

Seale & Associates

ALCOHOLIC BEVERAGES
INDUSTRY
Q4 2023
VALUATION UPDATE

25 years

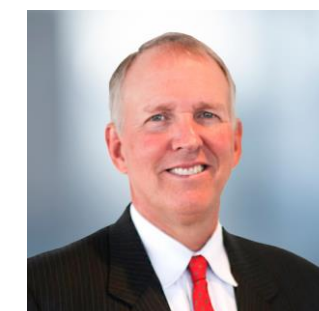
Introduction

We are pleased to share our Alcoholic Beverages Industry Multiples Valuation Update for Q4 2023.

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.

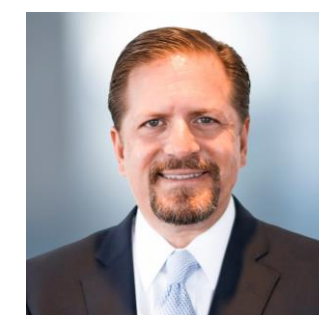
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

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



James A. Seale | President

jseale@sealeassociates.com



Brett M. Carmel | Senior Managing Director

bcarmel@sealeassociates.com



Robert Whitney | Managing Director

rwhitney@sealeassociates.com



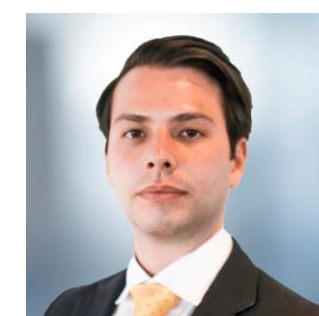
Sergio Garcia del Bosque | Managing Director

