

NEWSLETTER
Beverage

September 2023

Diversifying and optimizing beverage portfolios with craft, functional, and non-alcoholic alternatives



RIÓN MERGERS AND
ACQUISITIONS

GLOBAL
M&A
PARTNERS

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Evolving consumer preferences towards healthier beverage alternatives are resulting in a fast-growing market for functional, low-alcohol, and alcohol-free products, pushing both brand owners and manufacturers to rethink their portfolio composition and innovate new product offerings.

Our Global Food & Beverage Team provides extensive beverage industry expertise and maintains close relationships with a global network of buyers and sellers, having successfully completed numerous cross-border M&A transactions.

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Overview

The beverage sector is undergoing significant shifts to align with emerging consumer preferences and taste profiles. The growing trend for specialty beverages is leading consumers to be less price sensitive, and the introduction of innovative, unique flavor profiles are resonating with health-conscious drinkers.

The global beverage market was **\$1.6 trillion** in 2022 and is projected to reach **\$2.0 trillion** by 2030, representing a **CAGR of 3.0%**. This growth will be fueled by new product innovation and adjacent category expansion from large beverage players looking to capitalize on shifting consumer interests and preferences. Limited edition flavors, stand-out packaging, and new-age marketing tactics are all steps producers are taking to get their products to stand out in an increasingly competitive market.

The beverage industry is witnessing a remarkable transformation as consumers increasingly favor functional drinks that provide hydration, energy, and health benefits. This shift is evident in the global functional beverage market, which reached \$206 billion in value in 2022. In the wake of a post pandemic era, there is a growing trend among consumers, especially among the Gen-Z cohort, to opt for healthier food and beverage choices and seek premium alternatives.

Overlapping Trends Among Alcoholic & Non-Alcoholic



Health and wellness is becoming a greater priority for consumers



Sustainability has been a focus as companies aim to be more environmentally friendly



Innovative flavors are appealing to a wider audience



Ready-to-Drink beverages have soared in popularity due to their convenience

Opportunities Abound for Beverage Industry Players

- Brands are actively engaging with the younger generation by investing in natural immunity and healthy beverage options
- Companies are shifting their marketing strategies to emphasize the health advantages of their products
- Manufacturers continue to introduce new flavors, formats, and sustainable packaging options
- Brands are utilizing marketing to lean in on the consumption experience
- Brands are collaborating with social media influencers to increase awareness and boost sales

Key Statistics

89%

of beverage companies are looking to incorporate recycled plastics in their packaging

58%

of consumers globally are shifting to non-alcoholic and low-ABV cocktails and beverages

50%

of consumers are committed to buying Non-GMO drinks

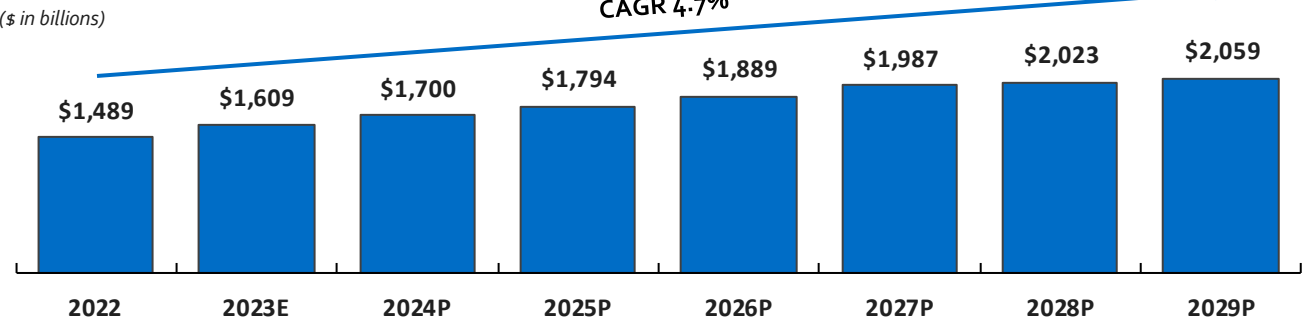
Beverage Industry Segmentation

In this newsletter, we will explore the dynamics of the beverage industry, including segmentation, key players, and growth drivers

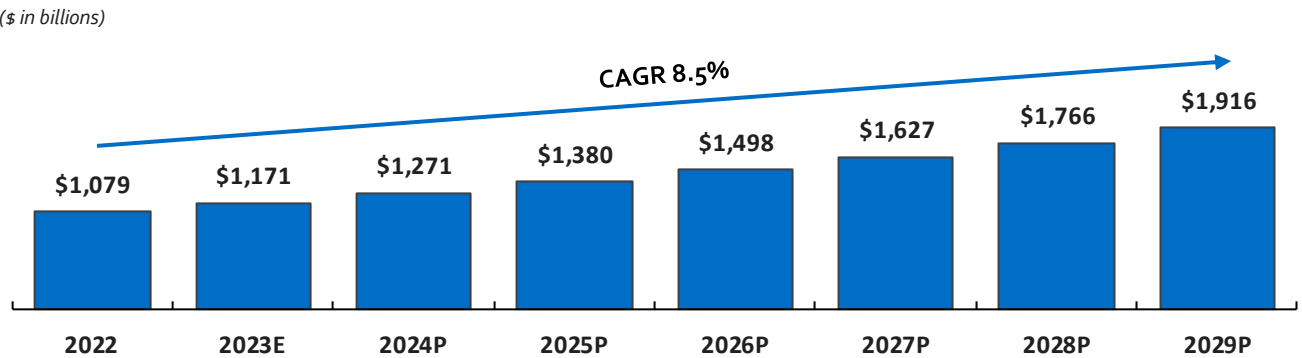
The beverage industry can be segmented between alcoholic and non-alcoholic beverages, each representing two distinct categories catering to varying consumer preferences and needs:

- **Alcoholic Beverages:** primarily categorized into wine, beer, spirits and alternatives / RTD categories. While overall alcohol consumption is declining, several niche categories, such as seltzers and RTD cocktails, continue to experience tremendous growth.
- **Non-Alcoholic Beverages:** primarily categorized into tea and coffee, juices and water, and soft drinks. Options include energy drinks, cold brew coffee, mocktails, and functional beverages. Non-alcoholic beverages continue to gain popularity, primarily driven by consumers focusing on health and sober conscious movements.

Global Alcoholic Beverages Market Size



Global Non-Alcoholic Beverages Market Size



Key Product Categories



Alcoholic



Wine



Beer



Distilled



RTD



Non-Alcoholic



Tea & Coffee



Juices & Water



Soft Drinks



Energy & Sport Drinks

II. Alcoholic Beverages

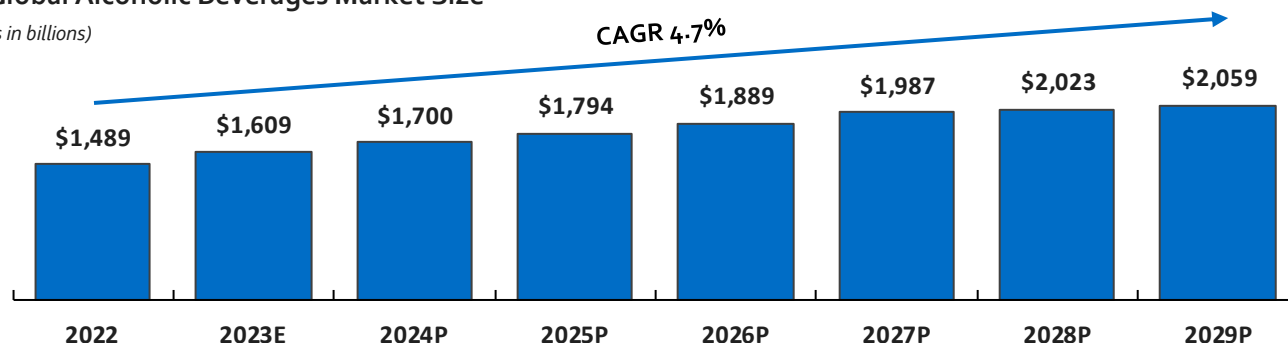
Alcoholic Beverage Market

The global alcoholic beverages industry is seeing more consistent volume and dollar growth following a turbulent few years during COVID. The growth has been attributed to the increased purchasing power of young people, rising middle-class income, and overall stabilizing economy. The trend towards premiumization appears to show no signs of abating, and as the threat of the pandemic subsides, both volume and value growth have returned.

The market is influenced by several factors including: increasing demand for alcoholic beverages as a stress reliever due to busy lifestyles and work schedules; increased consumption due to the proliferation of establishments like cafes, pubs, clubs, bars, hotels, and restaurants; growing preference for premium, low ABV; and ready-to-drink beverages; and innovations and advances in the production of certain beverages.

Global Alcoholic Beverages Market Size

(\$ in billions)



Wine (includes flat and sparkling)

Key

Players



Constellation
Brands



TREASURY
WINE ESTATES



MOËT & CHANDON
CHAMPAGNE



E&J Gallo Winery



THE WINE GROUP



ANGRY
ORCHARD

VIÑA CONCHA Y TORO
— FAMILY OF WINERIES —

Beer (includes beer and cider)

Key

Players



Constellation
Brands



MOLSON
COORS



Heineken



AB InBev



DIAGEO



SAMUEL
ADAMS



KIRIN



Carlsberg
Group



Asahi

Distilled (spirits)

Key

Players



Constellation
Brands



DIAGEO



Pernod Ricard



WILLIAM GRANT
& SONS



CAMPARI
GROUP



Stoli



BROWN-FORMAN



SAZERAC



HEAVEN
HILL
BRANDS



EDRINGTON

Alternative/Ready-to-Drink

Key

Players



HIGH
NOON



CUTWATER
SPIRITS



HORNITOS



JACK DANIEL'S
OLD NO. 7



OTR
ON THE ROCKS



LONG
DRINK



Ohza



Topo
Chico

Market Growth Drivers



Premiumization of Ingredients and Value

Changing consumer preferences for healthier and sustainable products are spurring the demand for premium, organic items. Moreover, the expansion of the consumer base, particularly with new age drinkers, is driving the need for premium beverages.



Consumer Spending Going Up

Over the next five years, there is an anticipation of a continuous rise in per capita disposable income, enabling consumers to have more discretionary spending power on alcohol purchases.



Increasing Sales of Beer Across Several Markets

The beer industry's most promising growth opportunities in the coming years will be concentrated in India, Latin America, and Africa, where distribution is still limited, and demand is high. In the US, total beer sales are gradually recovering, while imports are experiencing positive growth.



Sparkling Wine on the Rise

Consistent with historical trends, the overall volume of the wine category is flat to in decline, while dollars are up. However, there is notable expansion within the sparkling wine segment, particularly for prosecco and champagne, as they continue to be favored by younger generations.



Convenience Drives Growth of RTD

On a global scale, RTD beverages are projected to experience substantial growth, with a forecasted CAGR of 7.0% between 2022 and 2026. This growth is primarily attributed to the premium segment, which has outpaced the value segment, driven by innovation and convenience in certain social occasions.

