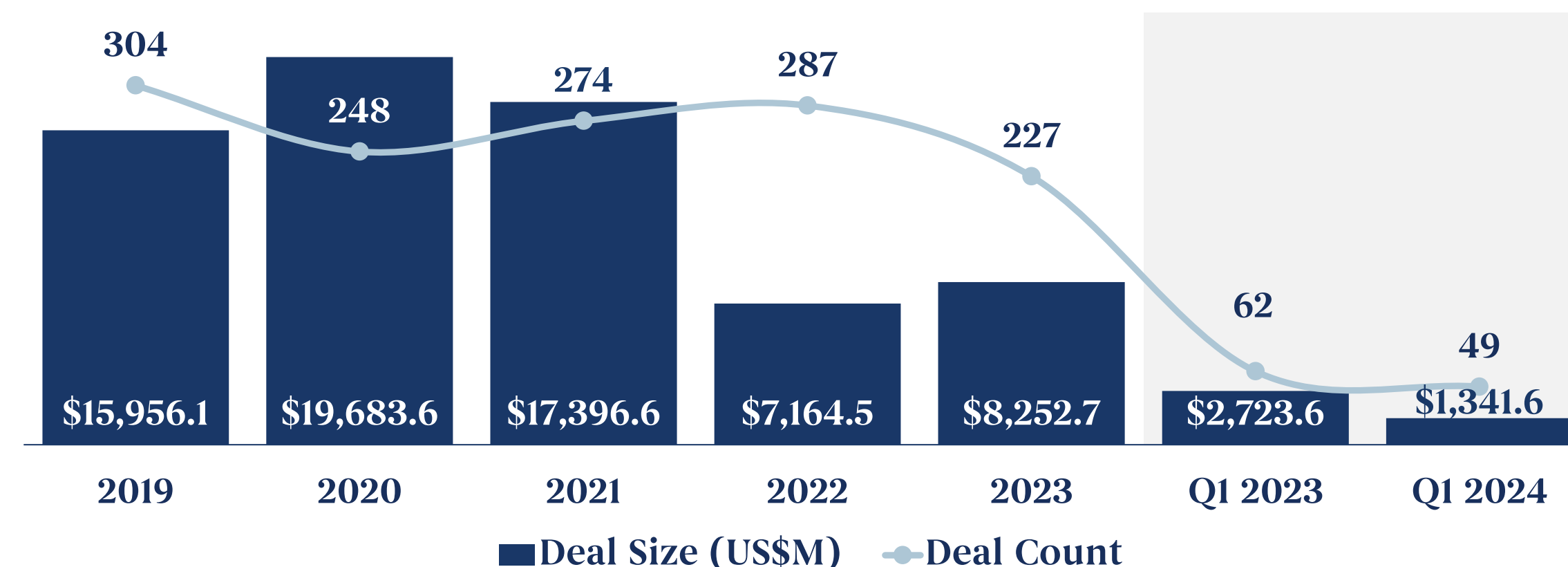
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Alcoholic Beverage's Industry Overview, M&A Trends and Market Intelligence