sgarcia@sealeassociates.com



Carlos Hernández | Managing Director

chernandez@sealeassociates.com



Alejandro Montemayor | Vice President

amontemayor@sealeassociates.com



Armando Rios | Vice President

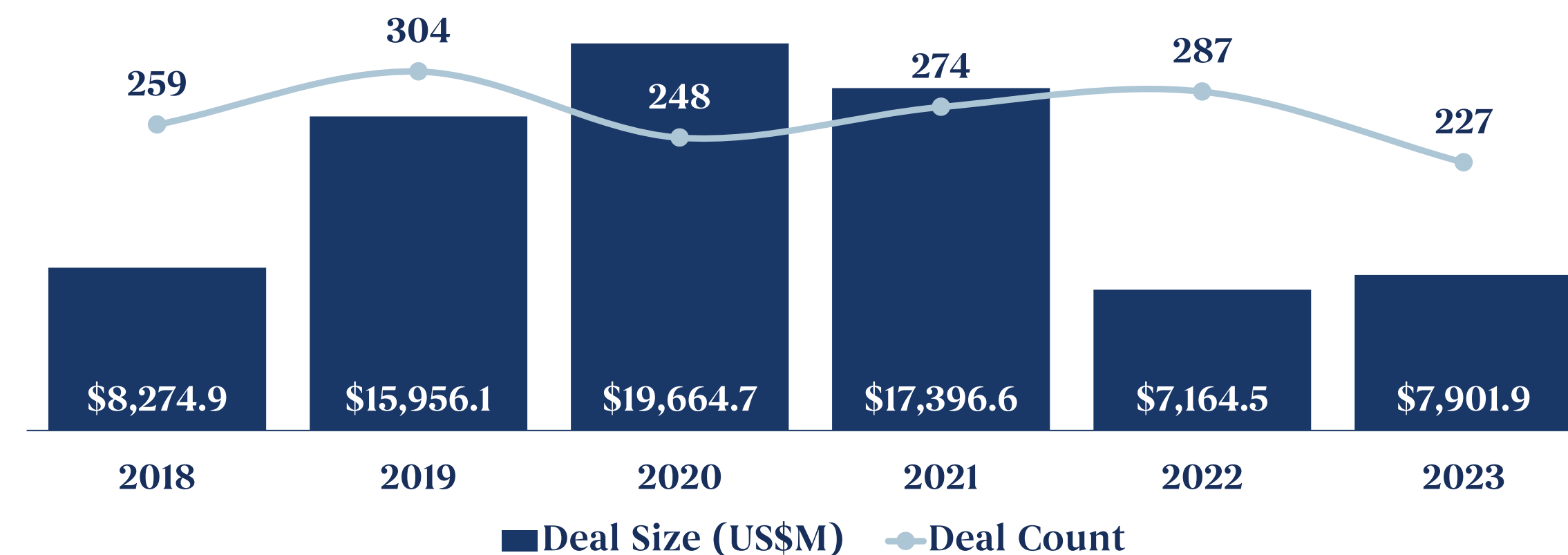
arios@sealeassociates.com

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

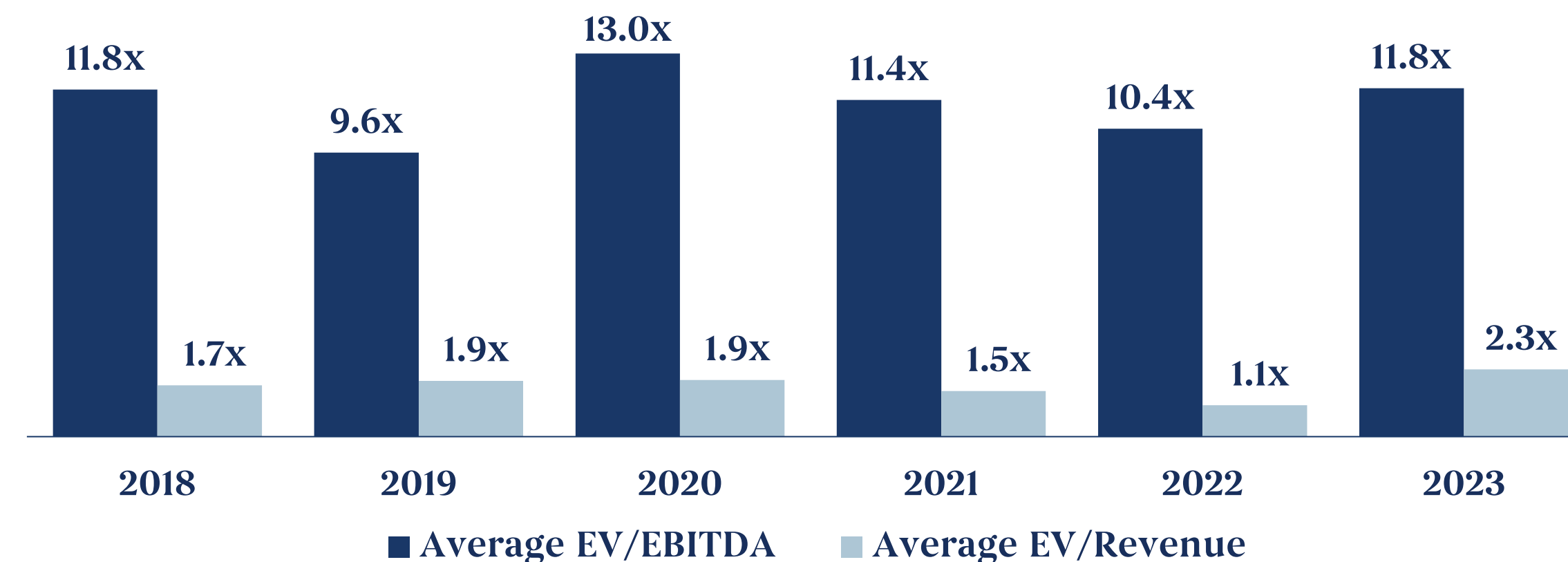
Beverage's Industry Overview

- The global beverages market, valued at **\$3,560.0B** in **2023**, is anticipated to expand to **\$4,390.0B** by **2028**, progressing at a **CAGR** of **4.3%**
- In 2022, **alcoholic** beverages accounted for **64.2%** of the global beverage market, generating US\$1,489.0B. **Non-alcoholic** beverages represented the remaining **35.8%**, with a market value of US\$830.0B
- **FDI**-related deals accounted for a **31.0%** share of the **global** beverage industry's M&A activity in Q3 2023, up 20% over the previous quarter
- 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
- Companies are increasingly looking to **control** their entire **value chain**, from sourcing raw materials to manufacturing and distribution, which is **driving** M&A activity in the sector
- The spirits category **emerged** as a leader in M&A activities. This highlights the enduring popularity and growth potential of **spirits**

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 (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023 EV/EBITDA		EV/Revenue
						2021	2022	EV/EBITDA	EV/Revenue	
