



BUY MNST
Current Price:
\$82.69



Expected Price:
\$100



Upside:
21%

BUY: Monster Beverage Corp. (NasdaqGS: MNST)



Consumer Staples Sector

Sector Head: Gaby Knafelman

Lead Analyst: Torrey Jacobson Evans

Supporting Analysts: Allison Choi, Ryan Faude, Bethany Goldstein

Agenda



Company Overview

Industry Overview

Investment Thesis

Valuation

Risks and Mitigants

Company Overview



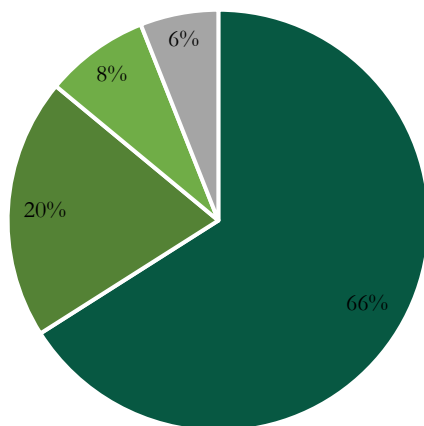
Business Model

Leading **developer, marketer, and distributor** of energy drink beverages

Has access to **Coca-Cola's distribution system** and is Coca-Cola's **sole** energy drink play

Strategic acquisition of the alcoholic beverage company **CANarchy Craft Brewery**

Geographic Breakdown

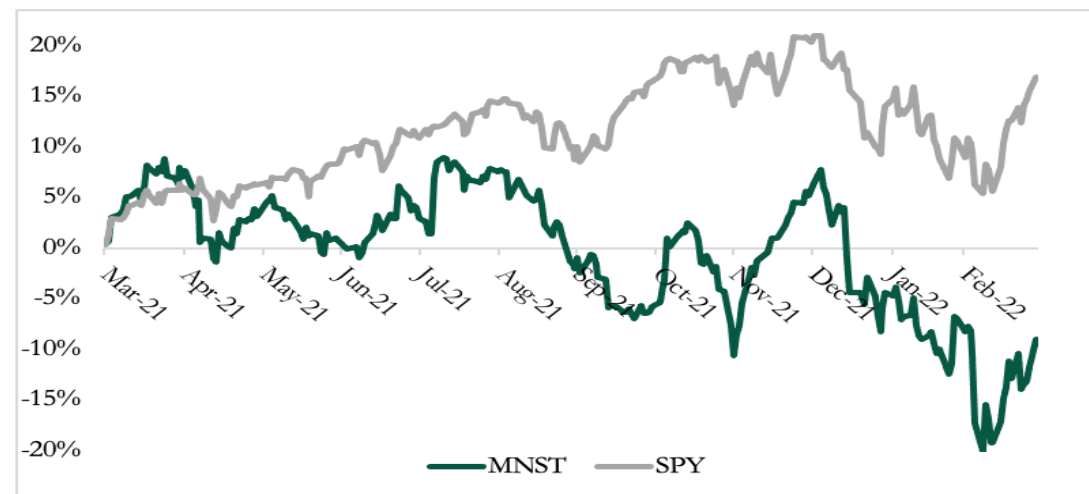


■ U.S. and Canada ■ Europe, Middle East, and Africa
■ Asia Pacific ■ Latin America and Caribbean

Revenue Segments

- 1 Monster Energy® Drinks - also includes Reign energy drinks and True North Energy Seltzers
- 2 Strategic Brands - energy drink brands acquired from Coca-Cola including NOS, Full Throttle, Burn, Mother, Nalu, Ultra and Relentless
- 3 Other - comprised of 'flavor' products sold by American Fruits and Flavors

Historical Stock Performance



— MNST — SPY

Industry Overview



Alternative Beverage

- “New age” beverages
- Sports drinks, energy drinks, and plant-based water
- Domestic wholesales sales have an estimate of approx. \$67.0 billion, 11.4% over estimates
- Popular among college students as a coffee alternative
- Dominant in North America

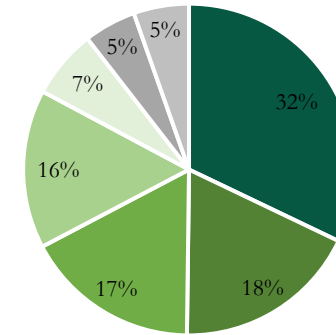
Emerging Key Trends

Sugar Free/Calorie Free

Flavor Diversification

Overall Increased Demand

Total Non-Alcoholic Beverage by Category & Share



- Sparkling Soft Drink
- Water
- Juice/Juice Drinks
- Energy Drinks
- Sports Drinks
- RTD Tea
- RTD Coffee

Competitors



International Growth



Shifting Consumer Habits

1

Health Focus

- Youth consumer preference towards healthier lifestyles
- Ingredients such as Taurine are essential for cardiovascular functions and skeletal muscular development

2

Convenience and Functionality

- Increased urbanization, disposable income, and the rise of long and erratic work hours
- Instant energy and with mental and physical stimulation
- Popularity as a coffee and soda substitute