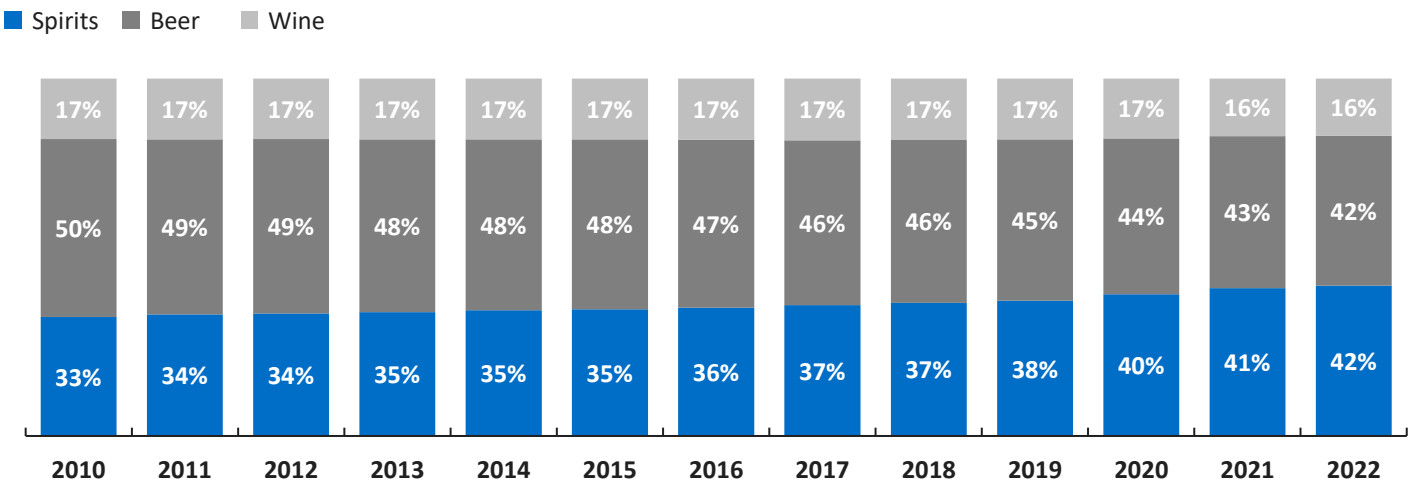


At-Home Consumption Growing Even Stronger

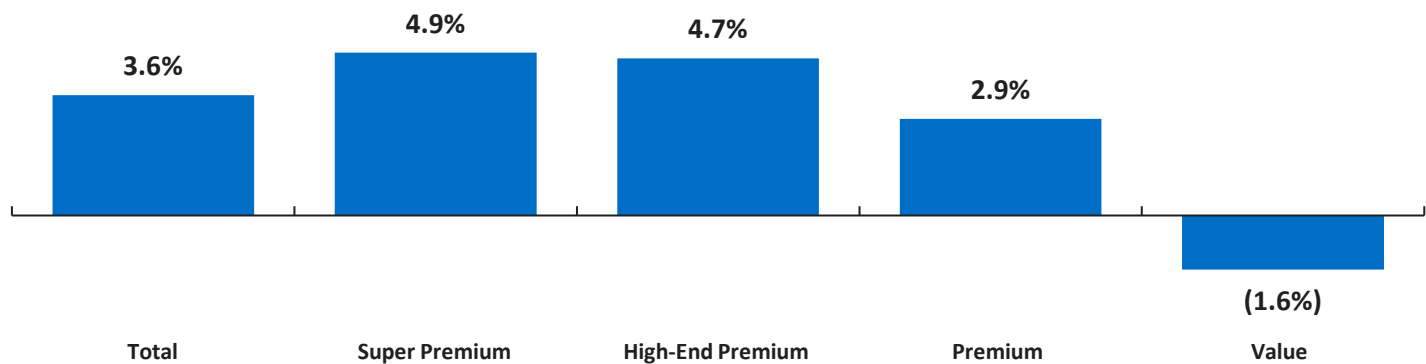
Growing economic concerns are set to make the at-home occasion even more significant in the future. People like consuming alcohol from their own home and have shifted to treating oneself to higher priced products from on-premise outlets to at-home consumption is expected.

Key Trends

U.S. Market Share by Alcoholic Beverage Type

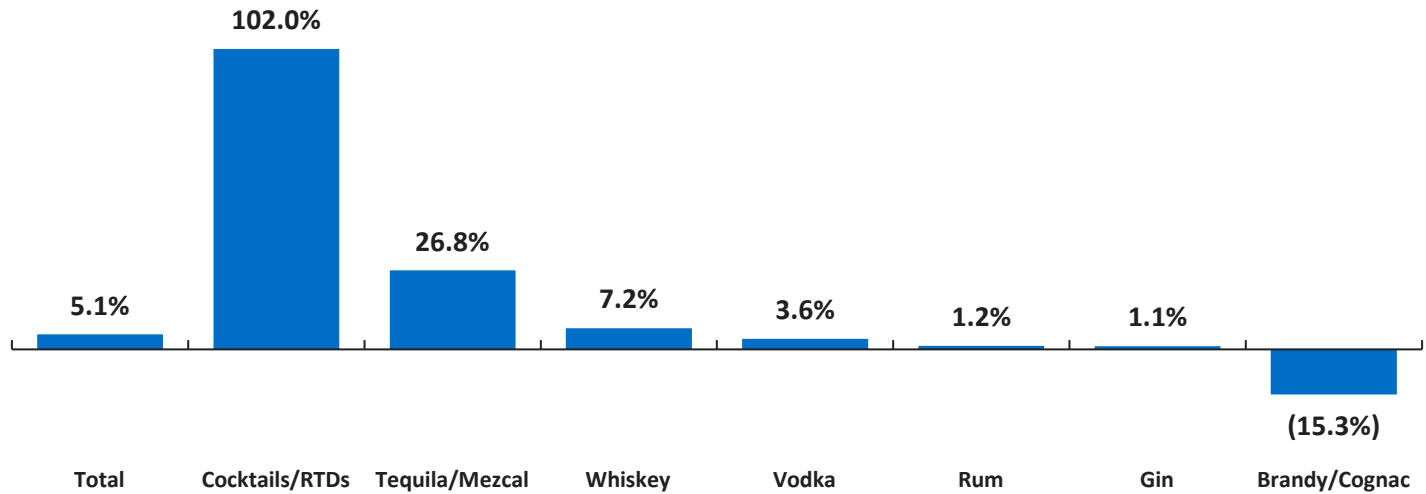


2022 U.S. YoY Alcoholic Beverages Revenue Growth by Price Tier⁽¹⁾



⁽¹⁾ Excludes Cocktails/RTDs

2022 High-End Premium Spirits Category YoY Revenue Growth



Source(s): Distilled Spirits Council of the U.S., Web Research.

Wine



Market Size
\$309.3 billion (2022)

Market Overview and Outlook

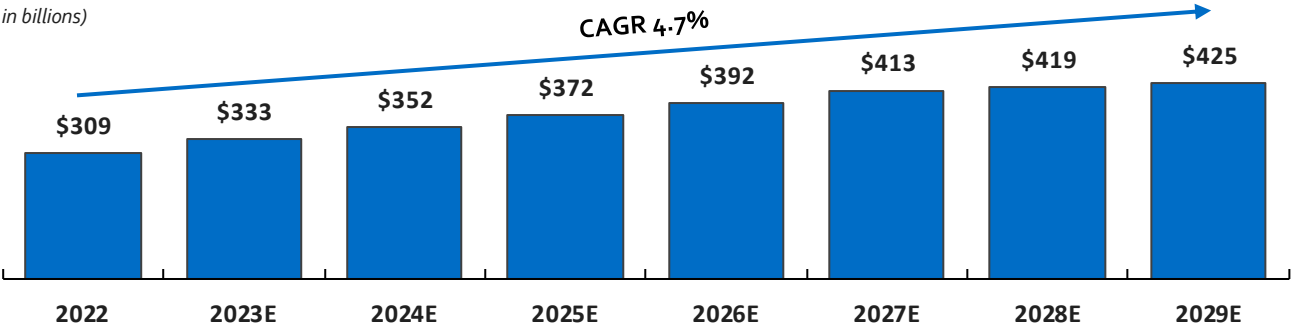
- ✓ The global wine market size was valued at **\$309.3 billion** in 2022 and is expected to grow at a **CAGR of 4.7%** by 2029.
- ✓ The industry is growing globally due to preferences for unique wine varietals, packaging advancements, and wine premiumization.
- ✓ The baby boomer generation in the U.S., the largest consumer of wine, is beginning to age out and ultimately will purchase less wine. How wine companies attract younger generations to the wine category will have a significant impact on how the industry evolves in the future.

Market Highlights

- Over the past year, there has been an increasing focus on sustainability among wine consumers, leading to a rising interest in alternative wines, particularly in the U.S. and the U.K.
- The rising popularity of canned wines and alternative packaging, especially among younger audiences, can be attributed to their ease of transport and practicality. These products offer an appealing combination of mobility and convenience.
- Higher-priced, premium wines are outperforming those at lower price points, consequently pushing up the average price per bottle.

Wine Global Market Size

(\$ in billions)



Regional Highlights

Europe



- Europe dominates the wine market, with Portugal, Italy, and France leading in per capita wine consumption. France has the largest market due to its population and high wine consumption. Germany and the UK are major wine importers due to low domestic production.

South America



- South America played a key role as both a producer and exporter of wine worldwide, with new South American wines adding exciting growth to the market.

USA



- The wine market is estimated to be \$56.6 billion in 2023, but is forecasted to be flat in the future.
- The US wine-drinking population has recovered from COVID-era lows due to a revival of the on-premise consumption.
- Boxed, canned, and other nontraditionally packaged wine has grown in popularity among consumers.

Source(s): GlobeNewswire, The IWSR

Champagne



Market Size
\$7.3 billion (2023E)