Ambev S.A.		BRA	\$44,538	\$41,938	\$16,990	29.3%	12.1x	10.0x	8.4x	2.5x
Anheuser-Busch InBev SA/NV		BEL	\$128,294	\$217,525	\$59,575	31.6%	13.0x	10.9x	11.6x	3.7x
Asahi Group Holdings, Ltd.		JPN	\$18,900	\$28,997	\$19,042	14.9%	13.8x	12.3x	10.2x	1.5x
Beijing Yanjing Brewery Co.,Ltd.		CHN	\$3,430	\$2,458	\$2,016	11.1%	14.3x	17.9x	11.0x	1.2x
Carlsberg A/S		DNK	\$18,207	\$22,061	\$10,767	19.3%	13.1x	10.3x	10.6x	2.0x
Compañía Cervecerías Unidas S.A.		CHL	\$2,364	\$3,343	\$3,150	12.1%	8.6x	6.1x	8.8x	1.1x
Constellation Brands, Inc.		USA	\$44,400	\$56,357	\$9,820	32.1%	16.2x	26.9x	17.9x	5.7x
Heineken N.V.		NLD	\$57,589	\$80,084	\$32,893	19.3%	16.8x	13.2x	12.6x	2.4x
Kirin Holdings Company, Limited		JPN	\$11,870	\$18,026	\$14,757	12.6%	10.5x	8.9x	9.7x	1.2x
Molson Coors Beverage Company		USA	\$13,212	\$19,042	\$11,541	19.5%	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		Fourth Quarter Dec. 31, 2023 EV/EBITDA		EV/Revenue
						2021	2022	EV/EBITDA	EV/Revenue	
Olvi Oyj	 FIN	\$642	\$618	\$699	11.5%	12.0x	8.3x	7.7x	0.9x	
Royal Unibrew A/S	 DNK	\$3,348	\$4,306	\$1,824	17.2%	19.8x	16.2x	13.8x	2.4x	
Sapporo Holdings Limited	 JPN	\$3,436	\$5,069	\$3,621	6.3%	12.4x	28.8x	22.2x	1.4x	
The Boston Beer Company, Inc.	 USA	\$4,175	\$3,911	\$2,062	11.1%	29.8x	45.8x	17.1x	1.9x	
Unión de Cervecerías Peruanas Backus y Johnston S.A.A.	 PER	\$7,358	\$7,141	\$1,963	48.2%	12.3x	10.0x	7.5x	3.6x	
■ Excluded from mean and median						Mean	13.0x	13.5x	11.1x	2.0x
						Median	13.0x	10.9x	10.6x	1.9x






