Symbiotic Distribution Partnership

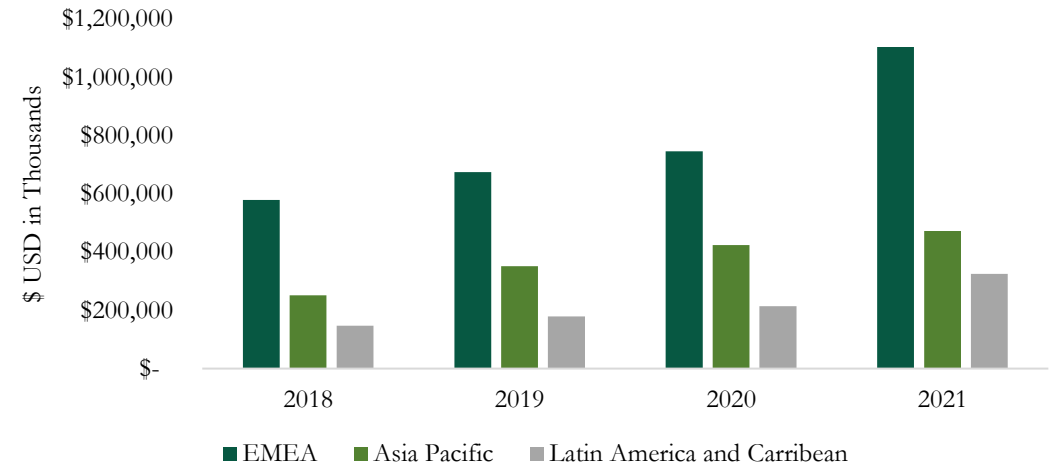
Coca-Cola is Monster Beverage Corp.'s preferred global distribution partner

Monster is Coca-Cola's primary energy drink play; the soft drink giant holds a 16.7% stake in Monster

Monster has unique access to Coke's entire distribution chain which operates in over 200 countries

"The most powerful and extensive system in the world" – Monster CEO Rodney Sacks

Revenue Growth Overseas



Unique & Novel Product Offerings

Monster is growing its product lineup to match its overseas expansion

In FY 2021, Monster sold energy drink beverages under 32 brand names

Q1 2022 saw the launch of 6 new product lines including Monster Aussie Lemonade and Reign Total

In February 2022, Monster entered the alcoholic beverage space acquiring CANArchy Craft Brewery

Post-Coronavirus Margin Expansion

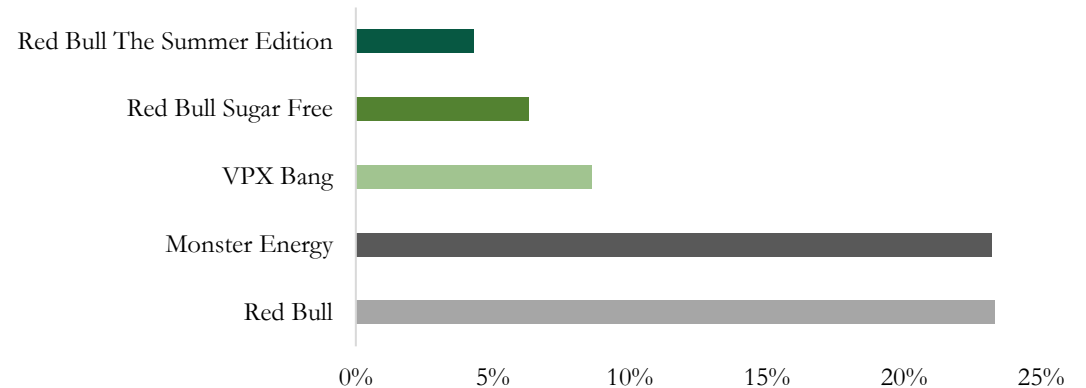


Elevated Pricing Power

Unfulfilled Demand	<ul style="list-style-type: none"> • Co-packing and aluminum supply crunch • Unmet demand within EMEA and USA • New flavor facility in Athy, Ireland for EMEA
Addictive Products	<ul style="list-style-type: none"> • 160 mg of Caffeine per Monster • 95 mg of Caffeine per cup of Coffee • 80 mg of Caffeine per Red Bull
Pricing Controls	<ul style="list-style-type: none"> • Reduced promotions and pricing actions • Streamlined control and operations • Has yet to implement a direct price increase

Industry Consolidation

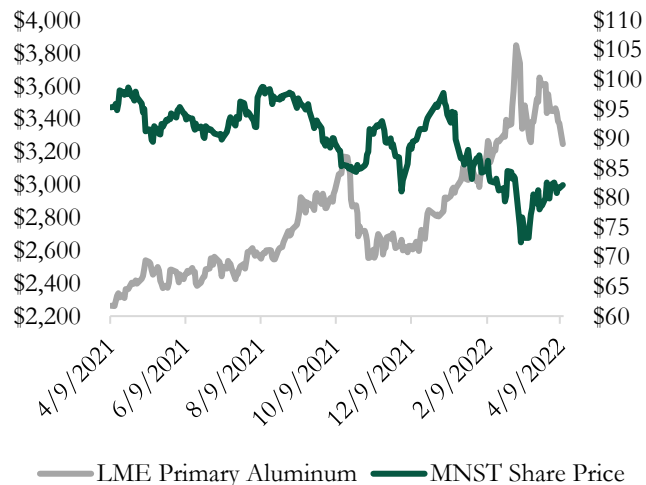
2021 Leading Energy Drink Brand by Market Share



