

ALCOHOL DISRUPTION SPARKS INCREASE IN BEVERAGE MARKET M&A

BEVERAGE SECTOR UPDATE | FEBRUARY 2025



**CAPSTONE
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Beverage

Alcohol Disruption Sparks Increase in Beverage Market M&A

KEY SECTOR TAKEAWAYS

Capstone Partners' [Consumer Investment Banking Group](#) is pleased to share its Beverage report, with insights and analysis on key sector dynamics, buyer activity, and expectations for 2025. Merger and acquisition (M&A) activity in the Beverage sector rebounded in 2024 after a subdued year for dealmaking in 2023, supported by healthy consolidation among privately-owned beverage companies and a resurgence in private equity deals. Consumer preferences continued to evolve, including a growing anti-alcohol movement that spurred significant disruption and dragged on alcoholic beverage sales volumes. However, optimism for sector growth in 2025 remains. Several key report takeaways are outlined below.

1. Consumer preferences appeared to turn against alcoholic beverages in 2024, but strong performance in select categories such as RTD Spirits and Non-alcoholic beer has provided optimism for growth throughout the supply chain moving into 2025.
2. Beverage M&A activity rebounded despite headwinds, with deal volume increasing 21.7% year-over-year (YOY) in 2024. Buyer appetite was widespread across the Beverage industry, with each segment recording YOY jumps in transaction activity.
3. Strategic buyers continued to drive deal volume, accounting for more than three quarters of total sector transactions for the sixth consecutive year. Private companies comprised the majority (83.7%) of strategic M&A transactions.
4. Private equity investment in beverages rose for the first time since 2021, with fund managers showing particular appetite for Wine & Spirits acquisitions.
5. Beverage distributors are using M&A to acquire new growth brands that fit a wider range of occasions, and consumer needs. The convergence between soft drink and alcohol distributors is accelerating as distributors seek to build "a total beverage solution" service capability.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Beverage sector knowledge, please [contact us](#).

BEVERAGE SECTOR CONTINUES TO FACE HEADWINDS MOVING TO 2025

Anti-alcohol sentiment continued to gain momentum in 2024, challenging growth prospects for beer, wine, and spirits brands. Beer and Wine category sales volumes saw declines, falling 2.9% and 4.4% YOY, respectively, while Spirits volumes increased marginally (1.8%), according to NielsenIQ.¹ However, in the Alcohol space, Ready-to-Drink Spirits (RTDS) and Flavored Malt Beverages (FMB) provided growth. In Beer, FMBs and Non-Alcoholic Beer saw dollar sales increase 5.5% and 25.1% YOY, respectively. Imports and Super Premium Beers also uplifted this category. In Spirits, RTDs and Tequila dollar sales grew 18.9% and 7.3% YOY, respectively. Notably, RTDs reached a 12% market share of total Alcohol sales in 2024. Concurrently, Non-Alcoholic Beer, Wine, and Spirits recorded \$823 million in 2024, marking a 27.2% YOY increase. Beer, wine, and spirits operators are expected to face continuous headwinds in 2025 as moderating alcohol consumption remains an emerging consumer preference. Notably, in January 2025, U.S. Surgeon General Dr. Vivek Murthy called for an update to health warning labels on alcoholic beverages to contain the link between alcohol consumption and cancer risk, as the third leading preventable cause of cancer in the U.S., further dampening sentiment among alcoholic beverage businesses.

Many alcoholic beverage players made headway addressing consumer taste changes in 2024, and organic and inorganic growth efforts included an increasing focus on non-alcoholic products. “We’re going to invest resources behind the non-alcoholic space...”explained Gavin Hattersley, CEO of Molson Coors (NYSE:TAP) at the Morgan Stanley (NYSE:MS) Global Consumer & Retail Conference in December, “...we’ll be putting a lot more head count behind our non-alcoholic space.”² Notably, the company acquired a majority stake in energy brand ZOA in November (more details on page eight). ZOA brings repeat purchase rates of 50%, and 30% of ZOA buyers are new to the Sport Nutrition Energy Drink space, offering Molson Coors a compelling foothold outside of its traditional categories, according to a press release.³ Likewise, Anheuser-Busch InBev (ENXTBR:ABI) (A-B) earmarked non-alcoholic product expansion as part of its five growth pillars. “As part of our strategy to lead and grow the category, we view the Non-Alcohol Beer segment as a key opportunity to develop new beer consumption occasions,” said Michel Doukeris, CEO of A-B, on its Q3 2024 earnings call.⁴ In January 2025, A-B announced the upcoming launch of 1st Phorm Energy Drink, in response to the loss of Ghost Energy, that was purchased by Keurig Dr Pepper (Nasdaq:KDP) in October 2024 (\$1.7 billion, ~3.0x EV/Revenue). The shifting landscape contributed to a rebound in Beverage sector acquisitions and players throughout the supply chain will likely face continued headwinds to organic growth in 2025, supporting expectations of a lively M&A market ahead.