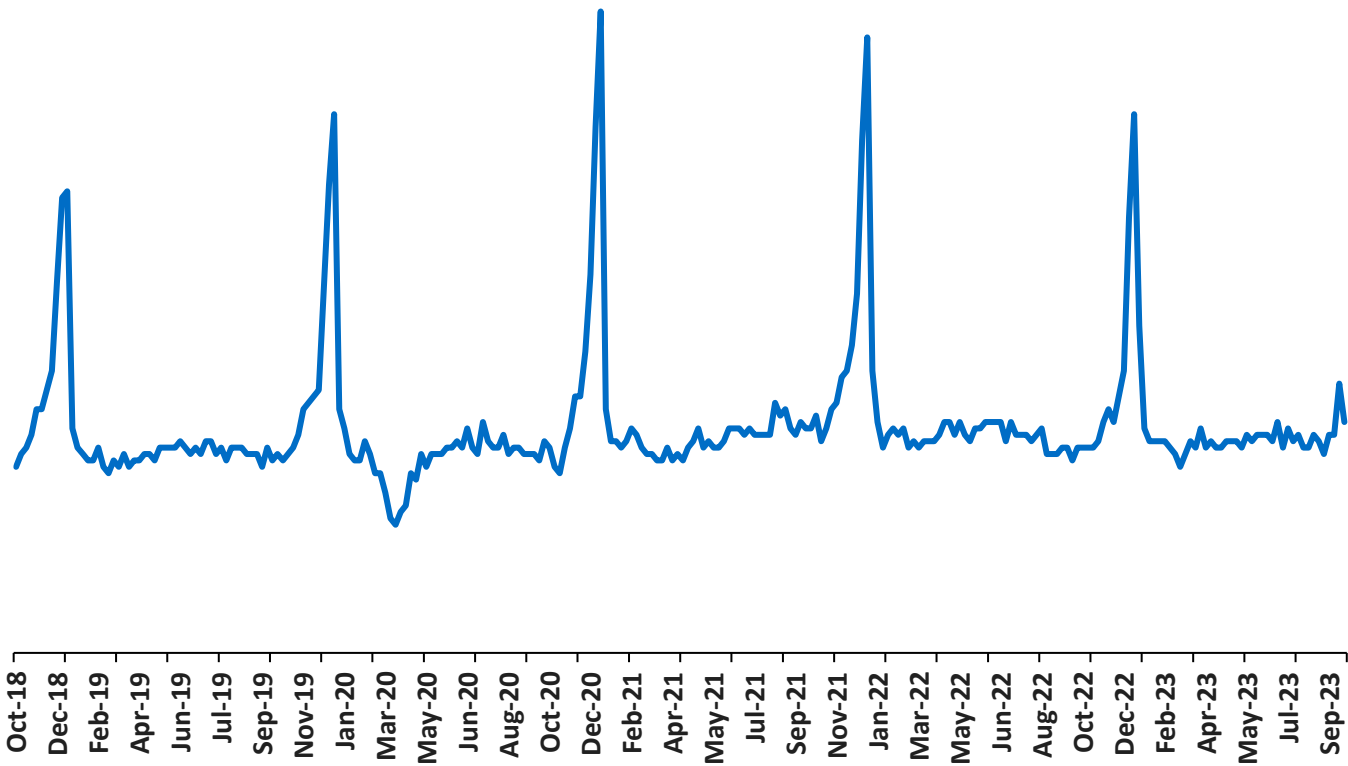
Market Overview and Outlook

- ✓ The champagne market is expected to be valued at **\$7.3 billion** in 2023 and is projected to grow at a **CAGR of 5.0%** to reach **\$11.9 billion** by 2033.
- ✓ Nightlife, peer influence, wine cellars and tasting events, and reduced taboos regarding alcohol consumption boost global champagne demand.
- ✓ Champagne shipments in 2022 increased by 1.6%, reaching 326.0 million bottles.
- ✓ Champagne that has a more affordable price range contributed to 50% of the overall market revenue.

Market Highlights

- Stringent grape variety regulations aim to eliminate inferior champagne production, ensuring superior quality for consumers. As a result, champagne manufacturers have started employing organic, natural, and vegan ingredients to satisfy consumers and drive market growth.
- The champagne industry often experiences a seasonal pattern, with a surge in demand during the year-end holiday season. This demand persists during Valentine's Day and extends well into the summer months.
- Producers continue to focus on marketing and branding to distinguish their products in a competitive global market. There has been increased use of digital marketing strategies and collaborations with high-profile individuals, as companies aim to drive sales and increase brand awareness.

Interest in the word 'Champagne' on Google Trends



Beer

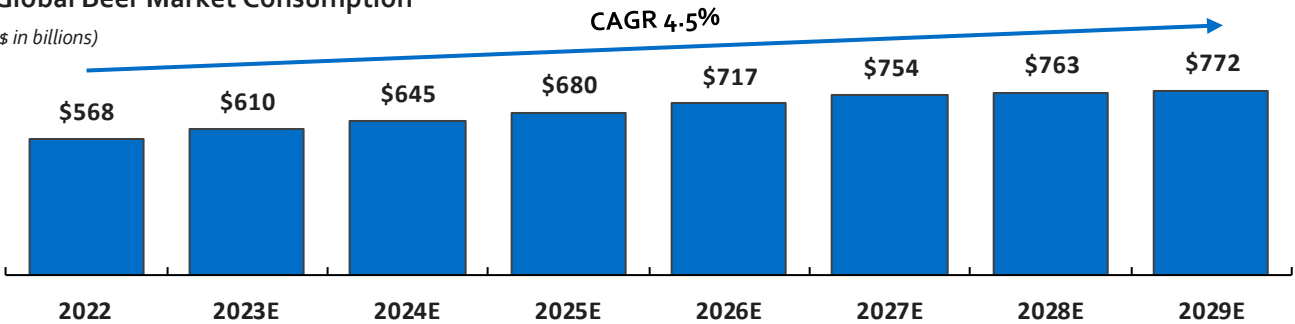


Market Revenue
\$610 billion (2023E)

Market Overview and Outlook

- ✓ The global beer market is expected to reach **\$610 billion** in 2023. Beer is the most consumed alcoholic beverage globally, and in the U.S. accounts for approximately 42% of the total revenue of alcoholic beverages.
- ✓ Many traditional beer players have begun offering new products such as seltzer, cider, and RTD cocktails as they look to diversify their revenue stream and capitalize on shifting consumer preferences.
- ✓ The rise in craft brands can be attributed to consumers' inclination towards their authentic, less commercialized image.

Global Beer Market Consumption
(\$ in billions)



Market Highlights

- On-premise beer sales are projected to rebound by 2025 after difficult performance during COVID. Economic strain discourages pub visits, but off-premise sales, including eCommerce, are expected to drive growth.
- One of the major trends in the beer industry over the decade has been the growth of craft breweries, due to consumer preference shifting to locally produced craft beers that often have a unique flavor compared to mainstream brands. However, craft breweries have struggled recently, allowing mainstream beer brands and imports to regain market share.
- In the U.S., import brands such as Modelo and Corona have seen strong growth over traditional domestic beer such as Bud Light and Budweiser.
- Traditional beer sales face a dual threat: consumers shifting to other alcoholic beverages and an overall reduction in alcohol consumption

Craft Beer Spotlight

Variety



1

Craft brewers are known for producing a vast range of beer styles, from IPAs to stouts

2

With dedicated manufacturing, brewers can pivot and capitalize quickly on market trends

Localism



1

The "buy local" movement is strong, with consumers wanting to support local businesses

2

Craft breweries often emphasize their local ingredients and ties to the community

Source(s): GrandView Research, Statista, Market Data Forecast, IWSR. 1) Includes acquisitions and investments

Cider



Market Size
\$17.9 billion (2023E)

Market Overview and Outlook

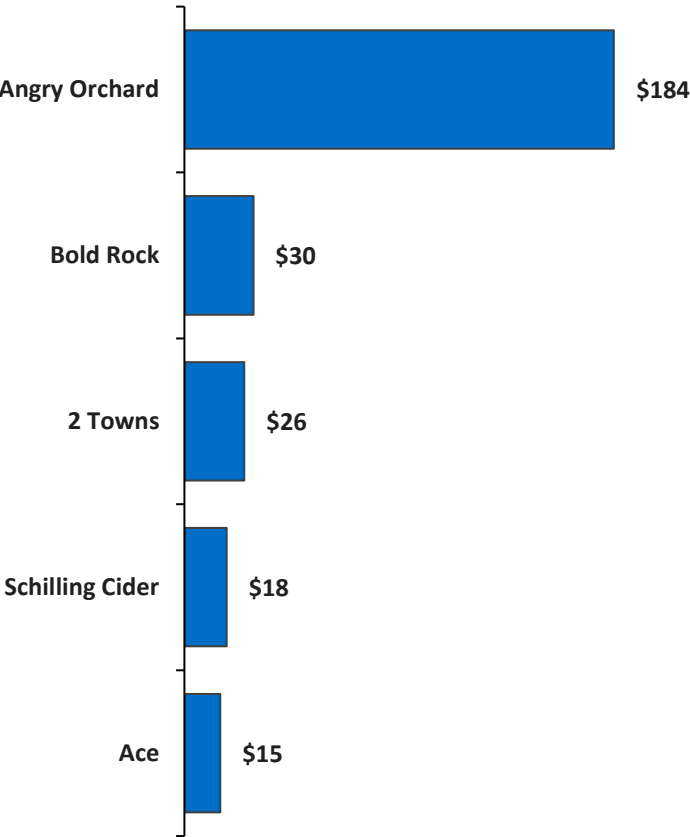
- ✓ The global cider market is anticipated to be valued at \$17.9 billion in 2023 and reach a valuation of \$27.3 billion by 2033 with a CAGR of 4.3%.
- ✓ Increased per capita income and drinking as a status symbol have contributed to a rise in the demand for the cider industry.
- ✓ Cider is becoming more popular globally, as a healthier and more natural alternative to traditional alcoholic beverages like beer and spirits. The expansion of distribution channels, including the increased availability of ciders in bars, restaurants, and retail stores make accessibility easier for consumers.

Market Highlights

- The cider market is experiencing growth due to factors such as changing preferences towards natural, gluten-free, low-calorie drinks; expanded distribution; craft beverage growth; millennial target market; and tourism.
- Consumers have shown an increasing interest in craft ciders produced by smaller, local breweries. These beverages frequently utilize locally-sourced ingredients, providing a distinct flavor profile that sets them apart from their mass-produced counterparts.
- Echoing a wider trend in the alcoholic beverage industry, a segment of consumers has been gravitating towards ciders with low- or no-alcohol content.

U.S. Leading Cider Brands by Dollar Sales

(\$ in millions)



Leading Cider Producers

Source(s): GlobeNewswire, IWSR

Spirits



Market Size

\$525.3 billion (2023E)

Market Overview and Outlook

- ✓ The distilled spirits market has experienced significant growth in recent years driven by changing consumer preferences, rising popularity of premium and craft spirits, more restaurants/clubs, and increased social gatherings.
- ✓ The spirits market revenue is expected to reach **\$525.3 billion** in 2023, with an expected CAGR of 4.6% through 2027.
- ✓ In 2022, spirits gained market share of the total U.S. beverage alcohol market for the 13th straight year.
- ✓ Consumers are increasingly shifting to American and Japanese whiskeys as well as agave-based spirits.

1

Whiskey



Whiskey holds significant share of the distilled spirits market with a market size of \$64.0 billion in 2022. The market is set to reach \$91.3 billion by 2028, exhibiting a CAGR of 6.1% driven by the growth of regional whiskey distilleries globally.

2

Vodka



The vodka market is anticipated to reach \$39.9 billion in 2023 and is expected to grow at a CAGR of 5.5% through 2033. The increasing use of high-end vodka cocktails in developed economies, as well as rising popularity of flavored vodkas, are spurring market growth.

3

Gin



Global volumes of standard-and-above priced gins are poised to grow at a CAGR of over 5% between 2021 and 2026. As the gin boom cools in established markets such as the UK and Spain, growth opportunities emerge in several non-traditional markets, including Brazil and India.

4

Tequila



The tequila category witnessed exceptional growth recently, with volume increases of 17% in 2021 and is expected to grow at a volume CAGR of 7% through 2026. Growing consumers' inclination towards agave-based spirits is expected to propel the growth of the tequila market.

5

Rum



Rum has a rich history and has gained global popularity, with flavored rums attracting consumer interest. The global rum market is estimated at \$17.4 billion in 2023 and is anticipated to grow at an annual rate of 3.5% through 2033.

6

Brandy



Brainy Insights estimates that the brandy market will reach \$21.2 billion by 2032, with a CAGR of 5.4%. Due to its rich flavor and delicate texture, brandy is popular and fits into the expanding cocktail culture, which will likely increase demand for spirits in future years.