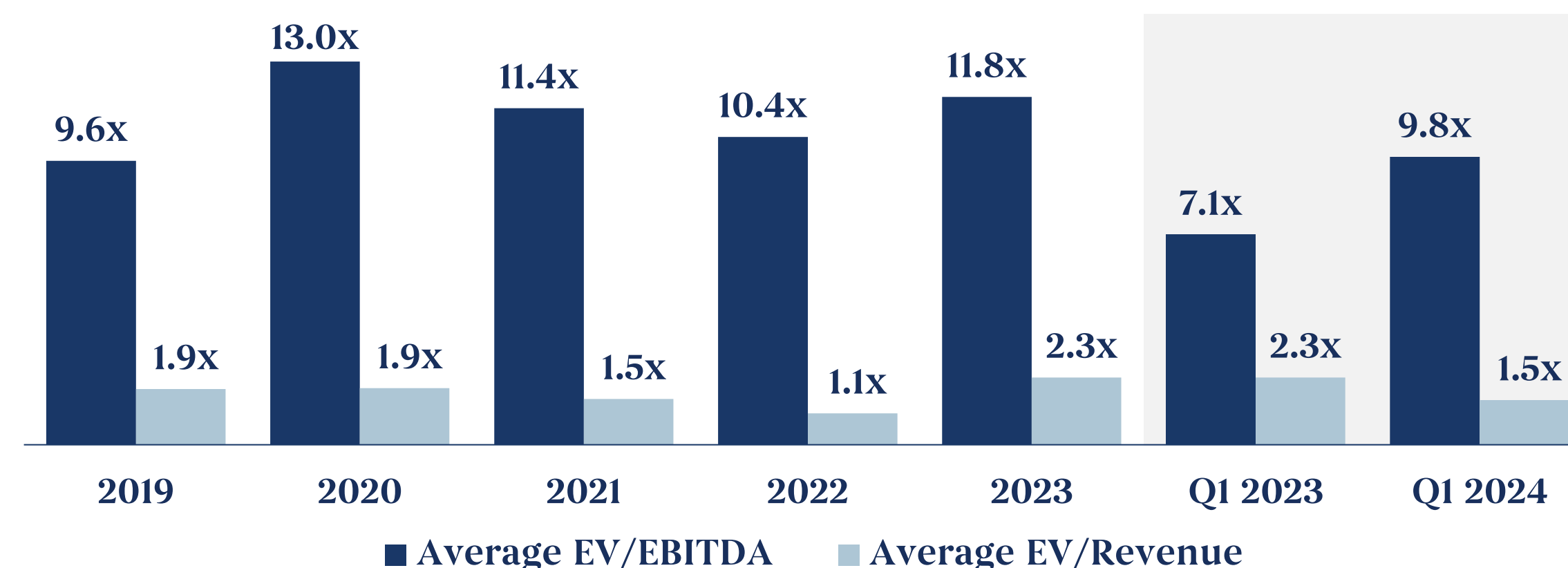
Alcoholic Beverage's Industry Overview

- The alcoholic beverages **market size** was valued at US\$2,313.2B in 2023 and is **projected to grow** from US\$2,527.0B in 2024 to US\$5,716.2B by 2032, with a **CAGR** of **10.7%**
- The **projected growth** of the alcoholic beverage industry is driven by **innovations** and the **increasing popularity of premium drinks** such as whisky, tequila, and gin. Consumer interest in unique and high-quality flavors is leading companies to pursue **strategic alliances and mergers** in these sectors.
- Manufacturers are responding to **evolving consumer preferences** by introducing **RTD hybrid beverages**, which combine elements from various categories. Popular examples include Kahlua Midnight (rum and Kahlua) and Malibu Red (rum and tequila. These **RTD drinks** feature **attractive flavors and innovative production processes**, driving demand for premium options
- **Millennials and Gen-Z** are particularly drawn to the **beer segment**, making it the industry's second-largest. This demographic drives **strong demand** for **diverse and high-quality flavors**, fueling growth and innovation within the segment
- The industry is **shifting** towards **functional drinks with health benefits**, such as sugar-free, plant-based, and towards **luxury alcoholic beverages** and THC-infused alternatives. This trend is driven by **health-conscious consumers**, **regulatory changes**, and the growing **popularity of fruit-based, low-calorie, and functional beverages**
- Despite **economic challenges and cost inflation**, the sector focuses on **preserving brand equity and delivering high-quality experiences** to consumers. **Growth in premium spirits** is likely to be driven by emerging markets, notably in Asia, the Middle East, and Africa
- The **growth of wineries and breweries** in the USA has significantly **boosted** the **industry** by fostering innovation, tourism, and competition. This expansion has heightened **consumer interest in craft and artisanal products**, enhancing brand differentiation and consumer education

Beverage's Industry M&A Deal Size and Volume



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








Source: Statista Alcoholic and Non-Alcoholic Reports, Capital IQ, Fortune Business Insights, Research and markets