Excess inventory challenges, particularly in wine, tequila and bourbon products, have contributed to an overhang to start 2025. Sector participants’ ability to harness artificial intelligence and logistics software to reduce operating costs and drive greater efficiencies in digital marketing, manufacturing, and distribution will likely dictate clear winners in the space. Incremental growth opportunities in commercializing new consumption occasions have supported a hopeful sector outlook and offered an additional catalyst for M&A opportunities. Of note, A-B secured a deal with the International Olympic Committee (IOC) for Corona Cero non-alcohol beer to become the global beer sponsor of the Olympic Games through 2028, the first beer sponsor in the games’ history, according to a press release.⁵ Capstone expects untapped event marketing to prove essential for sector growth as recent consumption preferences mature.

2024 Leading Categories in Beer and Spirits Exemplify Shift in Consumption Preferences

Category	Beer			Spirits			
Subcategory	Imports	FMBs	Non-Alcoholic Beer	Tequila	Ready to Serve Cocktails	Spirits RTDs	Non-Alcoholic Spirits
YOY Dollar Sales Growth	4.0%	5.5%	25.1%	7.3%	8.0%	18.9%	86.0%

*Note: Sales data includes 52 weeks ending 12/28/2024
Source: NielsenIQ and Capstone Partners*

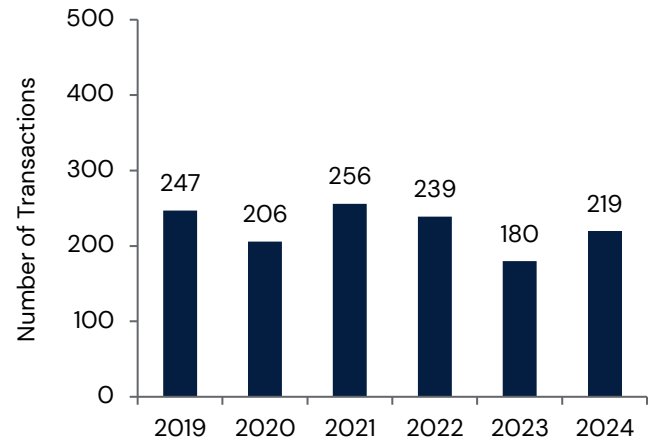
BEVERAGE M&A REBOUNDS, OPTIMISTIC OUTLOOK FOR WHOLESALERS

Beverage M&A activity rebounded in 2024 despite sector headwinds, with deal volume increasing 21.7% YOY to 219 transactions announced or completed. This marks the first year of M&A market expansion in the Beverage sector since 2021. Buyer appetite was not exclusive to a particular segment, with Wine & Spirits (+23.3%), Beer (+20%), Soft Drinks & Non-Alcoholic Beverages (+15.4%), Coffee & Tea (+50%), and Distribution & Wholesale (+21.1%) all seeing dealmaking increase YOY. Both horizontal and vertical plays headlined M&A activity as sector participants repositioned themselves amid adversarial consumption trends.

Strategic buyers continued to drive 2024 M&A, comprising 81.3% of total sector deal volume. Private business owners expressed a robust appetite to transact, accounting for 149 deals which marked a 13.7% YOY increase. Public strategics remained active during the year, recording 29 transactions in 2024 compared to 26 in the prior year. Leading sector participants engaged in M&A to realign portfolios, divesting non-core brands and integrating middle market companies with unique offerings to fill product gaps. Private equity buyers overturned a slow year for sponsor dealmaking in 2023, pursuing 11 platform investments and 30 add-on transactions during 2024. This represents a considerable increase over 2023's six platforms and 17 add-ons. Notably, 41.5% of private equity targets operated in the Wine & Spirits segment, a growing trend as this space comprised just 15.2% of sponsor targets in 2022 and 34.8% in 2023. Softening Private Credit and Leveraged Loan markets, coupled with robust levels of dry powder and a growing demand for returns from limited partners, reignited private equity activity. While many private equity groups pivoted towards consumer services businesses in 2024, deal activity suggests the Beverage sector remains attractive as new consumption preferences disrupt the landscape.

Despite projections for continued headwinds in the sector, green shoots have appeared and distributors and wholesalers will likely be well positioned to capitalize. Wholesalers are typically more diversified and agile than producers, able to shift product offerings and cater to rapidly changing consumption tastes. These characteristics can help segment participants capture outsized revenue gains as incremental growth via marketing new consumption occasions uplift sector sales. Portfolio gaps and outdated product offerings are projected to drive heightened Distribution & Wholesale segment M&A in 2025. Notably, Martignetti, a wine and spirits wholesaler, continued to expand its beer portfolio via its acquisitions of an A-B distributing branch in August for an undisclosed sum (more details on page eight).