Seltzer



Market Size

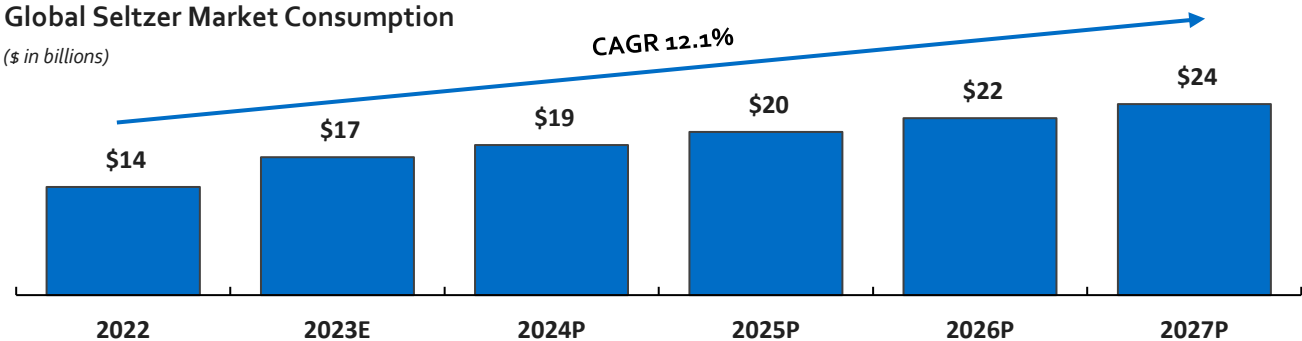
\$17 billion (2023E)

Market Overview and Outlook

- ✓ Seltzer market revenue is expected to reach **\$17 billion** in 2023, displaying a **CAGR of 12.1%** from 2022 through 2027.
- ✓ Many traditional beer companies have broadened their product range by introducing their distinct takes on hard seltzer, thereby **adding to the variety** in this emerging sector.
- ✓ The rising demand for low-ABV, flavored, and **healthier** alcoholic beverages across the globe, have resulted in the growing market for RTD sparkling beverages.

Global Seltzer Market Consumption

(\$ in billions)



Market Highlights

Key Brands



Canned Cocktails, Etc.



Market Size

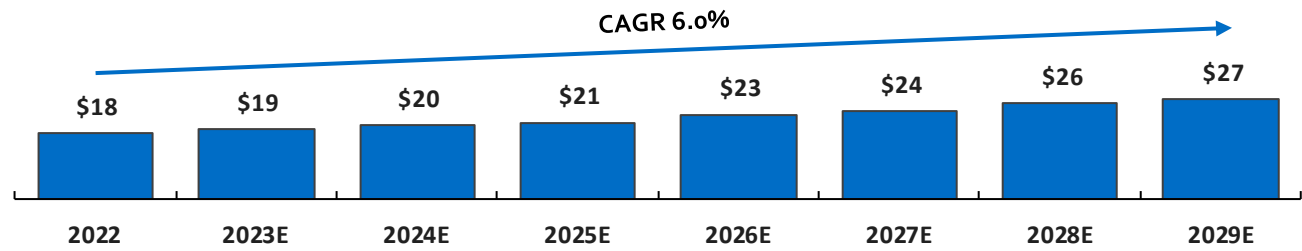
\$19 billion (2023E)

Market Overview and Outlook

- ✓ The RTD canned cocktail market is expected to reach **\$19 billion** in 2023, displaying a CAGR of 6% through 2033.
- ✓ Consumers are attracted to their convenience, variety, and extended shelf life.
- ✓ Canned cocktail sales are expanding due to increased popularity among Gen-Z and millennials.
- ✓ Manufacturers' efforts to provide high quality RTD canned cocktails in sweet, tropical fruits and various flavors with a hint of spirit are set to fuel demand.

Global RTD Canned Cocktails Market Consumption

(\$ in billions)



Representative Brands



High Noon



Beatbox



Cutwater



Hornitos



Gloria



On The Rocks



Long Drink



Jack Daniels



Convenient and Quick

RTD beverages can be quickly taken off the shelf and enjoyed immediately, unlike traditional cocktails which require mixing various ingredients



Creative Packaging

Manufacturers have invested into creative packaging and design to make their products more distinctive and more appealing to consumers



Extended Shelf Life

Compared to the typical ingredients used in making cocktails, RTD beverages have a longer shelf life and can be stored for extended periods without spoiling

III. | Non-Alcoholic Beverages

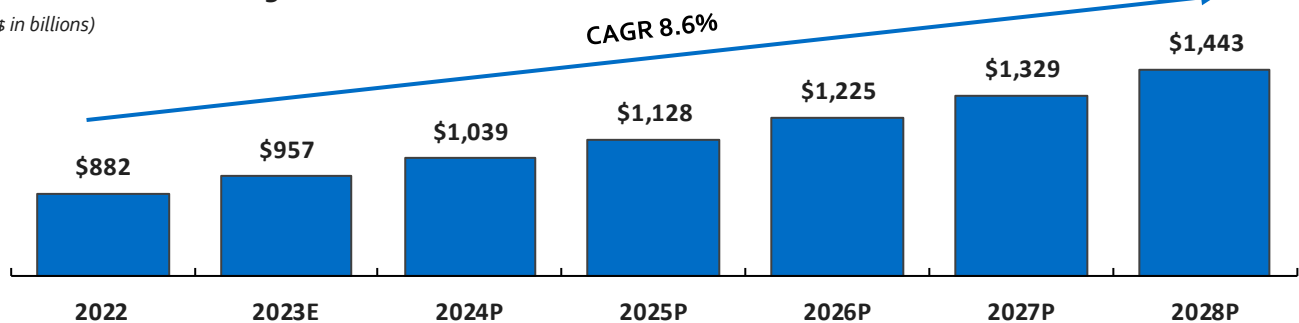
Non-Alcoholic Beverage Market

Non-alcoholic products spearheading overall beverages market growth

The Non-alcoholic Beverages industry has been growing at a higher rate post-pandemic. According to a Waitrose Food and Drink Report, searches for alcohol-free drinks increased by 22% since 2020. The rising health consciousness among consumers, especially millennials, is the key driver for growth. Spending is shifting towards healthier, less-sugared products like bottled water and non-carbonated soft drinks. According to the 2022 Bacardi Cocktail Trends Report, approximately 58% of consumers globally are shifting to non-alcoholic and low-ABV cocktails and beverages.

Non-Alcoholic Beverages Global Market

(\$ in billions)



Regional Highlights

Global



- Global Non-Alcoholic beverages are expected to grow more than 8% from 2022 to 2028.
- Demand for healthy beverages with unique and different flavors, is expected to drive growth in the overall market for non-alcoholic beverages across regions.

USA



- The U.S. region dominated the global industry in 2022 and accounted for more than 24.5% of the overall sales in 2022.
- The market is expected to grow at a CAGR of 3.9% during 2023-2027, as non-alcoholic drinks become more popular with consumers choosing to reduce alcohol intake.

Asia-Pacific



- The Asia-Pacific beverage industry is growing at the highest rates, surpassing that of developed regions. The increasing demand for alcohol-free beverages from developing countries, such as China, India, Thailand, and Malaysia, is expected to drive the regional market.
- The region is witnessing a demand for cleaner and more minimalistic beverage products, which is depicted by the rising consumer awareness, as consumers seek more from products that claim to be 'organic' or 'free from'.

Europe



- Europe's Non-Alcoholic Drinks market is expected to grow at a CAGR of 2.7% from 2023-2027.
- Consumers are increasingly attracted to the health benefits of non-alcoholic beverages.
- Germany, France, Italy, UK, and the Rest of Europe are the key contributors to the non-alcoholic beverages market in the Europe. France had the highest number of new consumers, with 25% of non-alcohol drinkers in 2022.

Market Growth Drivers



Strong Demand from Fitness-Conscious Consumers

Athletes typically consume sports and energy drinks during high-intensity exercise to replenish fluids and electrolytes and to provide instant energy. Increasing consumption of energy drinks is observed in regions such as North America with companies offering innovative products, ingredients, and flavors for energy drinks.



Millennials & Generation Z Drinking Less Alcohol

The young population is increasingly becoming health-conscious, driving the demand for zero-calorie beverages or those with fewer calories. Studies by multiple research institutions show that Generation Z consumers drink 20% less alcohol than Millennials, and that Millennials are already drinking less than Generation X and Baby Boomers.



Rising Awareness

One of the major reasons the new generation has collectively decided to drink less is because of greater consciousness of the dangers of overconsumption of alcohol. Their reluctance has caused alcoholic drink makers to increase the production of non-alcoholic beverages and include messages to drink responsibly in advertising media.



Lifestyle Choices

The COVID-19 pandemic, social media, and the advancement of technology have given the new generation a different perspective on health. They are gaining interest in healthy lifestyles and are more likely to buy drink and consume things that appear health-conscious.



Adoption of Innovative Beverages to Support Human Hydration

Non-alcoholic beverages not only offer the basic refreshment function but are also used as mood enhancements, fortified drinks, and satisfaction of sweet indulgences in the hectic schedules of consumers. Convenience drinks such as canned CSD, and RTD coffee / tea are gaining interest as they offer the 'grab-and-go' convenience.



Cultural and Societal Shifts

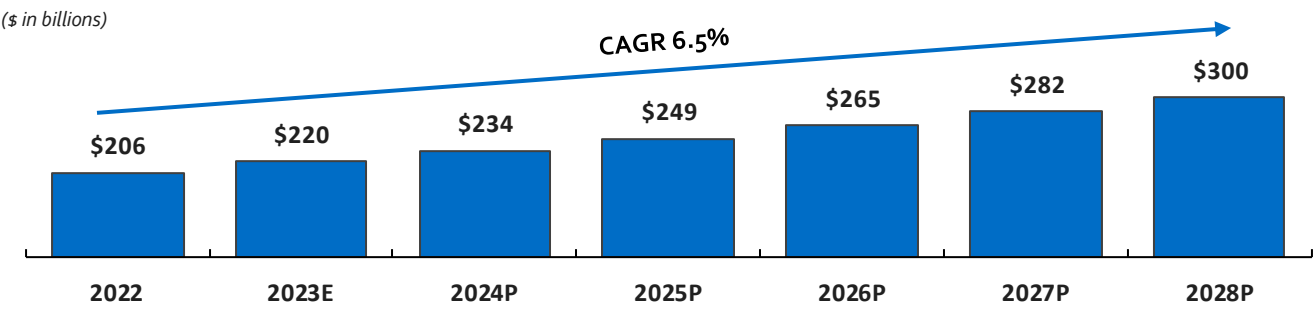
Interspersed with all the above are cultural and societal changes that have made people less inclined to grab a beer or cocktail. When people meet up, they want to engage in more meaningful and healthier activities, like taking a walk or grabbing coffee. Further, consumers are less likely to become intoxicated and lose control out of fear that their actions end up on social media.

Growth of Functional / Better For You (“BFY”)

During the pandemic, there was a clear shift of priorities towards wellness across health, fitness, appearance, nutrition, sleep, and mindfulness. Consumers are reaching for drinks that are packed with vitamins, minerals, probiotics, and other immune-boosting ingredients. That is to say that people want functional beverages that not only taste good but are good for them. As a result, many up –and-coming brands are being launched, targeting several niches across the functional beverage space.

In addition to consumers being more health-conscious, the rise of organic, clean-label, and natural products also has an impact on the functional beverage market growth. Customers first look for energy in their beverages, followed by gut health, relaxation, and protein.

Functional Drinks Global Market Size



Growing Interest in Healthy Hydration

The growing consumer preference for health-oriented drinks has necessitated the inclusion of probiotic food on the list. Furthermore, sale-advertising tag lines like "ready to drink," as well as other convenience aspects include favorable packaging of all served beverages and increased consumption of probiotic drinks like kombucha. Consumers are increasingly preferring functional beverages rather than fruit juices and soft drinks.