Aluminum Price (USD per Ton) vs Share Price

Monster expanded its sourcing network within the US and EMEA to address supply constraints

Additional can manufacturing capacity in the U.S. has been secured for 2022



Brand Moat

1 Countercultural Marketing

- Brand equity is critical to an energy drink's success
- Necessity of unique marketing and sponsorship deals
- Sustained presence in motorsport and other extreme sports

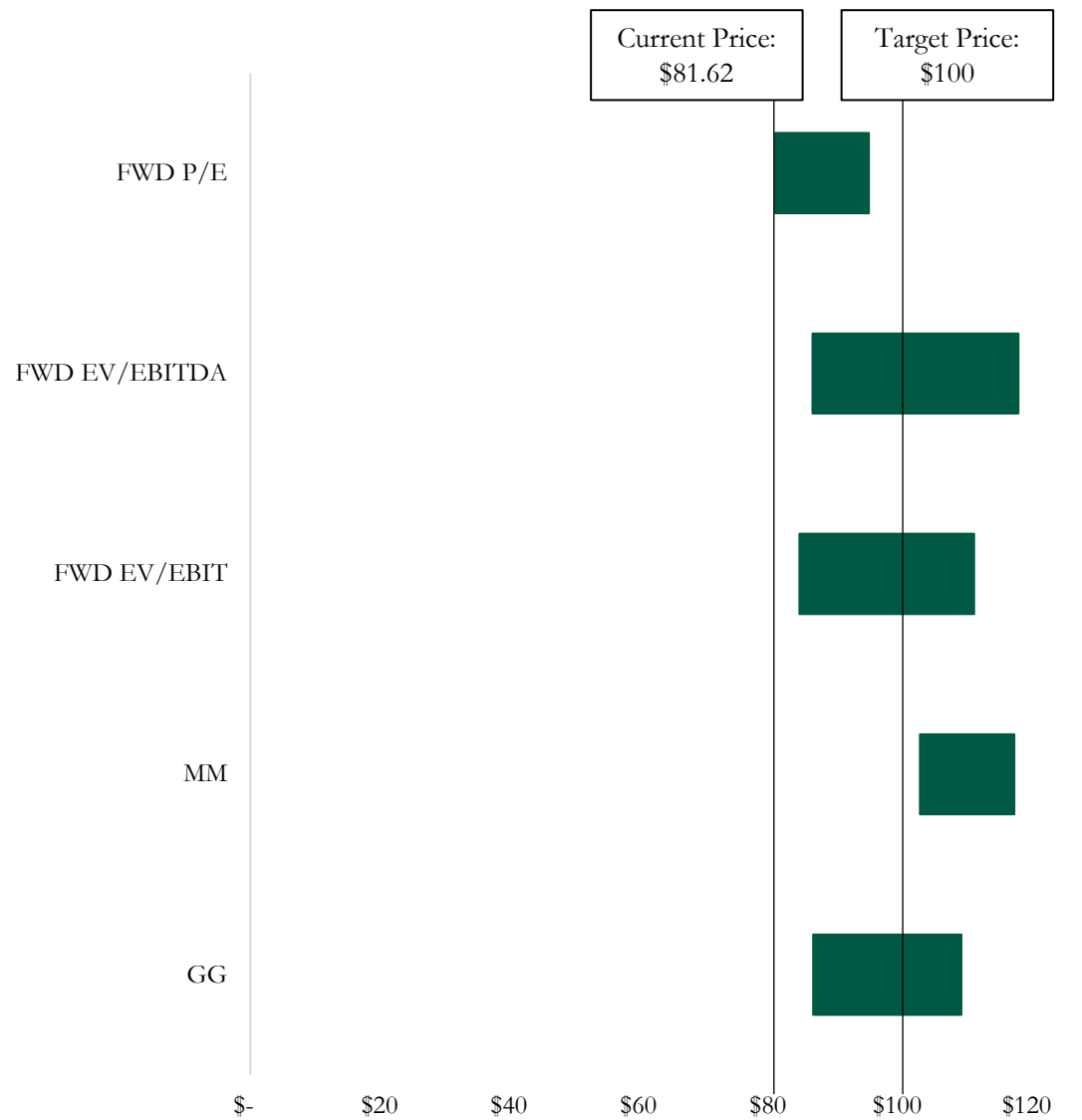
2 Big Beverage Blunders

- Consumer preference based on brand image, not price
- Low private-label penetration due to lack of pricing power
- Failure of Coca-Cola Energy highlights the need for lengthy, differentiated marketing campaigns to build brand equity

Valuation



Football Field Analysis



Valuation Weighting

Method	Share Price	Weight
GG	\$ 96.94	35%
MM	\$ 110.61	35%
FWD EV/EBITDA	\$ 100.85	10%
FWD EV/EBIT	\$ 95.50	10%
FWD P/E	\$ 92.77	10%
Share Price	\$ 101.55	

Sensitivity Tables

		Terminal Growth Rate				
		1.50%	2.00%	2.50%	3.00%	3.50%
WACC	7.52%	100.42	107.63	116.28	126.84	140.03
	8.02%	92.67	98.66	105.73	114.21	124.56
	8.52%	86.03	91.07	96.94	103.87	112.18
	9.02%	80.29	84.56	89.50	95.26	102.05
	9.52%	75.26	78.93	83.13	87.97	93.61