Shifting Landscape Drives 2024 Beverage M&A Rebound



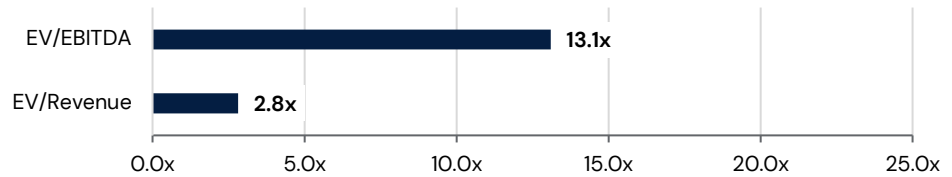
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners



PRIVATE EQUITY RETURNS, SECTOR VALUATIONS HOLD STRONG

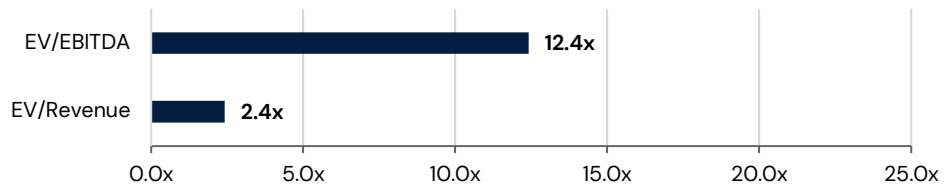
Average Beverage Sector M&A Purchase Multiples (2021–2024)

Beverage sector transaction pricing outperformed the broader Consumer Industry post-COVID.



Average Consumer Industry M&A Purchase Multiples (2021–2024)

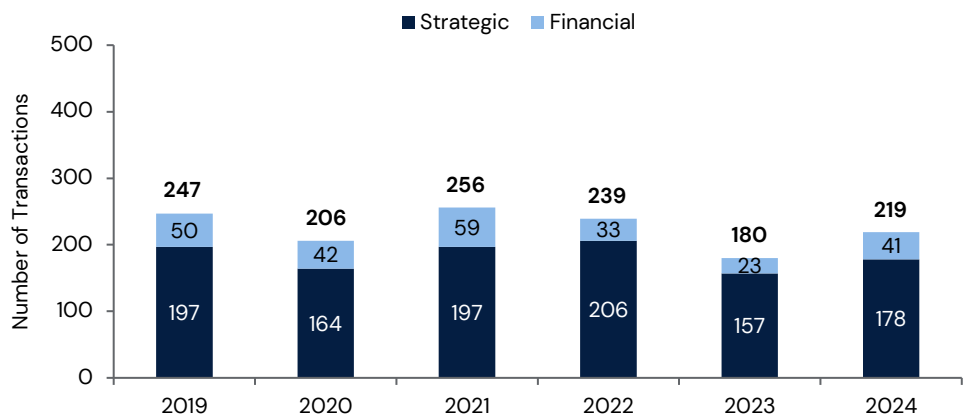
Valuations remained soft in the Consumer Industry after a stark COVID-related market correction.



Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

M&A Volume Rises 21.7% in 2024, Private Equity Buyers Return

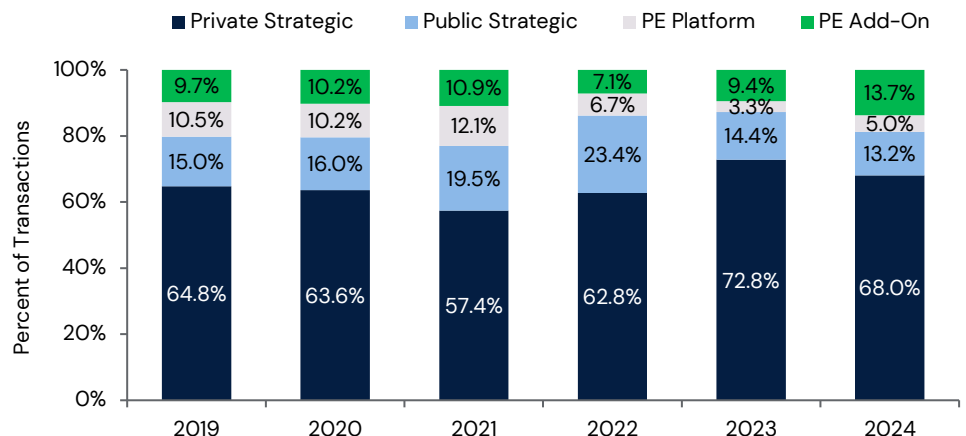
Strategic buyers continued to account for more than three quarters of total transaction volume. However, private equity buyers were the most active since the zero-rate environment in 2021, attributing to a healthy buyer universe.



Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Private Equity Leverages Add-On Acquisitions to Bolster Portfolio Holdings

The prevalence of private equity platform investments in 2021, and resurgence in add-on activity in 2024, suggests fund managers are bolstering portfolio holdings in preparation for an exit as macroeconomic conditions ease.



Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

NOTABLE M&A TRANSACTIONS BY SUBSECTOR

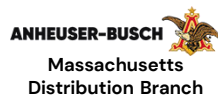
Alcoholic Beverages



In December 2024, Sazerac announced its acquisition of vodka brand, SVEDKA, from Constellation Brands (NYSE:STZ) for an undisclosed sum. In addition to flavored vodka, the SVEDKA brand also includes a vodka soda RTD line, as well as a zero-sugar flavored vodka line. SVEDKA will join Sazerac's portfolio of spirits that includes Southern Comfort, Fireball, Sazerac Rye, and Buffalo Trace brands. Constellation Brands' divestment continues its portfolio repositioning that has focused on high-end premium spirits.