Beer Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Ambev S.A.		BRA	\$39,220	\$36,895	\$15,847	30.8%	12.1x	10.0x	7.6x	2.3x
Anheuser-Busch InBev SA/NV		BEL	\$120,777	\$197,661	\$59,714	32.3%	13.0x	10.9x	10.2x	3.3x
Asahi Group Holdings, Ltd.		JPN	\$18,695	\$27,589	\$18,702	14.1%	13.8x	12.3x	10.4x	1.5x
Beijing Yanjing Brewery Co.,Ltd.		CHN	\$3,587	\$2,632	\$1,977	10.4%	14.3x	17.9x	12.8x	1.3x
Carlsberg A/S		DNK	\$19,008	\$22,768	\$10,643	19.4%	13.1x	10.3x	11.0x	2.1x
Compañía Cervecerías Unidas S.A.		CHL	\$2,192	\$3,058	\$2,631	13.0%	8.6x	6.1x	8.9x	1.2x
Constellation Brands, Inc.		USA	\$49,677	\$61,624	\$9,962	32.7%	16.2x	26.9x	18.9x	6.2x
Heineken N.V.		NLD	\$54,309	\$74,369	\$32,757	20.5%	16.8x	13.2x	11.1x	2.3x
Kirin Holdings Company, Limited		JPN	\$11,231	\$16,581	\$14,448	13.9%	10.5x	8.9x	8.2x	1.1x
Molson Coors Beverage Company		USA	\$14,299	\$20,104	\$11,952	19.9%	7.8x	8.6x	8.5x	1.7x

Beer Global Comparable Public Companies (2/2)










Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Olvi Oyj	 FIN	\$688	\$662	\$681	12.7%	12.0x	8.3x	7.6x	1.0x	
Royal Unibrew A/S	 DNK	\$3,306	\$4,236	\$1,963	16.3%	19.8x	16.2x	13.2x	2.2x	
Sapporo Holdings Limited	 JPN	\$3,105	\$4,592	\$3,455	7.0%	12.4x	28.8x	19.0x	1.3x	
The Boston Beer Company, Inc.	 USA	\$3,621	\$3,371	\$2,025	10.8%	29.8x	45.8x	15.4x	1.7x	
Unión de Cervecerías Peruanas Backus y Johnston S.A.A.	 PER	\$7,696	\$7,612	\$2,001	46.6%	12.3x	10.0x	8.2x	3.8x	
■ Excluded from mean and median						Mean	14.1x	15.8x	11.1x	1.5x
						Median	12.4x	16.2x	13.2x	1.7x

Spirits Global Comparable Public Companies


























Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Beck's, S.A.B. de C.V.	 MEX	\$8,496	\$9,752	\$2,639	16.6%	22.5x	20.8x	22.2x	3.7x	
Brown-Forman Corporation	 USA	\$24,617	\$27,434	\$4,260	31.2%	30.8x	26.0x	20.7x	6.4x	
Davide Campari-Milano N.V.	 ITA	\$12,075	\$14,095	\$3,144	23.6%	33.1x	24.0x	19.0x	4.5x	
Diageo plc	 GBR	\$82,198	\$104,755	\$21,457	35.2%	22.6x	19.2x	13.9x	4.9x	
HITEJINRO Co., Ltd.	 KOR	\$1,050	\$1,607	\$1,878	10.8%	9.0x	8.1x	7.9x	0.9x	
Jiangsu Yanghe Brewery Joint-Stock Co., Ltd.	 CHN	\$20,242	\$16,124	\$4,755	40.4%	28.3x	18.9x	8.4x	3.4x	
MGP Ingredients, Inc.	 USA	\$1,900	\$2,183	\$806	25.3%	16.3x	17.2x	10.7x	2.7x	
Pernod Ricard SA	 FRA	\$40,818	\$54,203	\$12,527	30.0%	21.8x	17.7x	14.4x	4.3x	
Rémy Cointreau SA	 FRA	\$5,130	\$5,768	\$1,422	24.2%	35.5x	24.3x	16.8x	4.1x	
Takara Holdings Inc.	 JPN	\$1,382	\$1,435	\$2,243	9.3%	9.0x	4.6x	6.9x	0.6x	
						Mean	16.8x	15.2x	10.4x	3.2x
						Median	22.5x	19.0x	14.2x	3.9x