Spirits Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023 EV/		
						2021	2022	EBITDA	Revenue	
Beck's, S.A.B. de C.V.	 MEX	\$7,067	\$8,461	\$2,661	16.2%	22.5x	20.8x	19.7x	3.2x	
Brown-Forman Corporation	 USA	\$27,579	\$30,316	\$4,272	31.9%	30.8x	26.0x	22.2x	7.1x	
Davide Campari-Milano N.V.	 ITA	\$12,772	\$14,820	\$3,204	23.4%	33.1x	24.0x	19.7x	4.6x	
Diageo plc	 GBR	\$81,262	\$103,120	\$21,798	35.8%	22.6x	19.2x	13.2x	4.7x	
HITEJINRO Co., Ltd.	 KOR	\$1,205	\$1,796	\$1,934	10.5%	9.0x	8.1x	8.9x	0.9x	
Jiangsu Yanghe Brewery Joint-Stock Co., Ltd.	 CHN	\$23,198	\$19,005	\$4,782	40.9%	28.3x	18.9x	9.7x	4.0x	
MGP Ingredients, Inc.	 USA	\$2,169	\$2,469	\$813	22.3%	16.3x	17.2x	13.6x	3.0x	
Pernod Ricard SA	 FRA	\$44,721	\$57,182	\$13,415	30.9%	21.8x	17.7x	13.8x	4.3x	
Rémy Cointreau SA	 FRA	\$6,469	\$7,122	\$1,457	24.2%	35.5x	24.3x	20.2x	4.9x	
Takara Holdings Inc.	 JPN	\$1,732	\$1,757	\$2,480	11.9%	9.0x	4.6x	6.0x	0.7x	
						Mean	22.9x	18.1x	14.7x	3.7x
						Median	22.5x	19.0x	13.7x	4.1x
















Wine Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Fourth Quarter Dec. 31, 2023 EV/		
						2021	2022	EBITDA	Revenue	
Delegat Group Limited	 DELEGAT	NZL	\$416	\$676	\$242	33.5%	14.7x	13.3x	8.4x	2.8x
Italian Wine Brands S.p.A.		ITA	\$198	\$368	\$458	7.5%	11.5x	12.3x	10.7x	0.8x
Laurent-Perrier S.A.	 CHAMPAGNE Laurent-Perrier MAISON FONDÉE 1812	FRA	\$792	\$1,016	\$339	31.2%	18.1x	11.1x	9.6x	3.0x
Purcari Wineries Public Company Limited	 PURCARI CHATEAU	CYP	\$127	\$167	\$79	26.1%	9.7x	6.8x	8.1x	2.1x
Sociedad Anónima Viña Santa Rita	 Santa Rita	CHL	\$177	\$309	\$189	9.3%	11.1x	13.4x	17.6x	1.6x
Treasury Wine Estates Limited	 TREASURY WINE ESTATES	AUS	\$5,963	\$6,909	\$1,696	25.4%	15.2x	15.8x	16.0x	4.1x
Viña Concha y Toro S.A.	 CT CONCHA Y TORO FUNDADA 1850	CHL	\$875	\$1,452	\$940	12.6%	7.9x	7.8x	12.2x	1.5x
Viña San Pedro Tarapacá S.A.	 SAN PEDRO EST. 1865	CHL	\$252	\$337	\$298	12.3%	7.6x	5.9x	9.2x	1.1x
Yantai Changyu Pioneer Wine Company Limited	 CHANGYU SINCE 1892	CHN	\$1,825	\$1,671	\$551	25.6%	16.9x	15.4x	11.8x	3.0x
						Mean	12.5x	11.3x	11.5x	2.2x
						Median	11.5x	12.3x	10.7x	2.1x

