

Quarterly Industry Update

As of March 31, 2017

Industry: Specialty Beverages



Industry Summary

Cogent Valuation identified Specialty Beverages publicly traded companies, IPOs, and recent M&A transactions within the Specialty Beverages industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2016, the median 52-week share price return of the Specialty Beverages industry was 9.5%. Between March 31, 2015 and March 31, 2017, the median EV/EBITDA multiple increased from 13.2 to 16.8. Furthermore, the median price-to-earnings multiple increased from 24.9 to 28.9 over the same period.

Comparable Public Company Key Statistics

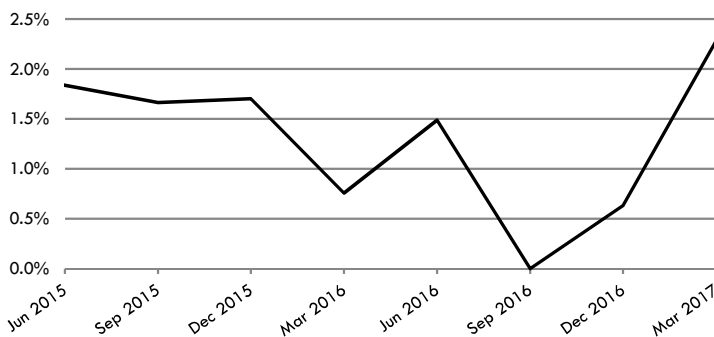
Median 52-Week Return	9.5%	Median EV/Revenue Multiple	4.1x	Median Price/Earnings Multiple	28.9x
Median 3-Year CAGR Return	21.6%	Median EV/EBITDA Multiple	16.8x	Median EV/Gross CF Multiple	34.4x

Comparable Public Company Market Price Returns As of March 31, 2017

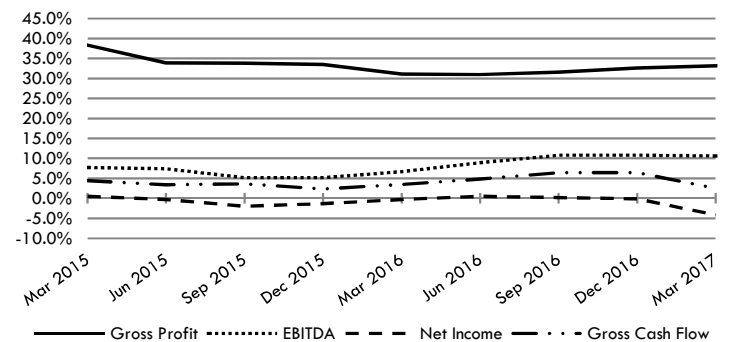
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2016	2015	2014	2013	2012
Celsius Holdings, Inc.	59.2%	59.2%	78.1%	76.6%	66.2%	57.7%	26.3%	288.0%	47.1%	68.7%	-4.0%
Cott Corporation	9.2%	9.2%	-11.3%	14.9%	13.3%	13.4%	3.0%	58.8%	-14.1%	0.3%	27.5%
Crystal Rock Holdings, Inc.	1.8%	1.8%	15.3%	7.4%	-3.0%	-4.6%	40.5%	-23.9%	-21.4%	-4.9%	35.6%
Dr Pepper Snapple Group, Inc.	8.0%	8.0%	9.5%	11.7%	21.6%	19.5%	-2.7%	30.0%	47.1%	10.3%	11.9%
Leading Brands, Inc.	17.2%	17.2%	-22.0%	-23.1%	-23.3%	-14.2%	-45.0%	-20.6%	-9.6%	1.8%	34.8%
Long Island Iced Tea Corp.	-6.5%	-6.5%	-57.6%	N/A	N/A	N/A	24.5%	N/A	N/A	N/A	N/A
Monster Beverage Corporation	4.1%	4.1%	3.8%	0.0%	25.9%	17.4%	-10.7%	37.5%	59.9%	28.3%	14.7%
National Beverage Corp.	65.5%	65.5%	99.7%	86.1%	63.0%	39.4%	12.4%	100.9%	12.2%	38.2%	-9.2%
New Age Beverages Corporation	-0.2%	-0.2%	1044.0%	243.5%	N/A	N/A	961.5%	14.7%	N/A	N/A	N/A
Primo Water Corporation	10.6%	10.6%	34.6%	61.1%	51.7%	47.4%	53.5%	85.6%	63.9%	121.0%	-60.9%
Reed's, Inc.	1.2%	1.2%	-11.1%	-13.8%	-10.0%	20.1%	-23.8%	-9.0%	-25.9%	40.5%	411.7%
Median of Industry Public Companies	8.0%	8.0%	9.5%	13.3%	21.6%	19.5%	12.4%	33.8%	12.2%	28.3%	14.7%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Specialty Beverages Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Specialty Beverages Industry

Date:	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017
EV/Revenues Multiple	1.7x	1.7x	1.9x	3.0x	2.5x	2.9x	2.6x	2.9x	4.1x
EV/EBITDA Multiple	13.2x	12.3x	15.2x	16.3x	15.4x	16.4x	13.9x	14.0x	16.8x
Price/Earnings Multiple	24.9x	41.1x	30.9x	35.4x	35.2x	46.2x	28.1x	28.9x	28.9x
EV/Gross Cash Flows Multiple	18.8x	17.5x	21.7x	26.5x	23.2x	27.8x	20.8x	20.9x	34.4x