The functional drinks assist to enhance a variety of body functions such as heart rate management, management of the immune system as well as the digestive system, and weight management attributed to the existence of minerals, vitamins, amino acids, and herbs.

Key Stats

Global Google searches for “health” grew from 3.6 billion in January 2022 to over 9 billion in December 2022 and have already reached 15 billion searches in 2023. “Gut health” also saw 83% increase in searches.



Consumers are quoting physical wellness (53%) and mental wellness (49%) as being more important to them over the next 12 months.

Opportunities in Functional Drinks

Whether with probiotics or a sports drink, the sky is the limit when it comes to functional drinks. The functional beverages industry is anticipated to expand at a significant pace during the coming years due to increasing health concerns of consumers as well as the launch of products that provide advantages rather than just hydration. Functional drinks offer a wide range of benefits like cognitive function, energy, immunity support, and gut health that attract health-concerned consumers. The functional beverages market is ready for innovation, as firms seek to separate their foods and attract consumer demand. Consumers now want beverages that are convenient to drink and offer health benefits. This has fueled the demand for healthy RTD beverages among consumers in the region, opening opportunities for new players to enter the segment.

III . Non-Alcoholic Beverages

Functional beverages can be grouped into a couple of different categories as follows:

If a beverage has the goal to improve the body or mind in some way, it can technically be called a functional beverage.

1 Dairy-based

2 Probiotics

3 Sports & Energy

4 Meal Replacements

5 Caffeinated

6 Fruit and Vegetable

Key Functional Beverages Trends

1

New Ingredients

- There are many new ingredients that are being used in these beverages, like CBD, collagen, and adaptogens.
- Sports drinks are starting to expand their nutritional content to utilize healthier ingredients.



2

Caffeine Replacements

- Although caffeine drinks are still popular, many people are looking for energy from non-caffeinated alternatives.
- Stimulants other than caffeine are on the rise as consumers want to avoid the negative effects that are often associated with drinking coffee. For example, L-theanine and matcha have become a popular healthy alternative to use in energy drinks.



3

Nootropics

- Nootropics refer to brain stimulants, brain productivity enhancers, and focus and attention boosters. They are supplements that help to improve cognitive functions, such as mood, memory, creativity, or motivation. Some common ingredients with this include green tea and yerba mate.
- It is expected that nootropics will continue to be experimented with, gaining more focus within the functional beverage industry.



4

Demand for Plant-Based Alternatives

- The demand for more plant-based options is on the rise, which aligns with the functional beverage industry.
- Hydration brands particularly are starting to incorporate more plant-based ingredients in their beverages like lettuce and sweet potato water.



Tea and Coffee



2022 Market Size
\$ 177 billion

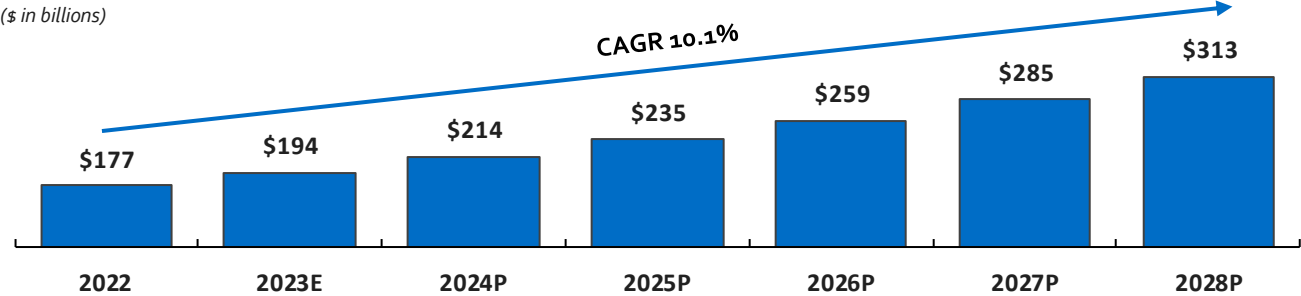
Market Overview and Outlook

- ✓ The Global Tea and Coffee market size was valued at **\$177 billion** in 2022 and is expected to reach **\$313 billion** by 2028 with **CAGR of 10.1%**.
- ✓ The coffee and tea markets are set to experience growth due to increasing demand for RTD beverages, investments, **rising popularity among millennials**, and factors like urbanization and rising disposable income.
- ✓ Both coffee and tea face major sustainability challenges in the years ahead. Producers will need to reduce the environmental impact of their products throughout their lifespans, as well as prepare mitigation measures, as climate change threatens the stability of supply chains.

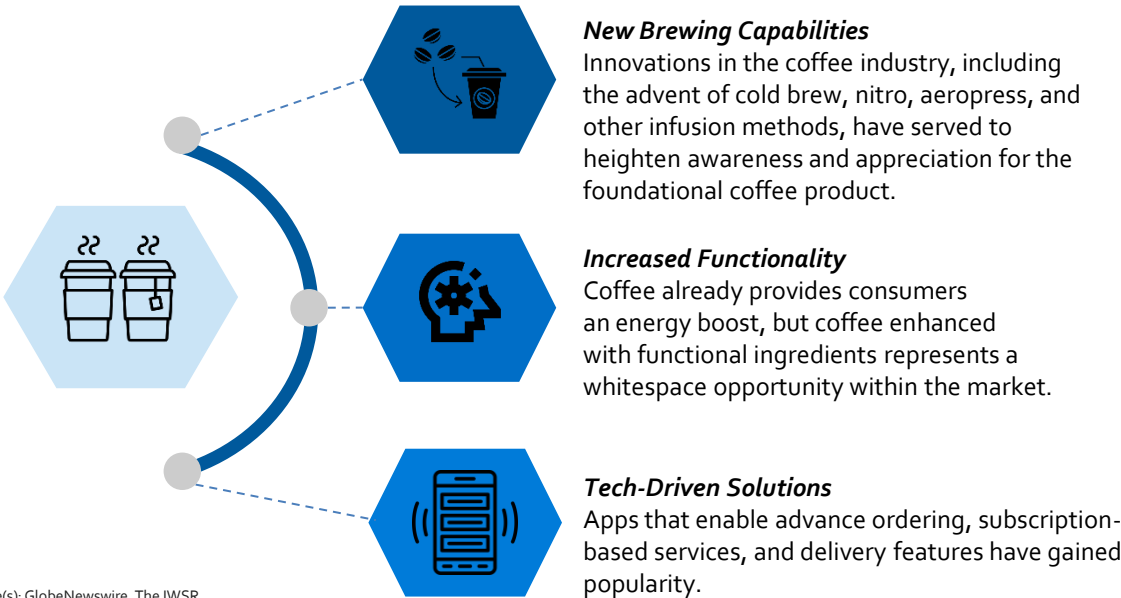
Market Highlights

- Many coffee and tea establishments are offering customizable options, allowing customers to create their own unique blends, flavors, and combinations, catering to individual preferences and promoting an interactive experience.
- Popularity of home brewing devices for both coffee and tea, from espresso machines to tea infusers, has allowed consumers to explore and consume these beverages more frequently.
- Countries like China, traditionally tea-consuming societies, have seen a surge in coffee consumption with increased western influence and the growth of coffee chains.

Tea and Coffee Global Market Size



Key Growth Drivers



Soft Drinks



2022 Market Size
\$591 billion

Market Overview and Outlook

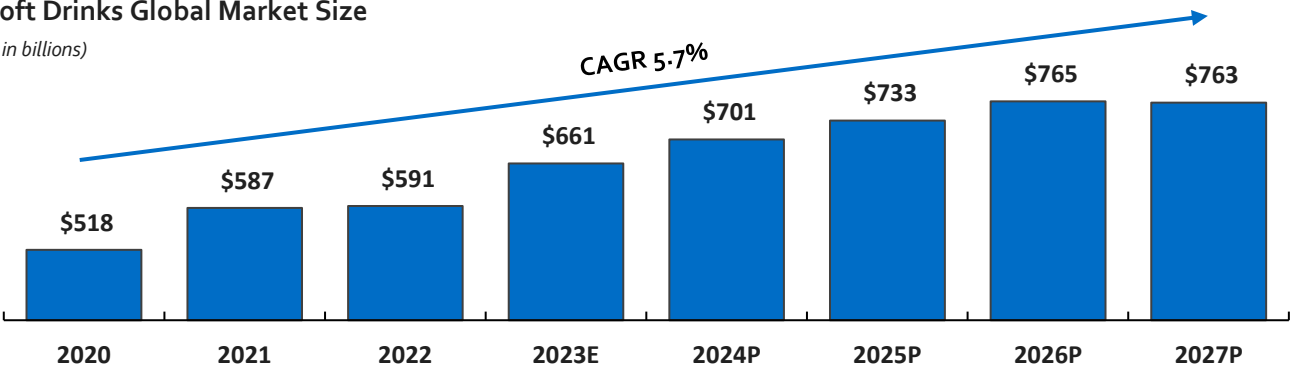
- ✓ The Global Soft Drinks market size was valued at **\$591 billion** in 2022 and is expected to reach **\$763 billion** by 2028, representing a **CAGR of 5.3%**.
- ✓ While the market is generally expanding, some regions are witnessing tempered growth, largely attributed to **rising health apprehensions** about sugar content and synthetic additives.
- ✓ Consumer preference has transitioned to **clean-label products** which are low in calories and contain fewer carbohydrates.

Market Highlights

- Segmented between carbonated and non-carbonated drinks
- Market leaders such as Coca-Cola and PepsiCo are now expanding their non-carbonated product portfolios
- New, non-traditional flavors have begun to emerge as consumers have become more adventurous in their taste preferences and as companies try to differentiate their product offerings.

Soft Drinks Global Market Size

(\$ in billions)



Market Drivers



Natural and Healthy

Sugar has long been a staple in soft drinks, but consumers are placing a greater emphasis on natural, healthier alternatives



New and Trendy Flavors

New flavors such as strawberry cream, banana cream, and many other fruit flavors have been introduced



Sparkling and Flavored Water

Sparkling flavored water has gained popularity due to its low or zero carbohydrate content and its straightforward appeal

Energy & Sports Drinks



2022 Market Size
\$171 billion

Market Overview and Outlook

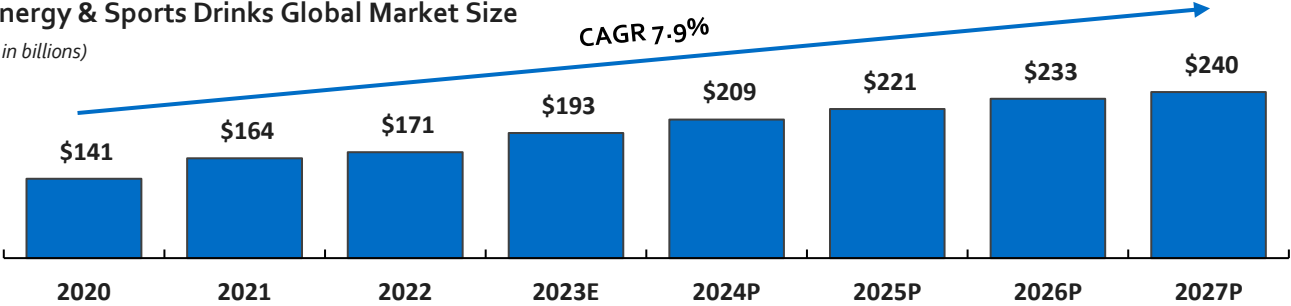
- ✓ The Global Energy and Sports Drinks market size reached **\$171 billion** in 2022 is expected to reach **\$240 billion** by 2028, representing a **CAGR of 7.0%**.
- ✓ Despite inflationary pressures hampering consumer spending in many categories, momentum in the sports and energy drink category remains strong as consumers look to cut spending elsewhere.
- ✓ Key industry drivers include increased sports and outdoor recreation participation, **health and fitness prioritization**, and emerging consumer brands disrupting the market with innovate products.