Alcoholic Beverages Industry – Q4 Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Dec-23	Assets of Purity Brewing Company Limited	GBR	Produces beer			100.0%	-	-	-
Dec-23		DNK	Produces beer			100.0%	-	-	-
Dec-23		USA	Produce beer			100.0%	-	-	-
Nov-23		FRA	Produces wines	LALIQUE GROUP	-	75.0%	\$19.7	-	-
Nov-23	Churchill's 	PRT	Produces and sells Port and Douro wines		-	100.0%	-	-	-
Nov-23	Young Lion Brewing Co.'s Brewing Facility and Taproom	USA	Produces beer			100.0%	-	-	-
Nov-23		USA	Produces and sells beer		-	100.0%	-	-	-
Nov-23		USA	Produces craft beer		-	100.0%	-	-	-
Nov-23		USA	Produces craft beer		-	100.0%	-	-	-
Oct-23		USA	Distills craft spirits including gin, whiskey, vodka, and coffee liqueurs	MGD Acquisition, LLC	-	100.0%	-	-	-
Oct-23	DAOU	USA	Produces and retails wine		-	100.0%	\$900.0	12.8x	-

Alcoholic Beverages Industry – Q4 Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Oct-23	Brewery Business and Maryville Taproom of Blackberry Farm, LLC	USA	Comprises the beer manufacturing business	 Oldham hospitality	BLACKBERRY FARM	100.0%	-	-	-	
Oct-23	 TOAD HOLLOW VINEYARDS	USA	Produces and sells wine	 WARROOM CELLARS	-	100.0%	-	-	-	
Oct-23	 MAISON VILLEVERT LES SPIRITUEUX FRANÇAIS	FRA	Creates, produces, packages and distributes an array of spirits including gin, vodka, tequila, vermouth, liqueurs and cognac	 PROXIMO	 ICON SPIRITS	100.0%	-	-	-	
Oct-23	 LUCAS BOLS	NLD	Produces, distributes, and sells cocktail and spirits	 NOLET	-	76.0%	\$284.2	20.4x	2.8x	
Oct-23	 SHOT GUN SPIKED Seltzer	USA	Produces and distributes alcoholic canned spiked seltzer	 ALAMO BEER COMPANY SAN ANTONIO, TEXAS	-	100.0%	-	-	-	
Oct-23	 CURIOUS BREWERY	GBR	Produces, distributes, and sells beer	 St Peter's BREWERY	 RISK CAPITAL PARTNERS	100.0%	-	-	-	
Oct-23	 MAC & JACK'S	USA	Produces and retails beer	 ACKLEY BRANDS	-	100.0%	-	-	-	
								Mean	16.6x	2.8x
								Median	16.6x	2.8x

Selected Transactions Commentary



“We are very proud of the beer universe we have contributed to the creation of together with the super-dedicated founders. But we also recognise that extra efforts are needed to give Too Old To Die Young commercial success – efforts that we would rather use to develop Rekom Group’s strategic focus areas. We are therefore pleased that Royal Unibrew will now ensure its continued development.”

Danny Nordberg Nielsen, CEO of Brands and Distribution at Rekom Group



“We’re really excited about the opportunity for the wine category to engage new consumers, and particularly to bring consumers into our portfolio. DAOU has done an incredible job with regards to the experience at DAOU Mountain as well as engaging with younger wine consumers across the country, and we see very significant opportunity to take that experience globally.”

Ben Dollard, President of Treasury Americas, division of Treasury Wine Estates



“Since 2006, when we brought back Lucas Bols to Amsterdam, we have been on a journey to grow the Company and its brands in the international cocktail markets. Nolet as a partner is the right next step to continue this journey and accelerate long-term growth. Together we create a Dutch champion in the global spirits and cocktail market with a strong portfolio of brands.”










Huub van Doorne, CEO of Lucas Bols



“We are thrilled to join hands with Griffio Distillery. Our shared commitment to quality and involvement in the community align perfectly. This collaboration will empower Griffio Distillery to flourish while staying true to its heritage and the successful business that Michael and Jenny Griffio have built.”

Will Maroun, New CEO of Griffio Distillery

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>	 2020-2021	 \$74.4M	 \$44.8M	 21.2%	 1.9x	 24.1%	 8.4x	 4
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.