Source: Capital IQ

Wine Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Delegat Group Limited	 DELEGAT	NZL	\$399	\$668	\$225	32.2%	14.7x	13.3x	9.2x	3.0x
Italian Wine Brands S.p.A.		ITA	\$195	\$361	\$463	7.0%	11.5x	12.3x	11.1x	0.8x
Laurent-Perrier S.A.	 CHAMPAGNE Laurent-Perrier WINE SINCE 1812	FRA	\$769	\$989	\$331	31.2%	18.1x	11.1x	9.6x	3.0x
Purcari Wineries Public Company Limited	 PURCARI CHATEAU	CYP	\$133	\$167	\$80	24.4%	9.7x	6.8x	8.5x	2.1x
Sociedad Anónima Viña Santa Rita	 Santa Rita	CHL	\$158	\$267	\$173	7.0%	11.1x	13.4x	21.9x	1.5x
Treasury Wine Estates Limited	 TREASURY WINE ESTATES	AUS	\$6,588	\$7,705	\$1,626	25.5%	15.2x	15.8x	18.6x	4.7x
Viña Concha y Toro S.A.	 CT CONCHA Y TORO SINCE 1850	CHL	\$894	\$1,392	\$898	12.7%	7.9x	7.8x	12.2x	1.6x
Viña San Pedro Tarapacá S.A.	 SAN PEDRO EST. 1865	CHL	\$225	\$294	\$264	12.7%	7.6x	5.9x	8.8x	1.1x
Yantai Changyu Pioneer Wine Company Limited	 CHANGYU SINCE 1892	CHN	\$1,725	\$1,575	\$563	23.6%	16.9x	15.4x	11.9x	2.8x
						Mean	12.5x	11.3x	11.2x	2.0x
						Median	11.5x	12.3x	11.1x	2.1x














Alcoholic Beverages Industry – Q1 Global Transactions (1/3)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-24	 VML Wineries	USA	Produces premium Pinot Noir and Chardonnay wine	 WILSON ARTISAN WINERIES	 TRUETT-HURST	100.0%	-	-	-
Mar-24	 BuzzBallz	USA	Produces and sells cocktails	 SAZERAC	-	100.0%	-	-	-
Mar-24	 QUINTA DO PORTAL DOURO VALLEY PORTUGAL	PRT	Provides wine and tourism experiences in the Douro Valley	 THE FLADGATE PARTNERSHIP	 QUINTA DO PORTAL DOURO VALLEY PORTUGAL	100.0%	-	-	-
Mar-24	 MAD RIVER BREWING	USA	Produces beer			100.0%	-	-	-
Mar-24	 COPPA COCKTAILS	NLD	Produces and offers cocktails	 MG DESTILERÍAS CASA FUNDADA 1838	 TOORANK	100.0%	-	-	-
Mar-24	 PATZ & HALL	USA	Produces wine	-	 STE MICHELLE WINE ESTATES	100.0%	-	-	-
Mar-24	 DALESIDE BEERS OF DISTINCTION	GBR	Produces beer		-	100.0%	-	-	-
Feb-24	 VERDANT SPIRIT CO	GBR	Produces award-winning gin and craft spirits	 Stargazey Spirits Ltd	-	100.0%	-	-	-
Feb-24	 COURVOISIER <i>Le Cognac de Signature</i>	FRA	Produces cognac	 CAMPARI GROUP	 SUNTORY GLOBAL SPIRITS	100.0%	\$1,293.5	-	-
Feb-24	 GEILE WEINE	DEU	Produces and markets wine	 Schloss Wachenheim AG The Culture of Sparkling	-	100.0%	-	-	-