Food and Beverage-focused private equity firm, Butterfly Equity, completed its take-private acquisition of wine company The Duckhorn Portfolio (NYSE:NAPA) for an enterprise value of \$2.0 billion, equivalent to 4.9x EV/Revenue or 13.8x EV/EBITDA (December 2024). The firm faced weak trends in the overall Wine category and related negative investor sentiment, despite its collection of iconic wine brands. The valuation represents a ~106% premium to its share price of \$5.40 at the time of announcement on October 7, 2024.



New England wine and spirits distributor Martignetti Companies acquired a Massachusetts distributor branch from A-B, bolstering its operations in beer distribution (August 2024, undisclosed). The deal follows Martignetti's acquisition of Quality Beverage, a Massachusetts distributor of beer and alternative beverages representing the A-B and STZ portfolios, in January 2024 (undisclosed). Martignetti's inorganic strategy underscores appetite for diversification in the segment.

Non-Alcoholic Beverages



Molson Coors acquired an additional 11% stake in better-for-you energy drink brand ZOA for \$53 million or an enterprise value of \$481.8 million in November 2024. The deal brings Molson Coors' ownership to 51%. The majority stake acquisition reflects Molson Coors' premiumization plans and diversification beyond beer. "We're building a winning portfolio that offers consumers choices across a wide range of occasions, and non-alc is a key part of that strategy," noted Molson Coors CCO, Michelle St. Jacques in the press release.



In November 2024, Celsius Holdings (Nasdaq:CELH) acquired Big Beverages Contract Manufacturing for an enterprise value of \$75 million. Celsius Holdings cited Big Beverages' ability to boost innovation and additional production capabilities as key to the deal rationale. The transaction will provide Celsius with a 175,000-square-foot manufacturing and warehouse facility that is expected to add speed, control, and flexibility in its supply chain, according to a press release.⁶



The North American business unit of spirits and beer company Diageo (LSE:DGE) acquired non-alcoholic spirits brand Ritual Zero Proof for an undisclosed sum in September 2024. The deal follows Diageo's minority investment in the brand in 2020, through its brand accelerator Distill Ventures. Ritual is the number-one non-alcoholic spirits brand in the U.S. and offers non-alcoholic whiskey, tequila, gin, rum, and aperitifs, according to a press release.⁷ Diageo now owns four of the six largest non-alcohol brands globally by value.

CAPSTONE ADVISES HORIZON BEVERAGE IN STRATEGIC ACQUISITION

Capstone Partners has seen trends in Distribution & Wholesale consolidation first-hand, advising Horizon Beverage—a premier New England alcohol distributor—on its acquisition by Southern Glazer’s Wine & Spirits in December 2024. Terms of the deal are confidential. The transaction highlights buyer appetite for expansion into new markets, access to untapped supplier relationships, cross-sell opportunities, and attractive purchasing and back-office synergies.

Founded in 1933 and headquartered in Norton, Massachusetts, Horizon Beverage is a leading beer, wine, and spirits distributor with operations in Massachusetts and Rhode Island. Across four generations of leadership, the company has become a major player in the New England market and one of the largest beverage distributors in Massachusetts and Rhode Island, offering both product distribution as well as services such as sales and marketing consultation.

With this transaction, Horizon joins Southern Glazer Wine & Spirits, the leading alcohol wholesaler in the U.S. The multi-generational, family-owned company has operations in 45 U.S. states and Canada and maintains brokerage operations in the Caribbean and Central/South America. In 2024, Southern Glazer’s was recognized by Newsweek as one of America’s Greatest Workplaces for Diversity and America’s Greatest Workplace for Women. Horizon’s operations in Massachusetts and Rhode Island will operate under the name Southern Glazer’s Beverage Company.

Capstone’s expertise navigating the regulatory environment, such as approval requirements from state liquor and gaming governing bodies, supplier contracts, and Hart-Scott-Rodino rules, enabled a highly successful outcome for both parties.



“Capstone was an integral part of our disposition of a multi-generational family business. Their combination of robust financial analytics and effective negotiating strategy enabled us to realize far more value in our transaction than we thought possible. They worked tirelessly to maximize shareholder return and brought creative solutions to the table to keep the deal moving forward.”

Michael J. Epstein
Chief Operating Officer, Horizon Beverage

Deal Rational Emphasizes Key Sector Dynamics



Market Expansion

Expands into new markets via Massachusetts and Rhode Island.



Supplier Diversification

Gains access to new beverage supplier relationships.



Cross-Sell Opportunities

Accesses new markets to cross-sell existing brands.



Operational Synergies

Drives attractive purchasing and back-office synergies.