Sign up for M&A insights

We deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:



Emerging industry trends

Quarterly reports covering 30+ industries

Monthly reports for the U.S., Mexico, and Colombia

Transaction analysis and market trends

Valuable insights for industry leaders

Receive email updates with our proprietary data, reports, and insights as they are published for the industries that matter to you the most

SUBSCRIBE

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 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 CAPITAL PARTNERS 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>HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



JAMES A. SEALE

President and Founder | Washington, DC

✉ [in](#) +1 (703) 623-9253

32+ years of global M&A experience, Attorney, CPA Arthur Andersen, and Professor of Global Investment Banking at George Washington University
University of Virginia - JD
University of Kentucky - BS in Accounting



BRETT M. CARMEL

Senior Managing Director and Co-founder | Miami, FL

✉ [in](#) +1 (703) 294-6530

25+ years of global M&A experience and Professor of M&A at Johns Hopkins University
The George Washington University - MBA International Business and MA - International Affairs
University of Florida - BA in Political Science with High Honors

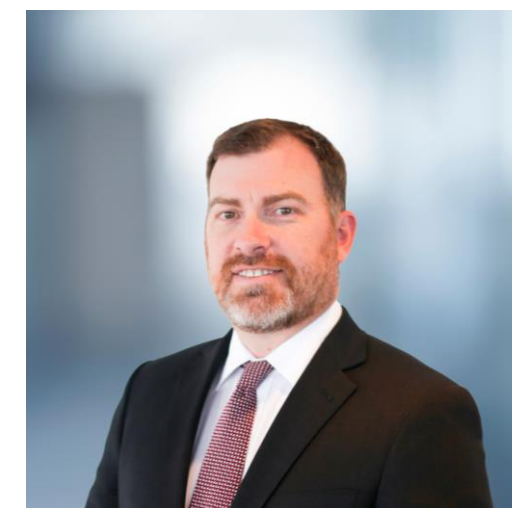


SERGIO GARCIA DEL BOSQUE

Managing Director | Mexico City, Mexico

✉ [in](#) +52 (55) 8000-7463

16+ years of global M&A experience
IPADE - MBA
Instituto Tecnológico y de Estudios Superiores de Monterrey
BS in Industrial Engineering



ROBERT E. WHITNEY

Managing Director | Washington, DC

✉ [in](#) +1 (703) 801-8939

19+ years of global M&A experience, CPA Deloitte & Touche, Corporate Audit and Assurance Services
University of Richmond - BS Business Administration in Accounting

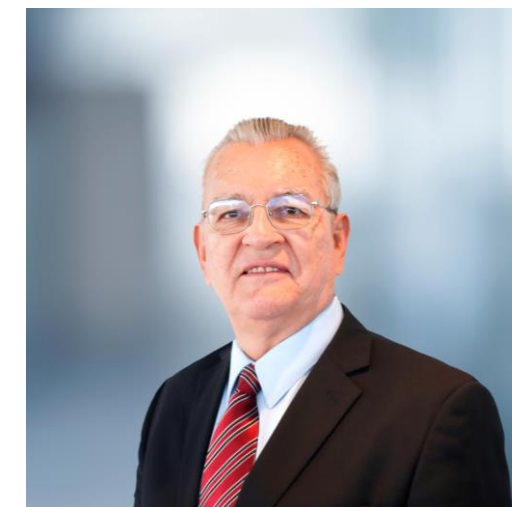


CARLOS HERNANDEZ

Managing Director | San Luis Potosi, Mexico

✉ [in](#) +1 (571) 482-3432

14+ years of global M&A experience
Columbia University - MBA
Instituto Tecnológico y de Estudios Superiores de Monterrey
BS in Industrial Engineering