Market Highlights

- The energy drinks market is dominated by incumbent players such as Red Bull and Monster, but emerging brands have been able to rapidly scale buy pursuing niche marketing initiatives.
- Major and new brands alike are keeping up with consumer trends, including launching low or zero-sugar options to target health-conscious consumers, and experimenting with new flavors and tastes.
- Post-pandemic life has propelled energy drink sales, people have returned to their morning commutes, and outdoor participation continues to reach record levels.

Energy & Sports Drinks Global Market Size

(\$ in billions)



Key Emerging Brands and Industry Statistics

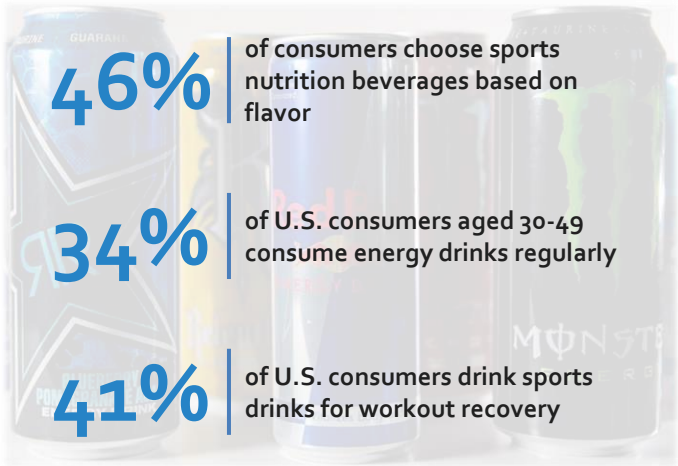


Celsius

ZOA

Riff

hi-ball



Source(s): GlobeNewswire, The IWSR

Fruit Juice



2022 Market Size
\$146 billion

Market Overview and Outlook

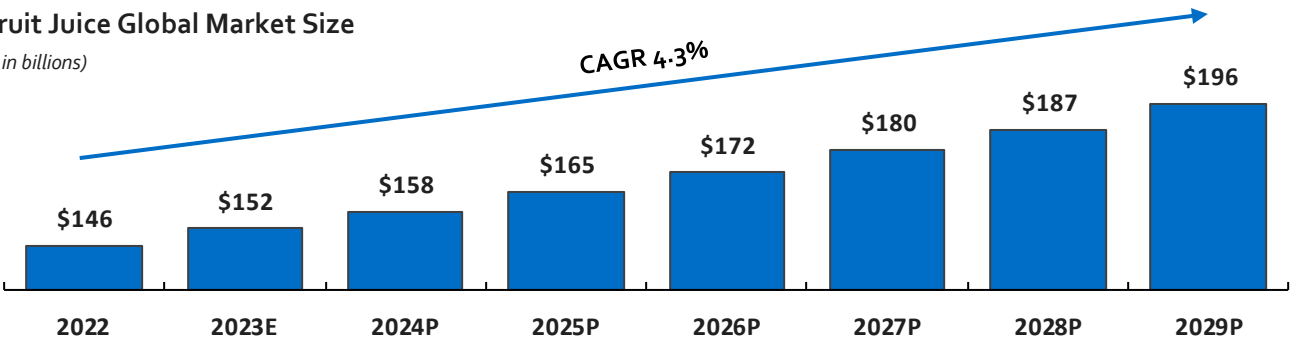
- ✓ The Global Fruit Juice market size was valued at **\$146 billion** in 2022 and is expected to reach **\$196 billion** by 2030, representing a **CAGR of 4.3%**.
- ✓ **Changing lifestyles** and new eating patterns of consumers have resulted in an increased intake of packaged fruit juices, thereby catalyzing the growth of the market.
- ✓ The concept of **naturalness** and the **functional benefits** of juice consumption are increasing, creating favorable conditions for future market growth.

Market Highlights

- Manufacturers are introducing a wide array of flavors and producing preservative-free and sugar-free or reduced sugar fruit juices to expand the consumer base.
- The market is being fueled by a wave of consumer demand for health-centric products, a collective rethinking of dietary habits, and an amplified emphasis on the convenience of 'grab-and-go' offerings. This is driving significant growth for cold-pressed juices and smoothies due to companies promoting them as enjoyable, tasty, and health-oriented options

Fruit Juice Global Market Size

(\$ in billions)



Selected Emerging Products

	Cold Pressed / HPP	<ul style="list-style-type: none">• This method minimizes heat and air exposure, leaving nutrient levels intact• Typically more expensive than traditionally juiced counterparts• Popularly used in juice cleanses or detox regimens
	Functional	<ul style="list-style-type: none">• Juices are enhanced with additional ingredients to serve a specific health purpose• More expensive than other juices due to the added ingredients• Types include energy boosting, immune-boosting, and beauty and skin
	Coconut Water Based	<ul style="list-style-type: none">• Have gained popularity because of the natural electrolytes they contain• Common pairings include pineapple, mango, and citrus fruits• Compared to other fruit juices, coconut water is relatively low in calories

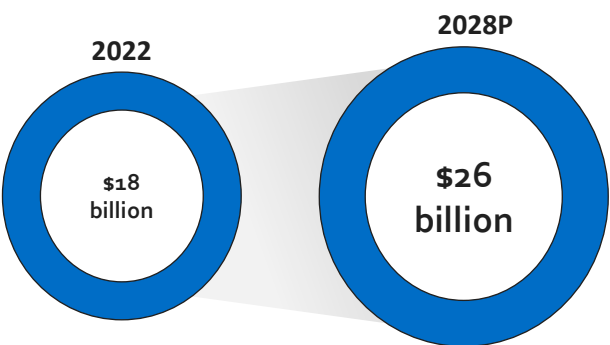
RTD Volume Share Expected to Double in Next Five Years

- The market for RTD alcohol products continues to show traction and demand from consumers. RTD volumes have been growing faster than any other major drinks category since 2018 and are expected to significantly outperform the wider beverage market over the next five years, increasing their market share to 8% by 2025, from about 4% share in 2020, in top RTD markets.

Market Highlights

- The rise of online shopping platforms and delivery services made RTD products more readily available, especially during COVID when there was a consumer preference for digital purchases.
- Canned wine gained popularity due to their convenience and controlled portions; brands introduced them to challenge the notion that only bottled wine is of high quality.
- Hard kombucha became a trendy choice among consumers who appreciated it for its potential probiotic benefits and unique tangy flavor that comes from the fermentation process.

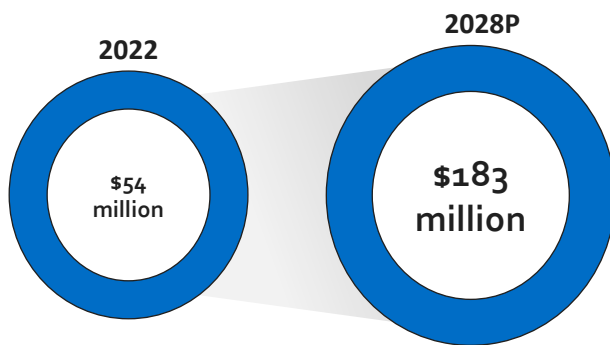
RTD Cocktails



Key Trends

- Unique Flavors
- Non-alcoholic Options
- Single-serve Packaging
- Direct-to-Consumer

Hard Kombucha



Key Trends

- Health Benefits
- Unique Flavors
- Retail Expansion
- Education and Awareness

Select Brands



Non-Alcohol

Recent Developments by Leading Companies in the Beverage Sector

Coca Cola



- Capitalizing on the RTD trend, Coca-Cola launched the “Jack Daniel’s and Coca-Cola RTD” in March 2023.
- Expanded reach in the mineral water category through the launch of Topo Chico Sabores, a line of premium sparkling waters made with real fruit juice and herbal extracts.
- Coca-Cola recently announced they have partnered with Pernod Ricard to create a pre-mixed Absolut and Sprite cocktail with an expected launch date of 2024

Keurig DrPepper



- Keurig DrPepper introduced the Keurig® K-Iced™ family of brewers, adding three new iced coffee makers to its lineup.
- Keurig DrPepper partnered with Nutrabolt, making a strategic move with a long-term sales and distribution agreement, and an equity investment by KDP.
- Keurig DrPepper invested in Athletic Brewing Company, a key non-alcoholic craft beer market player, expanding its portfolio in this growing segment.

Monster Beverage Co.



- In Q3-23, Monster announced it would be acquiring Bang Energy, one of its closest competitors, out of bankruptcy for \$362M.
- In Q1-23, Monster launched a sugar-free version of its flagship beverage, the Monster Energy Zero Sugar.
- Monster announced the release of Monster Tour Water, a pure unflavored water line in still and sparkling variants, with plans to hit the shelves in late 2023.

PepsiCo



- In 2022, PepsiCo achieved a sodium reduction below 1.3 mg in 68% of its convenient portfolio, up from 66% in 2021.
- The regenerative farming footprints of PepsiCo expanded to over 900,000 acres globally in 2022, doubling the previous size.
- By 2030, PepsiCo aims to increase the percentage of beverage services delivered through reusable models from the current 10% to 20%.
- The Indian market witnessed double-digit growth in beverage unit volume for PepsiCo.

Bacardi



- Acquired D’Ussé for \$1.5B in February 2023, a premier manufacturer and distributor of cognac.
- Acquired the remaining interest in Illegal Mezcal for \$130M in September.
- Expanded its product line TAILS® Professional Cocktails across Western Europe.

Alcohol

Recent Developments by Leading Companies in the Beverage Sector

Campari Group

**CAMPARI
GROUP**



- Acquired Wilderness Trail Distillery, a portfolio of spirits brands, at a \$600M valuation in November 2022.
- Acquired a minority stake in Catalyst Spirits' fast-growing Howler Head Bourbon.
- Deutsche Bank is currently predicting that Campari could merge with or takeover another drinks business to gain footing in the U.S.

Constellation Brands



Constellation
Brands



- In June 2023, the company acquired Domaine Curry, a winery based in California.
- Formed a multi-year, multi-million-dollar partnership with Tastemade, a content creation studio for food and beverage products.
- Recently invested in TÖST, a non-alcoholic sparkling beverage company.
- Sold U.S. craft beer Funky Buddha and Four Corners after acquiring the breweries in 2017 and 2018 respectively , finalizing their exit from U.S. craft beer.

Diageo

DIAGEO



- In July 2023, Diageo invested \$28 million to add 6 tanks to its Guinness O.O production facility and grow its production capacity by 300%, a necessary addition to meet demand of its new non-alcoholic line of beverages.
- Recently acquired Philippines-based Don Papa Rum, a super-premium dark rum brand, for \$472M in January 2023.
- Acquired Balcones Distilling, a leading Texas-based premium whiskey distiller in Q4-22, to expand its presence in the American Single Malt and super premium whiskey categories.