SELECT BEVERAGE SECTOR TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV/LTM	
					Revenue	EBITDA
12/31/24	Horizon Beverage	Southern Glazer's Wine & Spirits	Distributes alcoholic beverages in New England.	CF	CF	CF
12/31/24	Finestkind Brewing	Massachusetts Bay Brewing	Operates as an independent craft brewery.	-	-	-
12/27/24	Go Fast Sports & Beverage	Labor Smart	Wholesales energy drinks.	\$0.52	-	-
12/20/24	Savage & Cooke Distillery	Redwood Empire Distilling	Produces a range of brown spirits, including bourbon, whiskey, and rye.	-	-	-
12/19/24	Seoul Juice	FoodStory Brands	Markets sugar-free pear juices.	-	-	-
12/09/24	Cameron Hughes Wine	Full Glass Wine	Operates as an online wine club and direct-to-consumer retailer.	-	-	-
12/04/24	Taft's Brewing	Cincinnati Beverage	Brews craft beer and offers food and beverage service.	-	-	-
12/03/24	SVEKDA Brand	Sazerac	Retails a well known vodka brand.	-	-	-
12/03/24	Cruz Blanca Brewery	Molson Coors (NYSE:TAP)	Operates as a brewery that brews and distributes beers.	-	-	-
12/02/24	Tea Business of Harris Freeman	TreeHouse Foods (NYSE:THE)	Manufactures private label tea.	\$205.0	-	-
11/25/24	CK Distribution	Fast Casual (OTCPK:FCCI)	Produces and retails non-alcoholic drink mixes.	-	-	-
11/22/24	Dancing Goats Coffee	Dillanos Coffee Roasters	Functions as an artisan coffee roaster.	-	-	-
11/13/24	Treaty Oak Brewing and Distilling	High Basin Brands	Operates as a Texas-based Craft Brewer & Distiller.	-	-	-
11/08/24	Lone Pine	Lord Hobo Brewing	Produces and markets craft beer.	-	-	-
11/07/24	ZOA Energy	Molson Coors (NYSE:TAP)	Retails a healthy energy drink brand.	\$481.8	-	-
11/01/24	Big Beverages	Celsius Holdings (Nasdaq:CELH)	Co-manufactures Celsius products.	\$75.0	-	-
10/24/24	Ghost	Keurig Dr Pepper (Nasdaq:KDP)	Retails a fast-growing brand of energy drinks.	\$1,650.0	~3.0x	-
10/07/24	The Duckhorn (NYSE:NAPA)	Butterfly Equity	Produces and markets Napa Valley premium wines.	\$1,974.2	4.9x	13.8x
09/24/24	Ritual Beverage	Diageo North America	Manufactures non-alcoholic gin and whiskey spirits made with natural and distilled botanicals.	-	-	-
09/19/24	Splash Wines	Full Glass Wine	Operates as a U.S. wine marketer.	-	-	-
08/22/24	Doheny Road Spirits	Rodeo Drive Capital	Produces and markets tequila as a craft distiller.	-	-	-
08/16/24	Truss Beverage	Entrepreneurial Equity Partners	Manufactures non-alcoholic cannabis beverages.	-	-	-
08/06/24	Heretic Brewing	Calicraft Brewing	Produces and markets craft beer.	-	-	-
07/22/24	Carolina Wine Brands	Gonzalez Byass USA	Produces and markets wines from Chile.	-	-	-

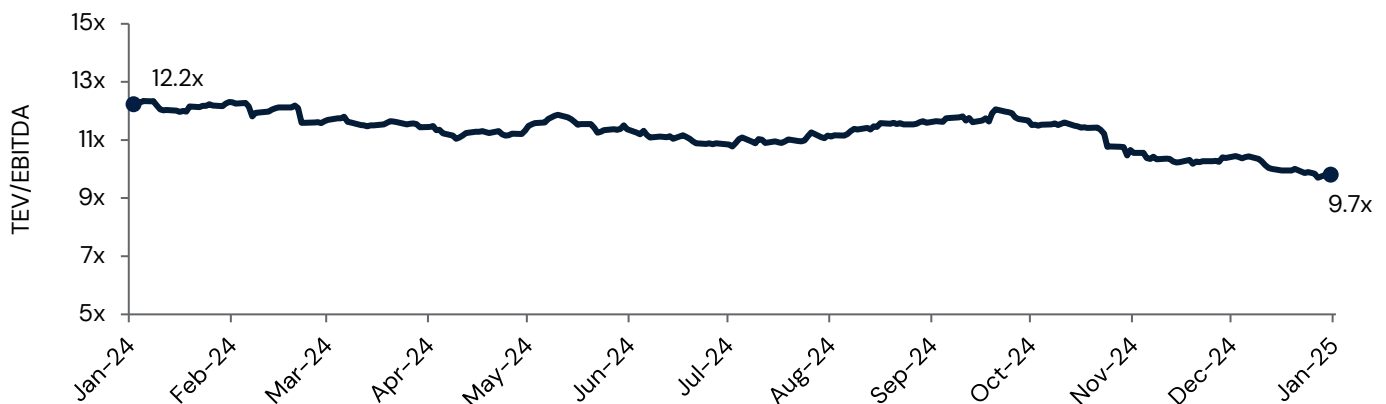
Blue shade indicates Capstone advised transaction; CF = confidential
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