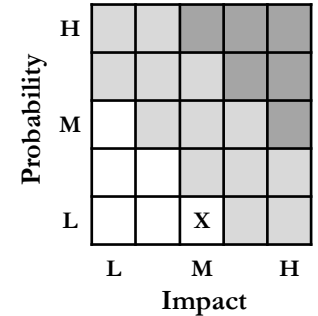
		Terminal Multiple				
		13.22	14.22	15.22	16.22	17.22
WACC	7.52%	103.65	109.58	115.51	121.44	127.36
	8.02%	101.45	107.24	113.02	118.81	124.59
	8.52%	99.31	104.96	110.61	116.25	121.90
	9.02%	97.23	102.74	108.26	113.77	119.28
	9.52%	95.21	100.59	105.97	111.35	116.73

Risks and Mitigants



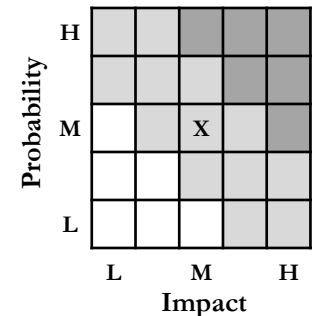
Reliance on Coca-Cola distribution chain

Acquisition of CANarchy Craft Brewery Collective includes access to their distribution network that mgmt. plans to build-out



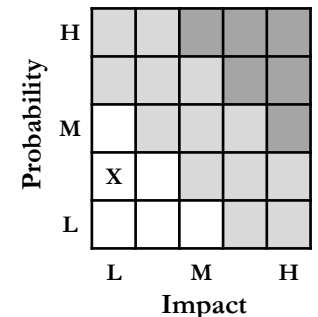
Ongoing supply chain disruption last past 2022

Mgmt. plans to offset increased costs with price increases and reduction in promotions; Additional can manufacturing capacity in US already secured for 2022



Reduced gas station traffic

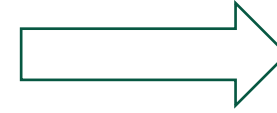
Past quarter saw increased demand from grocery, club stores, mass merchandisers and e-commerce; continued product launches offset lower gas station demand



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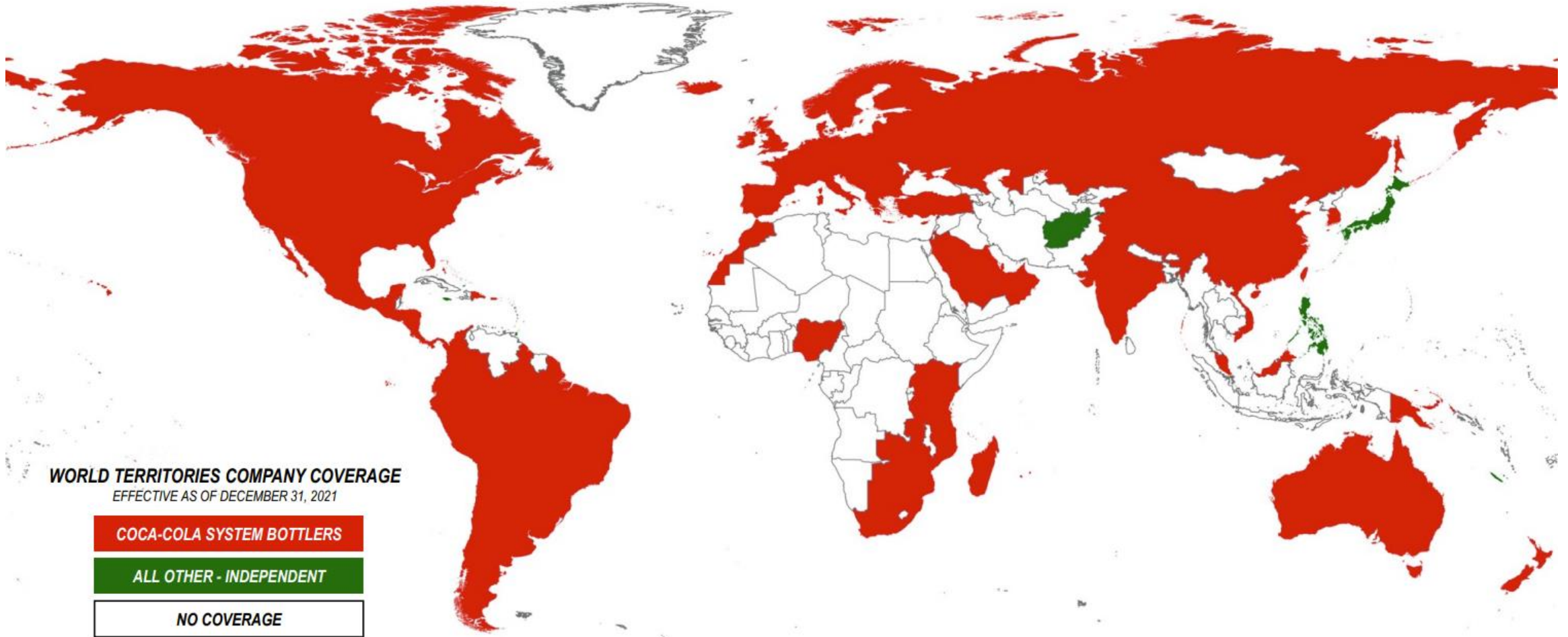


Upside:
21%

Thank You!