Alcoholic Beverages Industry – Q1 Global Transactions (2/3)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Feb-24		USA	Produces and sells spirits made from local grains and fruit		-	100.0%	-	-	-
Feb-24		USA	Produces innovative beers and operates a vibrant taproom		-	100.0%	-	-	-
Feb-24		CAN	Produces unique beers and operates themed restaurants		-	100.0%	-	-	-
Feb-24	Brand rights and Assets	USA	Produces innovative craft beers			100.0%	-	-	-
Jan-24		USA	Produces and sells beer		-	100.0%	-	-	-
Jan-24		IRL	Produces craft beer	-		100.0%	-	-	-
Jan-24		USA	Produces beer and whisky		-	100.0%	-	-	-
Jan-24		GBR	Produces crafted beer		-	100.0%	-	-	-
Jan-24		CAN	Produces and markets the malt-based alcoholic beverages and non-alcoholic products		Québec Inc.	100.0%	\$31.9	#iVALOR!	#iVALOR!
Jan-24		USA	Produces and sells beer		-	100.0%	-	-	-

Alcoholic Beverages Industry – Q1 Global Transactions (3/3)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Jan-24		GBR	Produces beers and hosts events		-	100.0%	-	-	-	
Jan-24		CAN	Produces and sells wine	Wines in Niagara		100.0%	\$2.7	-	-	
Jan-24	Mikkeller	DNK	Produces and markets beers and spirits			20.0%	-	-	-	
Jan-24		NLD	Produces and markets premium rum			100.0%	-	-	-	
Jan-24		FRA	Produces wine		ARTEMIS	100.0%	-	-	-	
Jan-24		USA	Produces alcoholic and non-alcoholic beverages for brands		-	100.0%	-	-	-	
Jan-24		USA	Produces and markets rare single-cask whisky for global markets		-	100.0%	\$0.5	-	-	
Jan-24		PRT	Produces wines		AHS Investimentos	100.0%	-	-	-	
								Mean	9.8x	1.5x
								Median	9.8x	1.5x

Selected Transactions Commentary



“In what is the biggest deal in Campari Group’s history, Courvoisier will enable a significant step up in the U.S. while also permitting long-term transformational potential in the strategic Asia-Pacific region...In addition to acquiring a globally recognized brand with strong premiumization credentials, we have a unique opportunity to expand our cognac production and bottling capacity in France, a core platform of our global supply chain.”

Matteo Fantacchiotti, CEO of Campari Group



“E&A Scheer has built an impressive legacy over more than 300 years and today plays a unique and essential role in the global rum market... We believe the rum category has promising prospects driven in part by the increasing popularity of new craft brands and the trend toward premiumization. We are excited to help the company capitalize on these opportunities by investing in the company’s continued success.”

Louis Samson, Co-President of Platinum Equity



“As a trailblazer in the ready-to-drink space, we have received many inquiries to acquire the company, however, Sazerac matched our innovative culture and spirit best. They are a partner we can continue to grow with internationally, as well as expand our existing distribution footprint in the USA. We are excited about our future growth opportunities from the synergies we will create together.”










Merrilee Kick, CEO of BuzzBallz



“It has been a long-standing ambition of Asahi to grow our business in America while reducing our environmental impact by brewing beer locally... It is a modern facility and it is located perfectly for us to brew beer to serve both the American and Canadian markets.”

Victoria Segebarth, Managing Director of Asahi for EMEA and the Americas

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
 Beverage Manufacturing <i>NAICS 3121 – Beverage Manufacturing</i>	 2019-2024	 \$72.9M	 \$82.7M	 15.7%	 1.6x	 19.7%	 7.8x	 6
Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers <i>NAICS 4248 – Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers</i>	2008-2021	\$27.1M	\$38.1M	-1.9%	0.8x	12.9%	8.2x	4

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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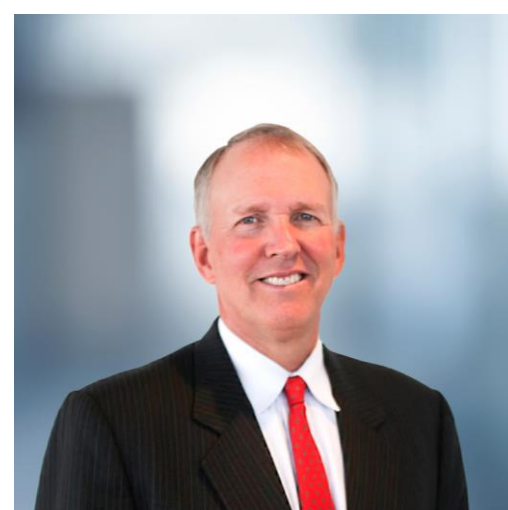
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Global M&A Representative Engagements