PUBLIC COMPANY DATA: ALCOHOLIC BEVERAGES

	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
Company	01/08/24	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Ambev S.A.	\$1.90	79.4%	\$29,890.4	\$27,121.3	\$15,133.8	\$4,533.0	30.0%	1.8x	6.0x
Anheuser-Busch InBev SA/NV	\$49.49	76.8%	\$97,587.5	\$173,182.8	\$59,400.0	\$19,539.0	32.9%	2.9x	8.9x
Becle, S.A.B. de C.V.	\$1.09	52.3%	\$3,902.4	\$4,898.7	\$2,258.4	\$435.8	19.3%	2.2x	11.2x
Brown-Forman Corporation	\$36.23	59.4%	\$17,056.9	\$19,843.9	\$4,079.0	\$1,256.0	30.8%	4.9x	15.8x
Carlsberg A/S	\$95.19	69.0%	\$13,335.7	\$17,325.3	\$10,712.7	\$2,166.0	20.2%	1.6x	8.0x
Constellation Brands, Inc.	\$218.51	79.5%	\$39,667.5	\$52,052.9	\$10,190.8	\$4,182.7	41.0%	5.1x	12.4x
Corby Spirit and Wine Limited	\$8.89	88.1%	\$251.9	\$330.0	\$174.8	\$41.9	24.0%	1.9x	7.9x
Diageo plc	\$31.31	82.0%	\$69,564.7	\$92,407.3	\$20,269.0	\$7,032.0	34.7%	4.6x	13.1x
Heineken N.V.	\$71.11	70.4%	\$39,836.9	\$59,422.3	\$32,853.3	\$5,927.4	18.0%	1.8x	10.0x
Laurent-Perrier S.A.	\$103.66	76.9%	\$616.1	\$865.3	\$319.2	\$91.7	28.7%	2.7x	9.4x
Molson Coors Beverage Company	\$55.19	79.8%	\$11,376.2	\$17,203.1	\$11,682.2	\$2,501.9	21.4%	1.5x	6.9x
Pernod Ricard SA	\$112.73	66.1%	\$28,329.1	\$40,767.1	\$12,426.9	\$3,786.6	30.5%	3.3x	10.8x
Remy Cointreau SA	\$60.17	56.0%	\$3,120.1	\$3,787.9	\$1,216.9	\$361.4	29.7%	3.1x	10.5x
Royal Unibrew A/S	\$69.37	84.0%	\$3,472.2	\$4,219.8	\$2,229.4	\$387.4	17.4%	1.9x	10.9x
Sapporo Holdings Limited	\$48.45	81.6%	\$3,775.1	\$5,185.5	\$3,674.8	\$296.3	8.1%	1.4x	17.5x
Suntory Beverage & Food Limited	\$30.57	81.9%	\$9,447.5	\$9,351.2	\$11,698.6	\$1,677.8	14.3%	0.8x	5.6x
The Boston Beer Company	\$281.13	75.6%	\$3,182.5	\$2,965.1	\$2,004.3	\$255.3	12.7%	1.5x	11.6x
Treasury Wine Estates Limited	\$6.92	85.2%	\$5,617.5	\$6,689.7	\$1,873.7	\$287.1	15.3%	3.6x	23.3x
Vina Concha y Toro S.A.	\$1.08	83.5%	\$796.8	\$1,267.1	\$1,042.0	\$166.2	15.9%	1.2x	7.6x
				Mean			23.8%	2.6x	11.1x
				Median			22.7%	2.0x	10.6x
				Harmonic Mean			20.2%	2.0x	9.8x
EV = enterprise value; LTM = last twelve-month \$ in millions, except per share data									

Source: Capital IQ and Capstone Partners as of January 8, 2025

Alcoholic Beverages Index EBITDA Multiple Exhibits 20% Decline Over 2024

LTM = Last Twelve-Month; TEV = Total Enterprise Value
Source: Capital IQ and Capstone Partners as of January 8, 2024