Questions?

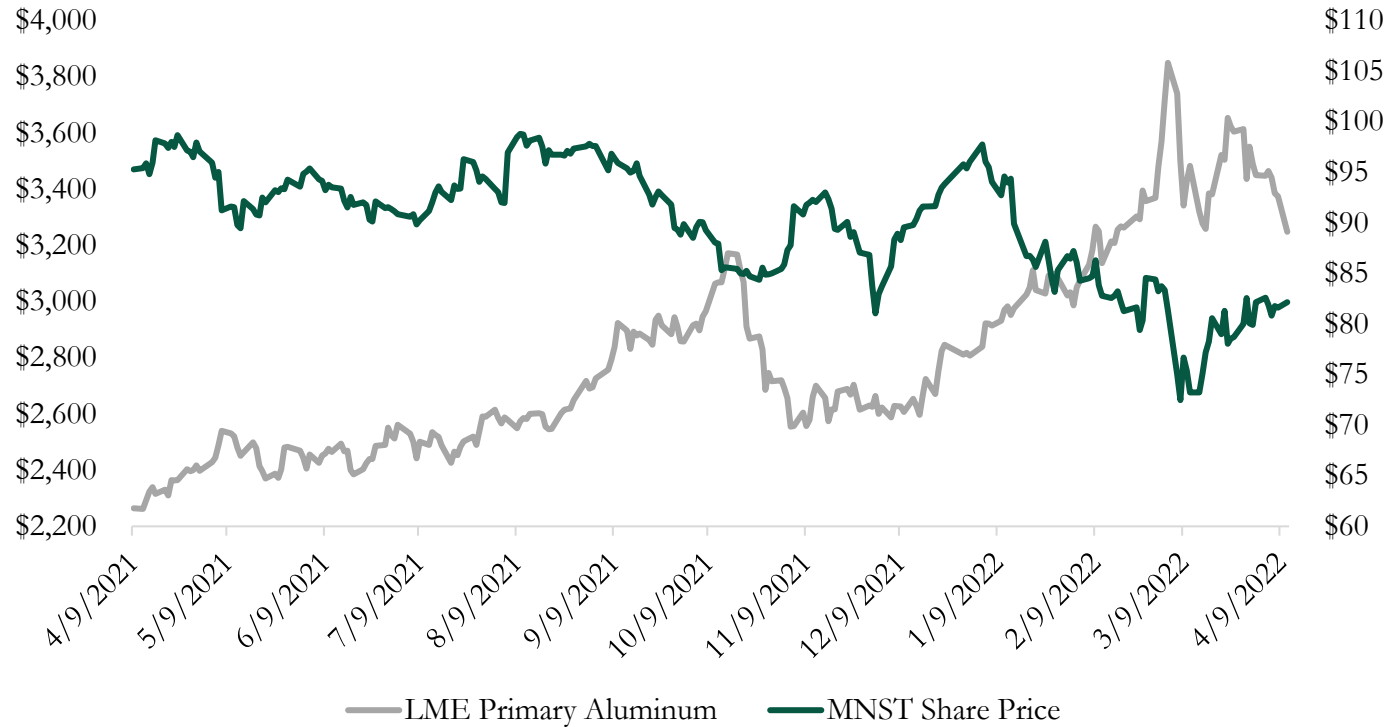
Appendix A: Coca-Cola Supply Chain



Appendix B: 2022 Price Sensitivity



2022 COGS		P/E Ratio				
		32.38	33.38	34.38	35.38	36.38
	42%	109.94	113.34	116.73	120.13	123.52
	44%	102.06	105.21	108.37	111.52	114.67
	46%	94.18	97.09	100.00	102.91	105.82
	48%	86.30	88.97	91.63	94.30	96.96
	50%	78.42	80.85	83.27	85.69	88.11