FELIPE BUENO

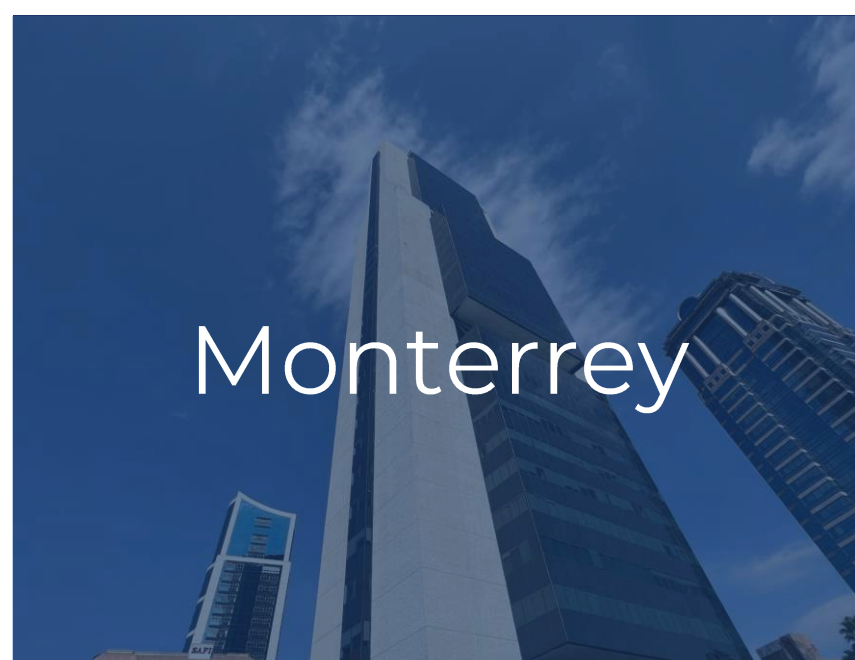
Senior Director | Monterrey, Mexico

✉ [in](#) +52 (84) 4432-4444

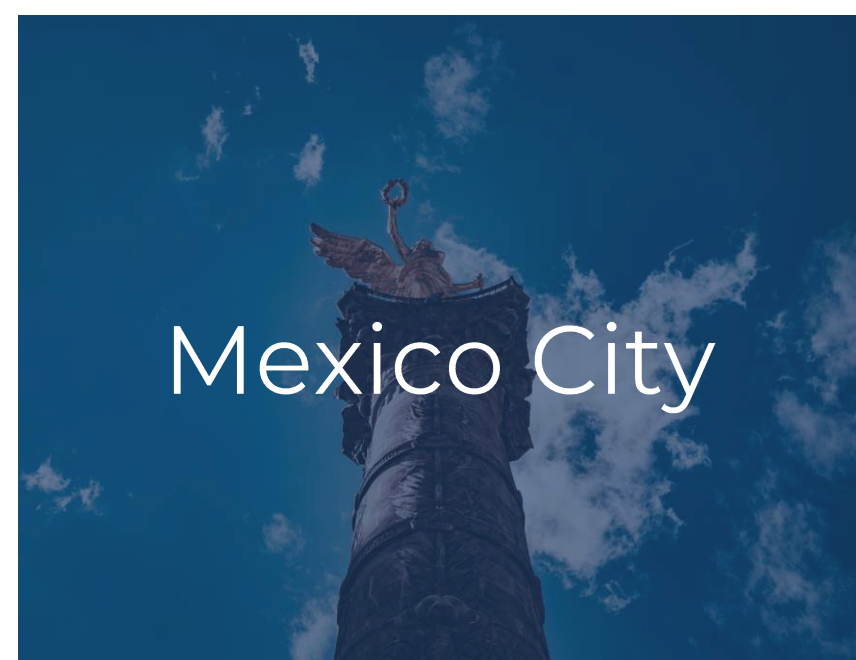
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