Heineken



- Heineken acquired a significant stake in Served, a RTD cocktail brand that was co-founded in 2020 by singer Ellie Goulding.
- Launched Heineken Silver in the U.S., a premium low-carb, low-calorie beverage in light lager category.
- Acquired Oedipus Brewing in June 2023, a leading craft beer manufacturer headquartered in the Netherlands.

Pernod Ricard



Pernod Ricard



- In September 2023, it was reported that the company is seeking a potential sale of its wine portfolio that features brands including Australia's Jacob's Creek, St Hugo, and New Zealand's Stoneleigh.
- In April 2023, the company provided funding to ecoSPIRITS, a closed-loop distribution technology company.
- Also have been disposing whiskey brands in North America and other local brands in CEE

V. | M&A Highlights

Following a year of unprecedented deal flow in 2021, a variety of macroeconomic factors has resulted in a slight decrease in merger and acquisition (M&A) activity in the F&B industry in 2022. Uncertainty over geopolitical tensions, interest rate hikes, and inflationary pressures have led to restraint among investors and strategic buyers. That said, there is still a significant amount of dry powder with investors and on the balance sheets of corporations which is expected to drive the acquisition demand from highly acquisitive F&B companies in 2023.

Recent Highly Acquisitive Consolidators



Recent Notable Acquisitions (Target / Acquirer)



III. M&A Highlights

Selected M&A Transactions (1/4)

(\$ in USD millions)				Enterprise Value	Enterprise Value / TTM	
Date	Target	Description	Buyer	Value	Revenue	EBITDA
11-Sep-23	Ilegal Mezcal	Leading super premium artisanal mezcal	Bacardi	\$ 130.0	-	-
06-Sep-23	Larsen Cognac	Producer of cognac	International Beverage	-	-	-
31-Aug-23	Massican Wines	Napa-based white wine specialist	E&J Gallo	-	-	-
29-Aug-23	Rombauer Vineyards	Producer of wines based in Saint Helena, California	E&J Gallo	-	-	-
01-Aug-23	Taneto Spirits	Producer of spicy and classic margaritas and tequila	Ole Smoky Distillery	-	-	-
01-Aug-23	Truss Beverages	Producer of non-alcoholic, cannabis-infused beverages	Tilray	-	-	-
01-Aug-23	8 Anheuser-Busch Beverage Brands	Producer of beer and other beverages	Tilray	\$ 85.0	-	-
31-Jul-23	Weibel Family Winery	Operator of a winery based in Lodi, California	Rack & Riddle	-	-	-
20-Jul-23	La Colombe	High-growth, super premium coffee company	Keurig Dr Pepper	\$ 300.0	-	-
18-Jul-23	Casa Azul Spirits, LLC	Producer of alcohol-based beverages intended to honor the heritage of tequila	Rivulet Media Ventures, LLC	\$ 61.0	-	-
07-Jul-23	Keeler Estate Vineyard, LLC	Producer of wines based in Amity, Oregon	Antica Terra	-	-	-
05-Jul-23	Spring Mountain Vineyard Inc	Privately owned estate comprised of four historic vineyards	MGG Investment Group LP	\$ 42.0	-	-
03-Jul-23	Vrumona	Producer of non-alcoholic beverage products, specializing in soft drinks and juices	Royal Unibrew	\$ 325.7	1.5x	12.0x
03-Jul-23	Bang Energy	Producer of sports nutrition drinks intended to inspire a positive and healthy lifestyle	Monster Beverage	\$ 362.0	0.1x	-
30-Jun-23	Nuvo Sparkling Liqueur	Producer of liqueur, selling sparkling liqueur, vodka and wine infused with natural fruit nectar	Lucas Bols	\$ 5.7	-	-
26-Jun-23	Blackbird Cider Works	Producer of cider beverages, the company offers apple cider, bourbon, pears and stone fruit ciders	Resurgence Brewing Company	-	-	-
24-Jun-23	Domaine Curry	Producer of wines, operating a portfolio of brands engaged in the distribution	Constellation Brands, Inc.	-	-	-
22-Jun-23	Oedipus Brewing	Producer of crafted beer intended to serve customers with beverages	Heineken	-	-	-
21-Jun-23	Belfast Bay Brewing	Producer of craft beer, the company uses traditional brewing methods to create a wide range of beers	The Strainrite Companies	-	-	-
21-Jun-23	Peter Graham Wines Limited	Beverages company catering to the wine industry	Chestnut Inns Limited	-	-	-
20-Jun-23	Optimism Brewing LLC	Brewery that operates in Seattle, Washington	Stoup Brewing	-	-	-
19-Jun-23	Brown Forman Finland	Manufacturer of premium distilled spirits	CC Beverages Holdings	\$ 220.0	-	-

Source: Cap IQ

III. M&A Highlights

Selected M&A Transactions (2/4)

(\$ in USD millions)				Enterprise	Enterprise Value / TTM	
Date	Target	Description	Buyer	Value	Revenue	EBITDA
19-Jun-23	Finlandia Vodka	Produces a range of vodka products made from barley and spring water	Coca-Cola Hellenic Bottling Company	\$ 220.0	-	-
13-Jun-23	Catawba Island Brewing Co.	Brewery based in Port Clinton, Ohio	Twin Oast Brewing LLC	-	-	-
04-Jun-23	Ace Beverage Group	Producer of alcoholic beverages, the company offers beer of various styles	Corby Spirit and Wine (Pernod Ricard Canada)	\$ 111.8	1.6x	-
01-Jun-23	Penelope Bourbon	Producer and retailer of alcoholic beverages catering bourbon whiskey industry	Luxco (MGP)	\$ 215.8	-	-
01-Jun-23	DuClaw Brewing Company, LLC	Brewery based in Maryland	River Horse Brewing Company, LLC	-	-	-
01-Jun-23	DrinkBev	Producer of zero sugar premium canned wine	E&J Gallo	-	-	-
26-May-23	Guinness Cameroon S.A.	Producer of craft beer	Groupe Castel	\$ 495.6	-	-
24-May-23	Goza Tequila	Operator of a premium tequila brand intended to produce handcrafted tequila drinks	Dave Schmier and Paul Hletko	-	-	-
23-May-23	Bently Heritage	Manufacturer of spirits and distilled products	Foley Family Wines	-	-	-
19-May-23	Appalachian Mountain Brewery	Producer of beer	Private Buyer	-	-	-
11-May-23	TÖST	Flavor-forward and alcohol-free sparkling beverage brand	Constellation Brands, Inc.	-	-	-
03-May-23	Woah Cold Brew	Developer of packaged cold brew	Ryan Lubker	-	-	-
01-May-23	Fishers Island Lemonade	Manufacturer of canned cocktails, the company offers vodka- and whiskey-based canned cocktails	E & J Gallo Winery	-	-	-
19-Apr-23	Russian business of Heineken N.V.	Russian operations of Heineken	Kismet Capital Group, Elbrus	\$ 660.5	-	-
06-Apr-23	Federation Brewing, LLC	Operator of a beer brewing based in Brunswick, Maine	DKB Brands Inc	-	-	-
05-Apr-23	Cheribundi	Producer of healthy beverages intended to offer organic natural tart cherry-flavored juices	GoodBelly Probiotics	-	-	-
05-Apr-23	Schild Estate Wines	Operator of a wine manufacturing company	Coonawarra Wines Pty Ltd	-	-	-
05-Apr-23	Wyoming Whiskey, Inc.	Producer of American whiskey	Edrington Americas	-	-	-
21-Mar-23	Skrewball	Manufacturer and supplier of peanut butter whiskey	Pernod Ricard SA	-	3.5x	-
10-Mar-23	Tenma Vineyard	Vineyard located in Calistoga, California	The Wonderful Company	\$ 11.0	-	-
07-Mar-23	Ambhar Tequila	Manufacturer of artisan spirit	Kiv Spirits	-	-	-
02-Mar-23	Ahmann Vineyard	Vineyard located in North St. Helena, California	Cakebread Cellars	-	-	-

Source: Cap IQ

III. M&A Highlights

Selected M&A Transactions (3/4)

(\$ in USD millions)				Enterprise	Enterprise Value / TTM	
Date	Target	Description	Buyer	Value	Revenue	EBITDA
01-Mar-23	Good Karma Foods	Producer of flax-based health drinks intended to offer dairy alternatives for high nutrition	Kellogg's	\$ 200.0	-	-
24-Feb-23	Frediani Ranch	Vineyard located in Calistoga, California	Eisele Vineyard	\$ 18.5	-	-
24-Feb-23	State Ranch Vineyard	23-acre vineyard located in Napa Valley	Silver Oak Cellars	-	-	-
23-Feb-23	Perfectomundo Tequila	Producer of the premium, multiple award-winning tequila	EARI Beverage Group	-	-	-
22-Feb-23	Heineken Holding N.V.	Brewing company that develops, markets, and sells alcoholic beverages	Bill & Melinda Gates Foundation	\$ 52,436.6	-	8.3x
16-Feb-23	Rishi Tea & Botanicals	Producer and importer of organic teas and botanicals	SBJ Capital	-	-	-
15-Feb-23	Minuty	Producer of rose wine	LVMH	-	-	-
09-Feb-23	Jefferson Vineyards	Producer of wines	Monticello AG Center	\$ 11.8	-	-
05-Feb-23	Highwood Distillers Ltd.	Producer of a portfolio of alcoholic beverages	Caldera Distilling Inc.	-	-	-
03-Feb-23	D'Ussé	Provider of alcoholic beverages	Bacardi	\$ 1,500.0	-	-
31-Jan-23	Beaumont Juice, Inc.	Producer of fresh fruit juices and smoothies	Trivest Partners, L.P.	-	-	-
27-Jan-23	East African Breweries Limited	Manufacturer of branded beer, spirits, and non-alcoholic beverages	Diageo Kenya Limited	\$ 1,653.0	-	6.0x
25-Jan-23	Carriger Two Vineyard	Vineyard located in Sonoma Valley	Romebauer Vineyards	-	-	-
18-Jan-23	Royal Crown Cola	Manufacturer of bottled soft drinks and concentrates	Macay Holdings	\$ 21.4	-	-
17-Jan-23	Don Papa Rum	Producer of dark rum based	Diageo	\$ 353.4	10.0x	-
11-Jan-23	Cape Mentelle Vineyards Ltd.	Producer and distributor of wine and alcoholic beverages	Endeavour Group Limited	-	-	-
03-Jan-23	Santera Tequila	Producer of blue weber agave tequila	Destiladora Del Valle de Tequila S.A. de C.V.	-	-	-
01-Jan-23	Diplomático Rum	Premium rum brand	Brown Forman	\$ 775.0	-	-
22-Dec-22	Barbanera	Manufacturer of wine	Italian Wine Brands	\$ 44.1	1.1x	9.5x
16-Dec-22	Robert Sinskey Vineyards	11.8-acre winery and vineyard in Napa Valley	The Wonderful Company	\$ 26.0	-	-
14-Dec-22	Waterloo Brewing	Waterloo Brewing Ltd engages in the production and distribution of alcohol-based products	Carlsberg	\$ 106.9	1.3x	8.3x
08-Dec-22	Nutrabolt	Global active health and wellness company with a portfolio of brands	Keurig Dr Pepper	\$ 863.0	-	-

Source: Cap IQ

Selected M&A Transactions (4/4)