BUJF: Consumer Staples

Appendix C: Balance Sheet



Monster Beverage Corporation (NasdaqGS: MNST)												
Balance Sheet (in \$thousands)												
Quarter End	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21
Current assets:												
Cash and cash equivalents	\$ 618,344	\$ 888,247	\$ 717,617	\$ 797,957	\$ 701,836	\$ 921,326	\$ 1,074,730	\$ 1,180,413	\$ 1,178,879	\$ 1,584,239	\$ 1,712,671	\$ 1,326,462
Short-term investments	263,697	357,988	587,356	533,063	233,513	250,753	599,326	881,354	980,108	968,952	1,224,066	1,749,727
Accounts receivable, net	596,661	688,197	647,983	540,330	670,570	760,433	740,813	666,012	802,509	909,169	849,157	896,658
Inventories	300,780	299,529	317,745	360,731	352,305	340,536	318,956	333,085	368,402	382,890	471,553	593,357
Prepaid expenses and other current assets	63,685	58,477	58,390	54,868	71,865	78,425	75,958	55,358	72,803	83,086	95,607	82,668
Prepaid income taxes	64,133	34,330	31,669	29,360	18,633	19,977	16,064	24,733	31,171	22,339	30,619	33,238
Total current assets	1,907,300	2,326,768	2,360,760	2,316,309	2,048,722	2,371,450	2,825,847	3,140,955	3,433,872	3,950,675	4,383,673	4,682,110
Investments	-	7,006	14,370	12,905	13,922	2,077	20,571	44,291	63,751	91,033	28,255	99,419
Property and equipment, net	241,232	240,165	251,760	298,640	295,570	301,946	304,687	314,656	312,155	309,178	309,574	313,753
Deferred income taxes	85,215	85,148	85,148	84,777	84,777	84,777	84,777	241,650	241,650	241,297	241,297	225,221
Goodwill	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643	1,331,643
Other intangible assets, net	1,042,839	1,045,810	1,047,473	1,052,105	1,053,107	1,055,544	1,059,537	1,059,046	1,063,092	1,058,323	1,066,083	1,072,386
Other assets	47,622	47,792	46,212	53,973	53,756	46,376	70,621	70,475	88,203	89,394	88,883	80,252
Total assets	4,655,851	5,084,332	5,137,366	5,150,352	4,881,497	5,193,813	5,697,683	6,202,716	6,534,366	7,071,543	7,449,408	7,804,784
Current liabilities:												
Accounts payable	267,735	292,627	304,773	274,045	305,529	261,969	281,522	296,800	334,076	362,900	396,229	404,263
Accrued liabilities	117,350	124,659	112,318	114,075	145,224	142,848	168,398	142,653	170,954	172,498	180,719	210,964
Accrued promotional allowances	167,700	199,324	197,239	166,761	171,406	167,011	200,668	186,658	197,380	227,414	232,394	211,461
Accrued distributor terminations	10,272	427	-	-	-	-	-	-	-	-	-	-
Deferred revenue	43,591	43,839	43,805	44,237	44,844	44,894	45,538	45,429	45,961	46,656	45,278	42,530
Accrued compensation	18,211	29,445	35,747	47,262	21,827	35,646	45,555	55,015	30,499	46,770	54,507	65,459
Income taxes payable	6,113	15,179	20,334	14,717	12,711	22,497	32,082	23,433	9,991	31,289	23,113	30,399
Total current liabilities	630,972	705,500	714,216	661,097	701,541	674,865	773,763	749,988	788,861	887,527	932,240	965,076
Deferred revenue	303,241	298,375	292,101	287,469	278,393	272,926	268,281	264,436	257,730	252,056	245,621	243,249
Other liabilities	22,818	22,871	23,071	30,505	30,617	24,482	26,318	27,432	28,338	26,462	26,550	29,508
Total liabilities	957,031	1,026,746	1,029,388	979,071	1,010,551	972,273	1,068,362	1,041,856	1,074,929	1,166,045	1,204,411	1,237,833
Stockholders' equity:												
Common stock	3,174	3,180	3,181	3,182	3,186	3,190	3,192	3,193	3,196	3,198	3,199	3,200
Additional paid-in capital	4,288,638	4,350,177	4,370,280	4,397,511	4,428,580	4,474,379	4,513,743	4,537,982	4,562,689	4,597,333	4,626,299	4,652,620
Retained earnings	4,176,130	4,468,603	4,767,526	5,022,480	5,301,315	5,612,684	5,960,338	6,432,074	6,747,268	7,151,030	7,488,235	7,809,549
Accumulated other comprehensive (loss) income	(34,125)	(28,756)	(43,083)	(32,387)	(62,682)	(53,438)	(32,529)	3,034	(24,874)	(16,822)	(43,495)	(69,165)
Common stock in treasury, at cost	(4,734,997)	(4,735,618)	(4,989,926)	(5,219,505)	(5,799,453)	(5,815,275)	(5,815,423)	(5,815,423)	(5,828,842)	(5,829,241)	(5,829,241)	(5,829,253)
Total stockholders' equity	3,698,820	4,057,586	4,107,978	4,171,281	3,870,946	4,221,540	4,629,321	5,160,860	5,459,437	5,905,498	6,244,997	6,566,951
Total liabilities and stockholders' equity	\$ 4,655,851	\$ 5,084,332	\$ 5,137,366	\$ 5,150,352	\$ 4,881,497	\$ 5,193,813	\$ 5,697,683	\$ 6,202,716	\$ 6,534,366	\$ 7,071,543	\$ 7,449,408	\$ 7,804,784