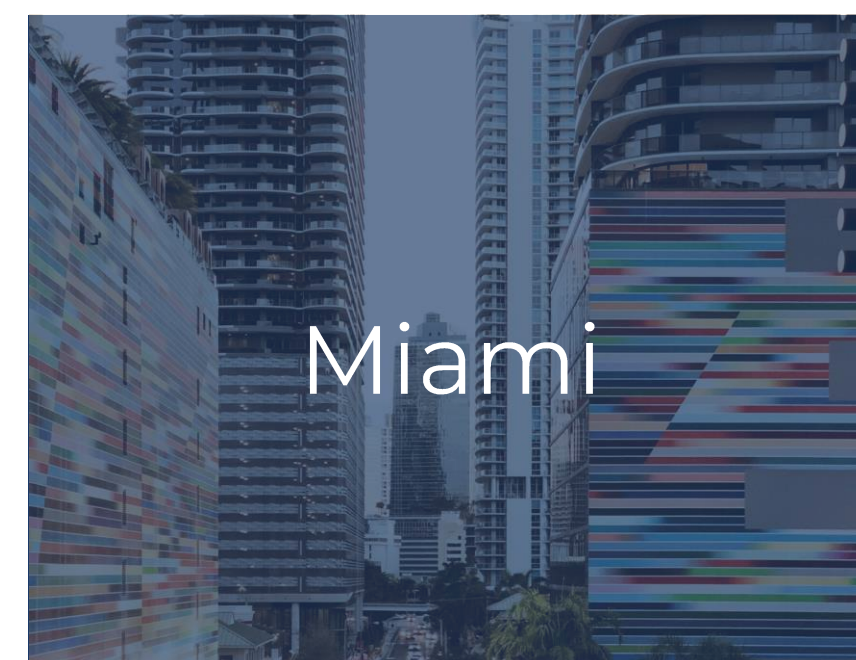
Washington D.C.



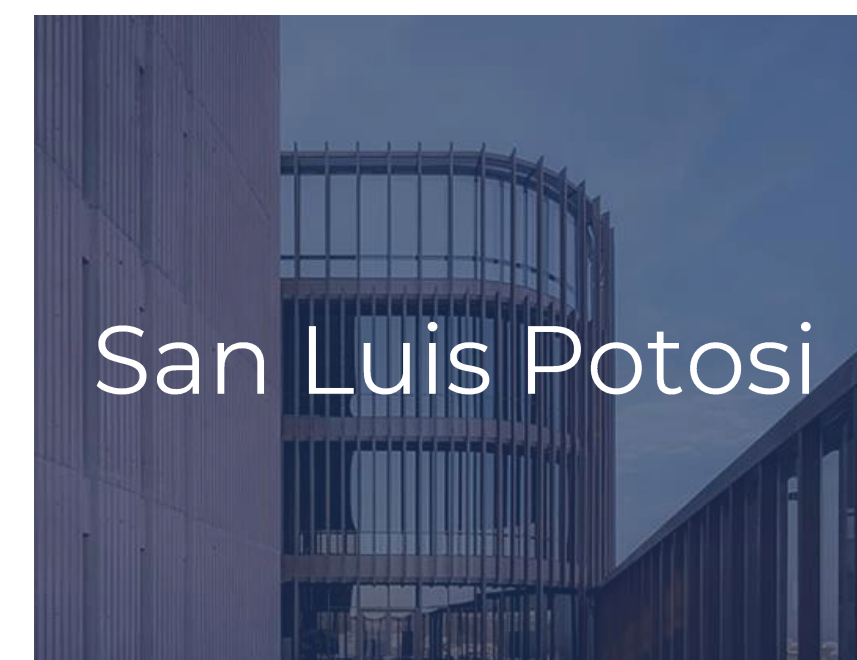
Monterrey



Mexico City



Miami



San Luis Potosi

Creative Solutions. Trusted Advice.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF EXPERIENCE

\$50B+

TRANSACTIONS GLOBALLY

SERVICES AND SOLUTIONS

Mergers & Acquisitions

Divestitures

Joint Ventures / Alliances

Recapitalizations

Due Diligence / Support

Expert Witness Testimony

Corporate Finance Advisory

Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.



Seale & Associates

Creative Solutions. Trusted Advice.