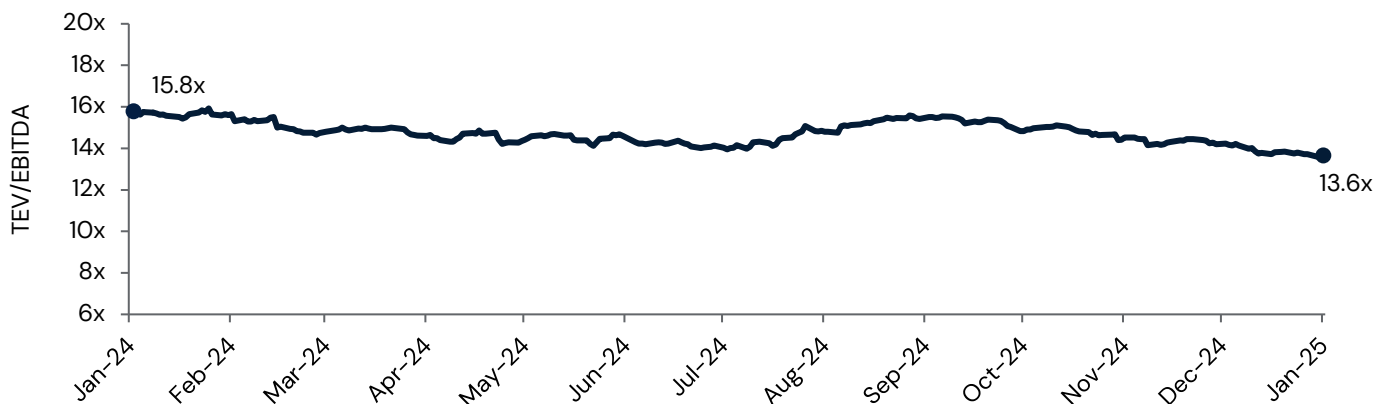
PUBLIC COMPANY DATA: NON-ALCOHOLIC BEVERAGES

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	01/08/24	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
A.G. BARR p.l.c.	\$7.42	86.6%	\$825.2	\$776.0	\$528.2	\$81.4	15.4%	1.5x	9.5x
Britvic plc	\$16.36	98.3%	\$4,052.7	\$4,910.5	\$2,545.2	\$366.8	14.4%	1.9x	13.4x
Celsius Holdings, Inc.	\$29.20	29.3%	\$6,862.9	\$6,789.5	\$1,370.9	\$239.2	17.4%	5.0x	28.4x
Danone S.A.	\$67.94	96.5%	\$43,728.6	\$54,207.5	\$29,153.5	\$5,340.2	18.3%	1.9x	10.2x
Fevertree Drinks PLC	\$8.26	53.0%	\$964.5	\$899.1	\$457.1	\$40.1	8.8%	2.0x	22.4x
Keurig Dr Pepper Inc.	\$30.68	80.1%	\$41,616.0	\$57,873.0	\$15,148.0	\$4,470.0	29.5%	3.8x	12.9x
Lassonde Industries	\$133.45	100.0%	\$910.3	\$1,291.8	\$1,828.6	\$178.4	9.8%	0.7x	7.2x
Mondelez International, Inc.	\$58.29	75.5%	\$77,945.1	\$96,890.1	\$36,151.0	\$8,746.0	24.2%	2.7x	11.1x
Monster Beverage Corporation	\$51.55	84.2%	\$50,133.4	\$49,316.3	\$7,410.8	\$2,130.2	28.7%	6.7x	23.2x
National Beverage Corp.	\$42.88	80.2%	\$4,014.2	\$3,946.9	\$1,188.1	\$265.7	22.4%	3.3x	14.9x
Nestle S.A.	\$82.49	74.5%	\$212,110.3	\$278,331.1	\$102,499.4	\$22,243.5	21.7%	2.7x	12.5x
Nichols plc	\$16.05	96.6%	\$586.3	\$500.7	\$213.8	\$36.8	17.2%	2.3x	13.6x
PepsiCo, Inc.	\$145.40	79.3%	\$201,804.9	\$238,919.9	\$91,920.0	\$18,361.0	20.0%	2.6x	13.0x
Primo Brands Corporation	\$31.69	97.8%	\$12,011.0	\$16,149.3	\$4,841.3	\$1,005.4	20.8%	3.3x	16.1x
Starbucks Corporation	\$92.84	89.9%	\$105,262.0	\$127,548.4	\$36,176.2	\$10,075.1	27.9%	3.5x	12.7x
The Coca-Cola Company	\$60.84	82.7%	\$262,086.4	\$292,676.4	\$46,366.0	\$17,021.0	36.7%	6.3x	17.2x
The Vita Coco Company, Inc.	\$34.01	89.8%	\$1,929.5	\$1,772.8	\$494.9	\$76.0	15.4%	3.6x	23.3x
Mean							20.5%	3.2x	15.4x
Median							20.0%	2.7x	13.4x
Harmonic Mean							17.9%	2.4x	13.6x

EV = enterprise value; LTM = last twelve-month
\$ in millions, except per share data

Source: Capital IQ and Capstone Partners as of January 8, 2025

Non-Alcoholic Beverages Index EBITDA Multiple Declines, Remains Above Alcoholic Beverage Counterparts

LTM = Last Twelve-Month; TEV = Total Enterprise Value
Source: Capital IQ and Capstone Partners as of January 8, 2024

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FIRM AWARDS & ACCOLADES

Capstone Partners is consistently recognized as an elite middle market firm by multiple leading industry organizations. This has afforded our clients with immediate market credibility in the acquirer and investor communities. From 2016 to 2024, Capstone has received 22 “investment banking firm of the year” awards from organizations such as The M&A Atlas Awards, The M&A Advisor, M&A Today, and ACQ5. A sampling of Capstone’s recent awards is shown below.



FIRM TRACK RECORD

Capstone's [Consumer Investment Banking Group](#) has represented numerous companies in the Consumer & Retail industry and has an extensive track record, with the Beverage sector serving as a key area of focus. A sampling of Capstone's closed transactions is included below.