<p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1880</p> <p>was refinanced by</p>  <p>BMO</p>	<p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p>
<p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p>  <p>Enjet AERO</p>	<p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CNC Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p>	<p>Rheem</p> <p>has acquired</p>  <p>HTPG</p>	<p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop</p> <p>a subsidiary of</p> <p>Honeywell</p>
<p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p>  <p>MEDLINE</p>	<p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p>	<p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY and Starboard Capital Partners</p>	<p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p>	<p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p>	<p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p>	<p>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>

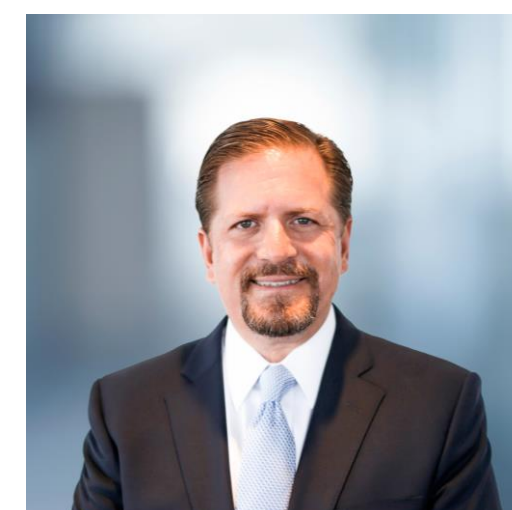


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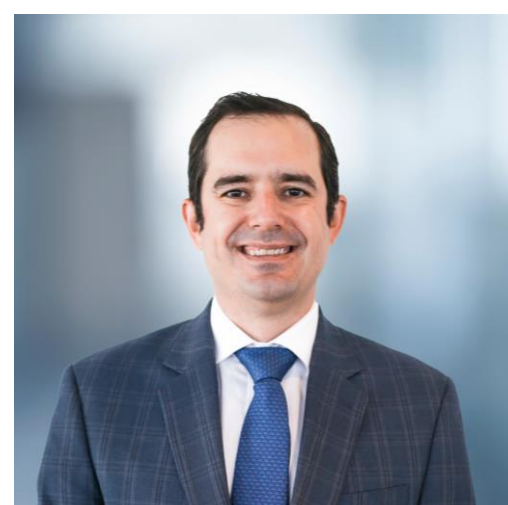


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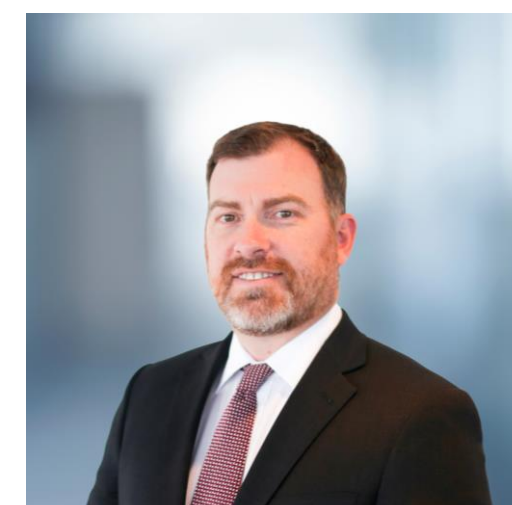