(\$ in USD millions)				Enterprise	Enterprise Value / TTM	
Date	Target	Description	Buyer	Value	Revenue	EBITDA
05-Dec-22	T'Gallant Winemakers Pty. Ltd.	Australian based winery	Ben Gray and Dion Hershan	\$ 6.5	-	-
16-Nov-22	Pfeiffer Winery, LLC	70-acre wine site in Oregon	King Estate Winery LP	-	-	-
14-Nov-22	Kohana Coffee	Producer of specialty coffee and cold brew concentrate intended to offer an alternative to sugary sports drinks	Westrock Coffee Company	\$ 39.4	-	-
10-Nov-22	FitVine Wine, LLC	Category leader in the wellness and super premium wine segment	O' Neill Bev-er-ages Co. LLC	-	-	-
10-Nov-22	Denner Vineyards	Producer of critically acclaimed wines from California's Central Coast	E&J Gallo	-	-	-
07-Nov-22	Montauk Brewing Company	Manufacturer and distributor of craft beer	Tilray	\$ 45.4	-	-
07-Nov-22	Eagle Brewery	Producer of beverages, the company specializes in the production and marketing of in making alcoholic beer	Grupo Damm	\$ 22.6	-	-
04-Nov-22	Athletic Brewing	Leading non-alcoholic craft beer maker	Keurig Dr Pepper	-	-	-
03-Nov-22	Gin Mare	Portfolio of beverage based out of Spain	Brown Forman	\$ 524.0	-	-
01-Nov-22	Wilderness Trail	Producer of branded and contract manufactured bourbon	Campari	\$ 600.0	10.5x	16.2x
01-Nov-22	Balcones Distilling	Whisky distillery based in Waco, Texas	Diageo	-	-	-
31-Oct-22	Château Lascombes	Winery estate in Margaux	Lawrence Group	-	-	-
21-Oct-22	Three Cents	Producer of mixers for soft drinks, cocktails, long drinks and mixed drinks	Coca-Cola Hellenic Bottling Company	\$ 44.8	-	-
13-Oct-22	GoodWest Industries	Shelf-stable and bag-in-box coffee creamers, cold brews and iced coffees	Sunny Sky Products	-	-	-
11-Oct-22	Avandis	Manufacturer of alcoholic beverages	Refresco Group	\$ 24.3	-	-
06-Oct-22	Mainstream Wine Brands	Cooper & Thief, Crafters Union, The Dreaming Tree, Monkey Bay, 7 Moons, and Charles Smith Wines	The Wine Group LLC	\$ 96.7	-	-
01-Oct-22	Código 1530	Producer of tequila	Pernod Ricard	-	-	-
29-Sep-22	Mr. Black	Australian premium cold brew coffee liqueur	Diageo plc	-	-	-
07-Sep-22	Beavertown	Craft brewerly in London	Heineken NV	-	-	-
07-Sep-22	A to Z Wineworks	Top-selling winery in Oregon	Ste. Michelle Wine Estates	-	-	-
Median				\$ 111.8	1.5x	8.9x
Mean				\$ 127.2	1.8x	9.6x

Alcoholic Beverages

Company Name	Mkt Cap (\$M)	EV (\$M)	EBITDA LTM	Revenue LTM	EBITDA (x) LTM	Revenue (x) LTM
Alcoholic - Beer						
Anheuser-Busch InBev SA/NV	106,046	188,493	17,482	59,092	10.8x	3.2x
Heineken N.V.	49,630	71,068	5,718	32,487	12.4x	2.2x
Ambev S.A.	40,094	38,693	4,615	17,154	8.4x	2.3x
Asahi Group Holdings, Ltd.	17,801	27,844	2,649	18,071	10.5x	1.5x
Carlsberg A/S	18,057	21,726	1,894	10,642	11.5x	2.0x
China Resources Beer Company Limited	18,213	18,230	928	5,256	19.6x	3.5x
Tsingtao Brewery Company Limited	12,999	8,998	761	4,756	11.8x	1.9x
Molson Coors Beverage Company	12,796	19,026	1,956	11,178	9.7x	1.7x
Kirin Holdings Company, Limited	11,162	15,808	1,455	14,128	10.9x	1.1x
Thai Beverage Public Company Limited	9,974	15,814	1,303	8,195	12.1x	1.9x
The Boston Beer Company, Inc.	4,449	4,291	203	2,057	21.2x	2.1x
		Mean	3,263	15,541	13.4x	2.1x
		Median	1,674	10,910	11.6x	2.0x

Company Name	Mkt Cap (\$M)	EV (\$M)	EBITDA LTM	Revenue LTM	EBITDA (x) LTM	Revenue (x) LTM
Alcoholic - Wine and Spirits						
Diageo plc	84,652	105,499	7,191	21,747	14.7x	4.9x
Constellation Brands, Inc.	43,675	55,631	3,438	9,786	16.2x	5.7x
Pernod Ricard SA	42,314	54,189	3,782	13,250	14.3x	4.1x
Brown-Forman Corporation	26,839	29,489	1,291	4,259	22.8x	6.9x
Davide Campari-Milano N.V.	13,036	14,988	731	3,164	20.5x	4.7x
Becle, S.A.B. de C.V.	7,904	8,993	509	2,681	17.7x	3.4x
Rémy Cointreau SA	6,137	6,703	501	1,682	13.4x	4.0x
Treasury Wine Estates Limited	5,596	6,476	383	1,656	16.9x	3.9x
The Duckhorn Portfolio, Inc.	1,188	1,436	115	403	12.4x	3.6x
Andrew Peller Limited	138	301	23	291	12.9x	1.0x
		Mean	1,796	5,892	16.2x	4.2x
		Median	620	2,923	15.4x	4.0x
		Total Mean	1,297	6,726	13.2x	2.7x
		Total Median	2,596	11,155	14.7x	3.0x

Non-Alcoholic Beverages

Company Name	Mkt Cap (\$M)	EV (\$M)	EBITDA LTM	Revenue LTM	EBITDA (x) LTM	Revenue (x) LTM
Non-Alcoholic – Brand Driven						
The Coca-Cola Company	233,817	262,857	13,804	44,140	19.0x	6.0x
PepsiCo, Inc.	220,487	255,142	16,125	91,617	15.8x	2.8x
Monster Beverage Corporation	52,156	48,910	1,884	6,691	26.0x	7.3x
Keurig Dr Pepper Inc.	40,213	54,307	3,739	14,567	14.5x	3.7x
JDE Peet's N.V.	13,196	17,667	1,172	8,999	15.1x	2.0x
Suntory Beverage & Food Limited	9,074	9,328	1,342	10,516	7.0x	0.9x
Britvic plc	2,543	3,364	318	2,094	10.6x	1.6x
Fevertree Drinks PLC	1,446	1,373	29	456	47.2x	3.0x
A.G. BARR p.l.c.	667	616	70	476	8.7x	1.3x
		Mean	4,276	19,951	18.2x	3.2x
		Median	1,342	8,999	15.1x	2.8x

Company Name	Mkt Cap (\$M)	EV (\$M)	EBITDA LTM	Revenue LTM	EBITDA (x) LTM	Revenue (x) LTM
Non-Alcoholic – Manufacturing Driven						
Arca Continental, S.A.B. de C.V.	14,685	17,719	2,336	12,671	7.6x	1.4x
National Beverage Corp.	4,248	4,062	223	1,179	18.2x	3.4x
Primo Water Corporation	2,196	3,807	402	2,257	9.5x	1.7x
Lassonde Industries Inc.	636	853	120	1,691	7.1x	0.5x
Nichols plc	394	329	35	216	9.4x	1.5x
		Mean	623	3,603	10.4x	1.7x
		Median	223	1,691	9.4x	1.5x
		Total Mean	787	4,474	12.5x	1.8x
		Total Median	2,971	14,112	15.4x	2.6x

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Selection of Deals Closed by Global M&A Partners in the F&B Sector

<div></div> <div>INVESTCORP</div> <p>Sunrise Produce acquired by Investcorp.</p> <div></div> <p>Brown Gibbons Lang & Company Advisor to the seller </p>	<div></div> <div>SAUER BRANDS</div> <p>Mateo's Gourmet Salsa acquired by Sauer Brands, a portfolio company of Falfurrias Capital Partners</p> <div></div> <p>Brown Gibbons Lang & Company Advisor to the seller </p>	<div></div> <div>INCLINE EQUITY PARTNERS</div> <p>Vertically integrated, value-add processor and supplier of organic botanicals, herbs, and spices</p> <div></div> <p>Brown Gibbons Lang & Company Advisor to the seller </p>	<div></div> <div>NEW HERITAGE CAPITAL</div> <p>Icelandirect acquired by New Heritage Capital</p> <div></div> <p>Brown Gibbons Lang & Company Advisor to the seller </p>
<div></div> <div>EQUALS BREWING COMPANY</div> <p>Side Launch Brewing, a leading Ontario-based craft brewery, has been sold to Equals Brewing</p> <div></div> <p>Crosbie & Company Inc. Advisor to the seller </p>	<div></div> <div>waterlogic Culligan</div> <p>Fenix Partners acted as sole financial advisor to the Buyer</p> <div></div> <div></div> <p>Fenix Partners Advisor to the buyer </p>	<div></div> <div>Monogram Capital PARTNERS</div> <p>Leading manufacturer of premium branded greek yogurt in the United States</p> <div></div> <p>Meridian Capital LLC Advisor to the seller </p>	<div></div> <div>JUGO DEL VALLE</div> <p>Sale of Santa Clara, leading dairy company in Mexico, to Jugos del Valle.</p> <div></div> <p>RiÓN </p>
<div></div> <div>Orkla</div> <p>Sale of a leading specialist for ingredients for chocolate and ice cream</p> <div></div> <div></div> <p>Zetra International </p>	<div></div> <div>VMG PARTNERS</div> <p>NutPods, American plant-based coffee creamer company, received growth capital from VMG Partners.</p> <div></div> <p>Meridian Capital LLC Advisor to the seller </p>	<div></div> <div>Private Investors</div> <p>Sweet and salty wafers and biscuits producer Urban Group was sold to Hungarian private investors</p> <div></div> <p>Invescom Corporate Finance Advisor to the seller </p>	<div></div> <p>Merger of the two largest Latvian dairy products manufacturers JSC "Rīgas piena kombinācija" and JSC "Valmieras Piens"</p> <div></div> <div></div> <p>Prudentia </p>
<div></div> <p>Acquisition of the second largest Latvian dairy company Valmieras Piens by a financial investor.</p> <div></div> <p>Prudentia </p>	<div></div> <div>DARE</div> <p>Madrona Specialty Foods LLC (dba La Panzanella Artisanal Crackers) has been acquired by Dare Foods of Canada</p> <div></div> <div></div> <p>Meridian Capital LLC Advisor to the seller </p>	<div></div> <div>supley</div> <p>Supley Laboratories acquired 100% Probiotica from Bausch Health, former Valeant Pharmaceuticals</p> <div></div> <div></div> <p>Condere Advisor to the buyer </p>	<div></div> <p>Switzerland Based - Consumer Product Juice Plus+ is whole food based nutrition Stake acquired 100%.</p> <div></div> <p>Zeus Capital Advisor </p>

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About Us

Established in 1999, Global M&A Partners is a leading international partnership of investment bankers specializing in mid-market transactions. We provide sector expertise, international scope, and deep local market knowledge and execution capabilities for our clients. We operate with local offices across 4 continents and have completed over 1,500 transactions during the last ten years, typically ranging from €50 to €500 million.

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