<p>Project Spruce</p> <p>SELL-SIDE ADVISORY</p> <p> CAPSTONE PARTNERS</p>	<p>Project Amber</p> <p>SELL-SIDE ADVISORY</p> <p> CAPSTONE PARTNERS</p>	<p> HORIZON BEVERAGE</p> <p>HAS BEEN ACQUIRED BY</p> <p></p>	<p> Electrolit</p> <p>HAS SIGNED A MASTER DISTRIBUTION AGREEMENT WITH</p> <p></p>
<p> DFA Dairy Farmers of America</p> <p>HAS DIVESTED CERTAIN ASSETS TO</p> <p></p>	<p> THE MOUNTAIN VALLEY DAIRY PRODUCTS</p> <p>HAS BEEN ACQUIRED BY</p> <p></p>	<p> INDO-EUROPEAN</p> <p>HAS BEEN ACQUIRED BY</p> <p></p>	<p> WIRTZ BEVERAGE</p> <p>HAS BEEN ACQUIRED BY</p> <p></p>

Note: Transactions also include those completed by Capstone Advisors prior to joining the Capstone Partners platform



CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2024 Middle Market Business Owners Survey indicated growth strategies are a priority for 2025, the lion's share (40.7%) of owners anticipate a need for growth strategy support services. Similarly, 38.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Nearly one-third of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, 30.2% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2025



40.7%

Instituting a growth strategy



38.1%

Raising equity capital



32.4%

Accounting & audit support



30.2%

Accessing relevant industry research



20.2%

Raising debt capital



19.8%

Corporate restructuring

Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 278

ENDNOTES

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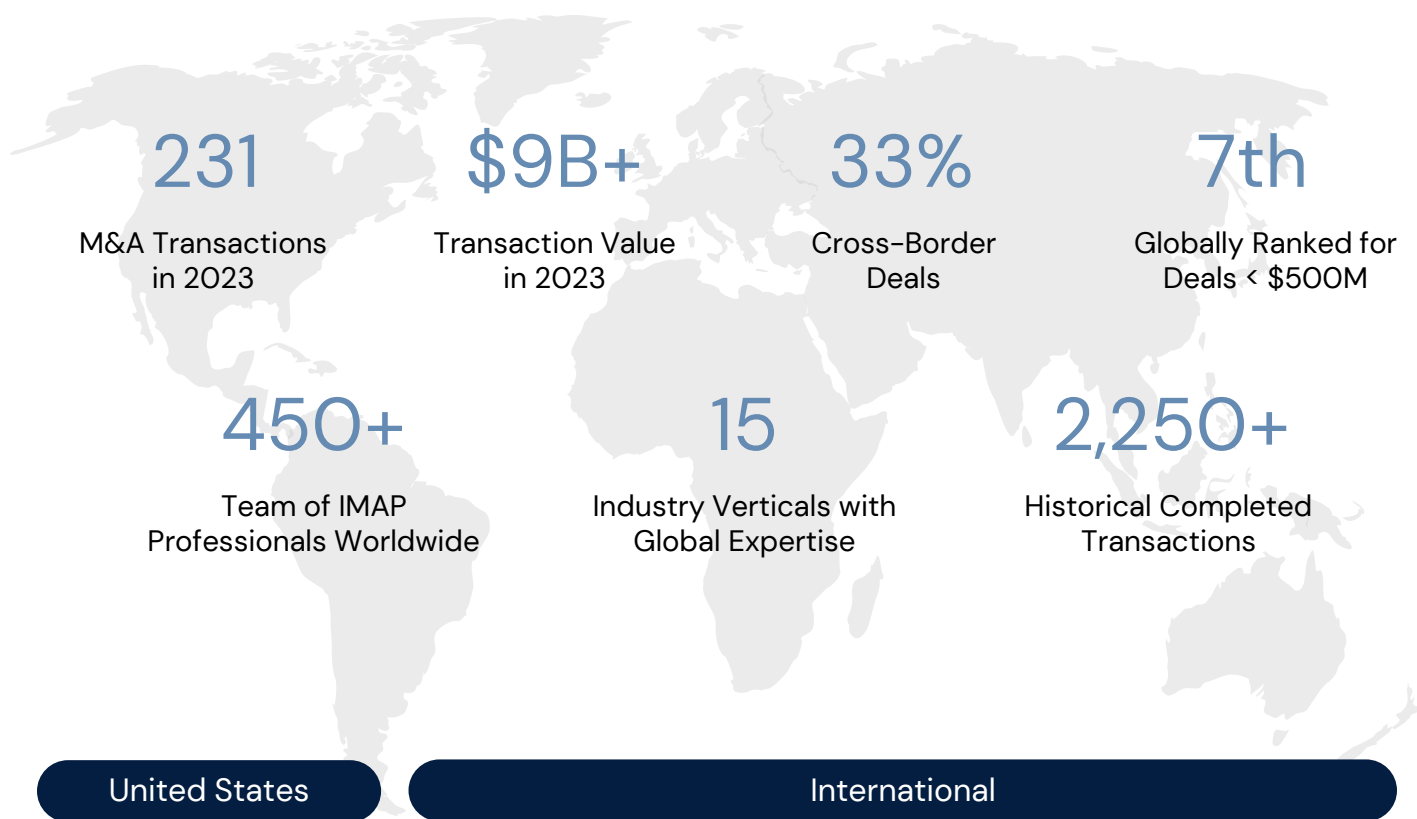
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Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 41 countries.



~200 professionals
8 offices

Boston • Denver • Chicago • Dallas
Detroit • Irvine • New York • Tampa

450+ professionals
60+ offices in 41 countries

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Africa: Congo • Egypt • Ghana • Mauritius • Morocco • Senegal • South Africa
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