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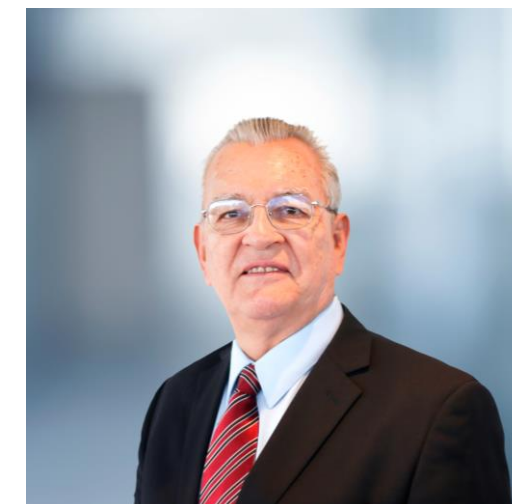


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FELIPE BUENO

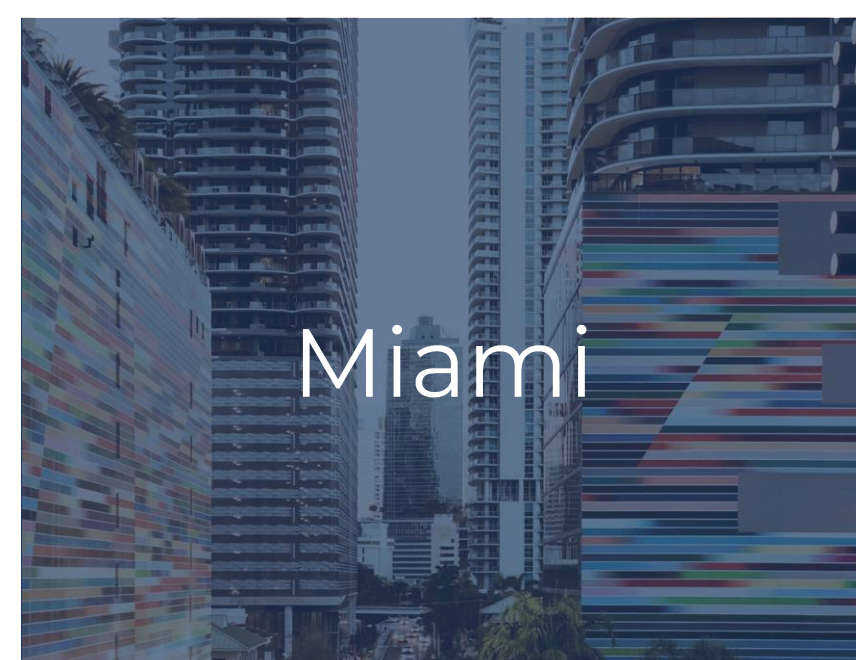
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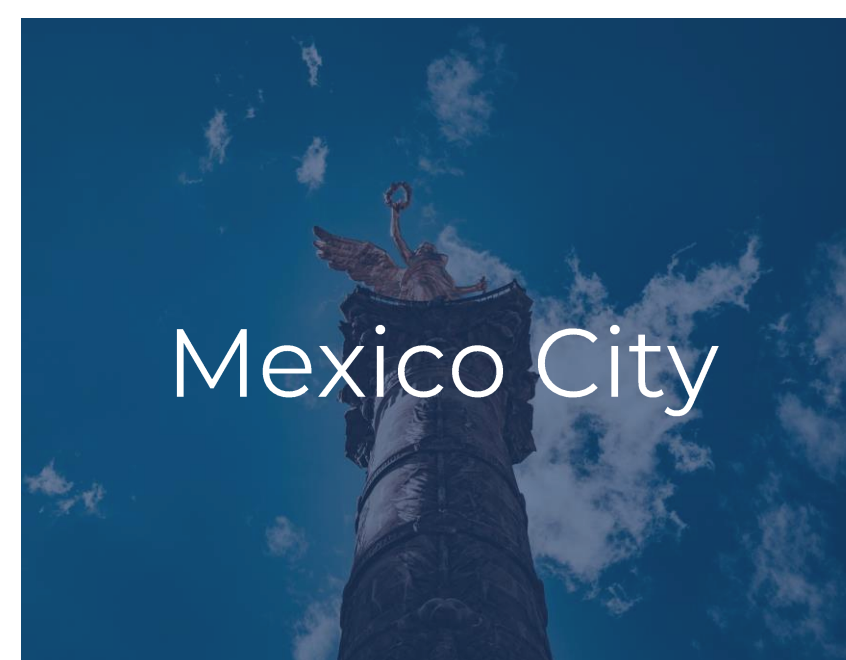
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
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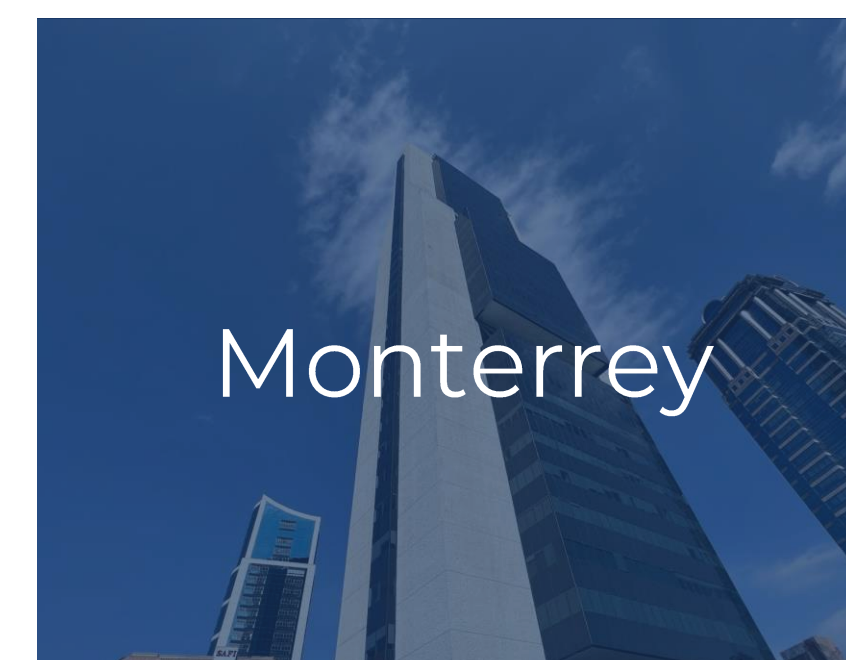
Washington D.C.