Appendix D: Income Statement



Monster Beverage Corporation (NasdaqGS: MNST)									
Income Statement (in \$thousands except per share amounts)									
Quarter End	FY 19	FY 20	FY 21	FY 22E	FY 23E	FY 24E	FY 25E	FY 26E	FY 27E
Net sales	\$ 4,200,819	\$ 4,598,638	\$ 5,541,352	\$ 6,434,107	\$ 7,413,794	\$ 8,447,184	\$ 9,540,193	\$ 10,679,284	\$ 11,847,651
Cost of sales	1,682,234	1,874,758	2,432,839	2,939,404	3,017,816	3,378,874	3,816,077	4,164,921	4,620,584
<i>as a % of Sales</i>	40%	41%	44%	46%	41%	40%	40%	39%	39%
Gross profit	2,518,585	2,723,880	3,108,513	3,494,703	4,395,979	5,068,311	5,724,116	6,514,363	7,227,067
Operating expenses	1,115,646	1,090,727	1,311,046	1,586,855	1,754,094	1,914,121	2,161,796	2,419,912	2,684,662
<i>as a % of Sales</i>	27%	24%	24%	25%	24%	23%	23%	23%	23%
Operating income	1,402,939	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
Other income (expense), net	13,023	(6,996)	3,952	4,859	5,612	6,394	7,222	8,084	8,968
<i>as a % of Sales</i>	0.3%	-0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Income before provision for income taxes	1,415,962	1,626,157	1,801,419	1,912,707	2,647,497	3,160,584	3,569,542	4,102,535	4,551,373
Provision for income taxes	308,127	216,563	423,944	374,614	518,527	619,018	699,115	803,504	891,412
Net income	\$ 1,107,835	\$ 1,409,594	\$ 1,377,475	\$ 1,538,092	\$ 2,128,970	\$ 2,541,566	\$ 2,870,427	\$ 3,299,031	\$ 3,659,961
Net income per common share:									
Basic	\$ 2.04	\$ 2.66	\$ 2.61	\$ 2.91	\$ 4.03	\$ 4.81	\$ 5.43	\$ 6.24	\$ 6.92
Diluted	\$ 2.03	\$ 2.64	\$ 2.57	\$ 2.87	\$ 3.97	\$ 4.74	\$ 5.36	\$ 6.16	\$ 6.83
Weighted average number of shares of common stock and common stock equivalents:									
Basic	542,191	529,639	528,763	528,763	528,763	528,763	528,763	528,763	528,763
Diluted	546,608	534,807	535,639	535,639	535,639	535,639	535,639	535,639	535,639

Appendix E: Cash Flow Statement



Monster Beverage Corporation (NasdaqGS: MNST)			
Balance Sheet (in \$thousands)			
Quarter End	FY 19	FY 20	FY 21
Cash flows from operating activities:			
Net income	\$ 1,107,835	\$ 1,409,594	\$ 1,377,475
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	60,727	57,030	50,155
Non-cash lease expense	4,087	3,943	4,107
Gain on disposal of property and equipment	(252)	(350)	(1,013)
Loss on impairment of intangibles	0	8,700	0
Stock-based compensation	63,356	70,289	70,483
Deferred income taxes	1,263	(156,873)	16,429
Effect on cash of changes in operating assets and liabilities:			
Accounts receivable	(59,941)	(119,672)	(254,228)
Inventories	(85,222)	30,304	(277,793)
Prepaid expenses and other assets	(13,774)	1,024	(29,341)
Prepaid income taxes	9,481	5,516	(10,919)
Accounts payable	28,832	18,696	114,297
Accrued liabilities	(14,018)	26,113	71,586
Accrued promotional allowances	21,943	13,762	31,498
Accrued compensation	7,228	7,501	7,950
Income taxes payable	8,105	10,422	7,221
Other liabilities	(1,030)	(356)	492
Deferred revenue	(24,858)	(21,480)	(22,658)
Net cash provided by operating activities	1,113,762	1,364,163	1,155,741
Cash flows from investing activities:			
Sales of available-for-sale investments	851,436	920,196	1,488,599
Proceeds from sale of property and equipment	1,239	993	1,328
Purchases of available-for-sale investments	(1,067,736)	(1,299,981)	(2,413,143)
Purchases of property and equipment	(101,661)	(48,722)	(43,868)
Additions to intangibles	(8,737)	(18,550)	(13,585)
Increase in other assets	(1,265)	(26,423)	(11,353)
Net cash used in investing activities	(326,724)	(472,487)	(992,022)
Cash flows from financing activities:			
Borrowings (payments) on debt	(13,569)	(3,086)	2,928
Issuance of common stock	92,363	72,936	45,723
Purchases of common stock held in treasury	(707,300)	(595,918)	(13,830)
Net cash provided by (used in) financing activities	(628,506)	(526,068)	34,821
Effect of exchange rate changes on cash and cash equivalents	1,912	16,848	(52,491)
Net increase in cash and cash equivalents	160,444	382,456	146,049
Cash and cash equivalents, beginning of year	637,513	797,957	1,180,413
Cash and cash equivalents, end of year	797,957	1,180,413	1,326,462

Appendix F: Revenue Build



Monster Beverage Corporation (NasdaqGS: MNST)									
Revenue Build (in \$thousands)									
Quarter End	FY 19	FY 20	FY 21	FY 22E	FY 23E	FY 24E	FY 25E	FY 26E	FY 27E
Total Revenue	\$ 4,200,819	\$ 4,598,638	\$ 5,541,352	\$ 6,434,107	\$ 7,413,794	\$ 8,447,184	\$ 9,540,193	\$ 10,679,284	\$ 11,847,651
<i>% Growth</i>		9%	20%	16%	15%	14%	13%	12%	11%
Monster Energy Drinks	3,904,029	4,305,246	5,220,673	6,066,090	6,993,190	7,972,236	9,008,627	10,089,662	11,199,525
<i>% Growth</i>		10%	21%	16%	15%	14%	13%	12%	11%
Strategic Brands	274,925	266,354	294,762	338,463	387,076	437,396	489,884	543,771	598,148
<i>% Growth</i>		-3%	11%	15%	14%	13%	12%	11%	10%
Other	21,865	27,038	25,917	29,554	33,529	37,552	41,683	45,851	49,977
<i>% Growth</i>		24%	-4%	14%	13%	12%	11%	10%	9%