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Quarterly Industry Update

As of March 31, 2017

Industry: Specialty Beverages



Industry Initial Public Offerings (dollars in millions, except share prices)

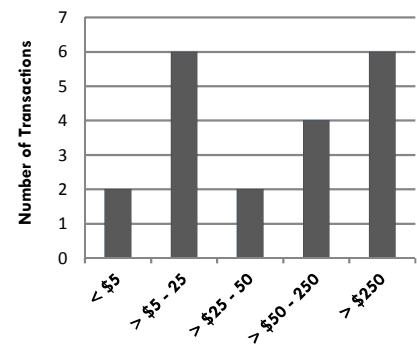
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
8/23/2012	Niagara Ventures Corporation	\$0.20	11.5	\$2.3	N/A	N/A	N/A	N/A	N/A	N/A
11/4/2010	Primo Water Corporation	\$12.00	8.3	\$100.0	\$30.5	\$23.6	\$43.5	(\$2.3)	(\$12.4)	\$1.4
12/12/2006	Reed's, Inc.	\$4.00	2.0	\$8.0	\$5.5	\$3.4	\$10.2	(\$1.0)	(\$1.7)	(\$0.9)
1/29/1998	AquaPenn Spring Water Company, Inc.	\$13.00	4.1	\$52.9	N/A	N/A	N/A	N/A	N/A	N/A
5/14/1997	Hawaiian Natural Water Company, Inc.	\$0.00	2.0	\$8.0	N/A	N/A	N/A	N/A	N/A	N/A
2/7/1997	Puro Water Group, Inc.	\$6.00	1.4	\$8.1	N/A	N/A	N/A	N/A	N/A	N/A
Median of All IPOs		nm	nm	\$8.1	\$18.0	\$13.5	\$26.9	(\$1.7)	(\$7.1)	\$0.3

nm: not meaningful, N/A: not applicable

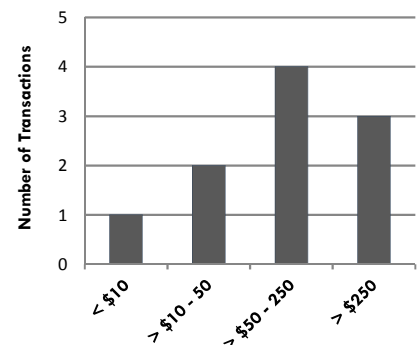
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
3/31/2017	Maverick Brands, LLC	New Age Beverages Co.	\$12.6	100%	N/A	N/A
1/31/2017	BAI Brands LLC	Mott's, LLP	\$1,700.0	97%	N/A	N/A
12/12/2016	Glacier Water Services, Inc.	Primo Water Corporation	\$255.5	100%	\$140.1	1.8x
8/2/2016	Eden Springs (Europe) SA	Cott Corporation	\$533.3	100%	\$340.4	1.6x
3/31/2016	DIS B.V.	Refresco Gerber N.V.	\$80.6	100%	\$100.7	0.8x
2/11/2016	Thirsty Brothers Pty Ltd	The Food Revolution Group	\$2.5	100%	N/A	N/A
1/4/2016	AquaTerra Corporation	Cott Corporation	\$45.6	100%	\$55.2	0.8x
12/31/2015	Nirvana, Inc.	Alder Creek Beverage	\$5.7	100%	N/A	N/A
9/30/2015	RM Fresh Brands Inc.	Legacy Ventures	\$2.6	100%	\$0.0	256.0x
8/3/2015	Kerr Concentrates, Inc.	Ingredient Incorporated	\$100.0	100%	N/A	N/A
7/23/2015	The Feel Good Drinks Company	Nichols plc	\$6.5	100%	N/A	N/A
5/1/2015	Henry H. Ottens Manufacturing	International Flavors &	\$199.2	100%	N/A	N/A
3/31/2015	American Beverage Corporation	Harvest Hill Beverage Co.	\$59.8	100%	\$114.3	0.5x
2/27/2015	Dongbu Farm Gaya Co., Ltd.	WOONGJIN FOODS CO., LTD.	\$12.2	94%	\$32.5	0.4x
2/2/2015	funkin Limited	A.G. BARR p.l.c.	\$31.5	100%	\$13.5	2.3x
12/12/2014	DSS Group, Inc.	Cott Corporation	\$1,246.5	100%	N/A	N/A
10/1/2014	WILD Flavors GmbH	Archer Daniels Midland	\$3,096.5	100%	\$1,360.3	2.3x
4/23/2014	Aguas de Fuensanta, S.A.	Global SMM 2009 S.L.	\$5.4	100%	N/A	N/A
1/31/2014	Innovacion de Bebidas S.A.	Valle, Ballina & Fernandez	\$5.1	100%	N/A	N/A
8/30/2013	DS Waters of America, Inc.	Crestview Partners, L.P.	\$887.5	100%	\$923.0	1.0x
Median of the 20 M&A Transaction Targets			\$52.7	100%	\$107.5	1.3x

Size of M&A Transactions



LTM Revenues Reported



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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