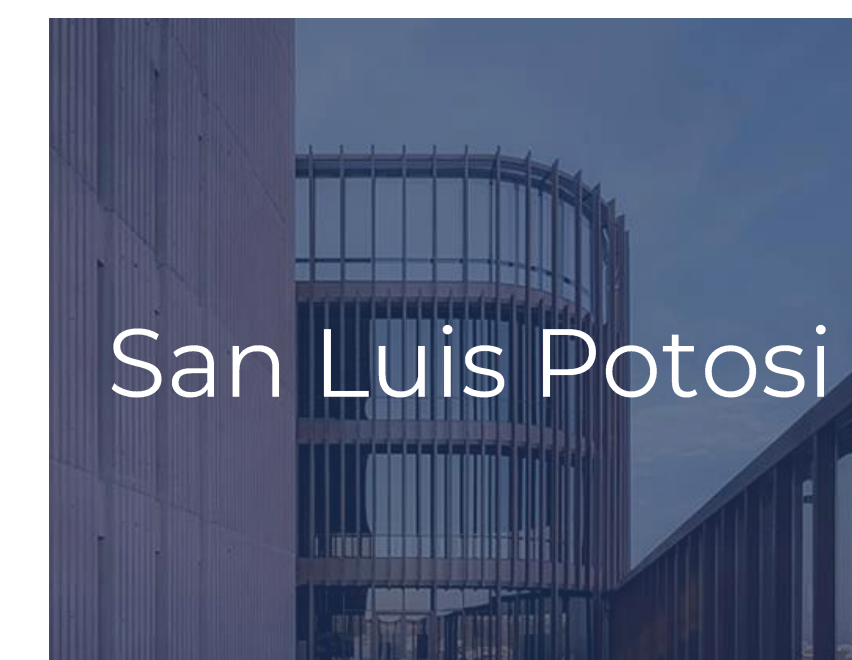
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