BUIF: Consumer Staples

Appendix G: NWC



NWC Projection	FY19	FY20	FY21	FY 22E	FY 23E	FY 24E	FY 25E	FY26E	FY27E
Current Assets									
Net Sales	\$ 4,200,819	\$ 4,598,638	\$ 5,541,352	\$ 6,434,107	\$ 7,413,794	\$ 8,447,184	\$ 9,540,193	\$ 10,679,284	\$ 11,847,651
Accounts receivable	540,330	666,012	896,658	1,049,930	1,230,110	1,424,714	1,635,200	1,859,700	2,095,620
<i>AR Days</i>	46.95	52.86	59.06	59.56	60.56	61.56	62.56	63.56	64.56
COGS	1,682,234	1,874,758	2,432,839	2,939,404	3,017,816	3,378,874	3,816,077	4,164,921	4,620,584
Inventories	360,731	333,085	593,357	716,906	744,298	842,604	962,087	1,050,035	1,164,914
<i>Inventory Days</i>	78.27	64.85	89.02	89.02	90.02	91.02	92.02	92.02	92.02
Operating expenses	1,115,646	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
Prepaid expenses and other current assets	71,865	55,358	82,668	91,770	129,720	158,028	182,039	213,326	241,207
<i>as a % of Operating expenses</i>	6.44%	3.39%	4.60%	4.81%	4.91%	5.01%	5.11%	5.21%	5.31%
Total Current Assets	\$ 972,926	\$ 1,054,455	\$ 1,572,683	\$ 1,858,606	\$ 2,104,127	\$ 2,425,347	\$ 2,779,326	\$ 3,123,061	\$ 3,501,741
Current Liabilities									
COGS	1,682,234	1,874,758	2,432,839	2,939,404	3,017,816	3,378,874	3,816,077	4,164,921	4,620,584
Accounts payable	296,800	296,800	404,263	494,824	512,158	578,062	658,087	723,951	809,484
<i>AP Days</i>	64.40	57.78	60.65	61.44	61.94	62.44	62.94	63.44	63.94
Operating expenses	1,115,646	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
Accrued promotional allowances	167,700	199,324	197,239	242,994	333,843	395,427	443,030	505,114	555,834
<i>as a % of Operating expenses</i>	15.03%	12.20%	10.97%	12.74%	12.64%	12.54%	12.44%	12.34%	12.24%
Operating expenses	1,115,646	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
Accrued Compensation	47,262	55,015	65,459	71,523	100,362	121,401	138,891	161,685	181,646
<i>as a % of Operating expenses</i>	4.24%	3.37%	3.64%	3.75%	3.80%	3.85%	3.90%	3.95%	4.00%
Operating expenses	1,115,646	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
Accrued Liabilities	114,075	142,653	210,964	195,215	270,323	322,743	364,503	418,952	464,788
<i>as a % of Operating expenses</i>	10.23%	8.73%	11.74%	10.23%	10.23%	10.23%	10.23%	10.23%	10.23%
Total Current Liabilities	625,837	693,792	877,925	1,004,556	1,216,686	1,417,633	1,604,511	1,809,702	2,011,751
NWC	347,089	360,663	694,758	854,050	887,441	1,007,714	1,174,814	1,313,358	1,489,990
Change in NWC		13,574	334,095	159,292	33,391	120,274	167,100	138,544	176,631

Appendix H: DCF



Monster Beverage Corporation (NasdaqGS: MNST)									
Discounted Cash Flow									
<i>Figures in Thousands USD</i>	FY19	FY20	FY21	FY 22E	FY 23E	FY 24E	FY 25E	FY26E	FY27E
Revenue	\$ 4,200,819	\$ 4,598,638	\$ 5,541,352	\$ 6,434,107	\$ 7,413,794	\$ 8,447,184	\$ 9,540,193	\$ 10,679,284	\$ 11,847,651
<i>% Growth</i>		9.5%	20.5%	16.1%	15.2%	13.9%	12.9%	11.9%	10.9%
EBIT	1,402,939	1,633,153	1,797,467	1,907,848	2,641,885	3,154,190	3,562,320	4,094,451	4,542,404
<i>EBIT Margin</i>	33.4%	35.5%	32.4%	29.7%	35.6%	37.3%	37.3%	38.3%	38.3%
NOPAT	1,097,646	1,415,658	1,374,453	1,534,185	2,124,457	2,536,424	2,864,620	3,292,530	3,652,749
<i>Implied Tax Rate</i>	21.8%	13.3%	23.5%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
Plus: D&A	60,727	57,030	50,155	88,892	102,427	116,704	131,805	147,542	165,304
Less: CapEx	101,661	48,722	43,868	43,868	91,604	105,552	120,264	135,826	152,043
Less: Change in NWC	0	13,574	334,095	159,292	33,391	120,274	167,100	138,544	176,631
FCFF	1,056,712	1,410,392	1,046,645	1,419,917	2,101,889	2,427,302	2,709,060	3,165,702	3,489,379
Discount Factor				0.25	1.25	2.25	3.25	4.25	5.25
Terminal Value (growth)									59,442,332
Terminal Value (multiple)									70,688,225
Cash Flows (growth)				1,419,917	2,101,889	2,427,302	2,709,060	3,165,702	62,931,711
Cash Flows (multiple)				1,419,917	2,101,889	2,427,302	2,709,060	3,165,702	74,177,603
PV of CF (growth)				1,391,197	1,897,745	2,019,549	2,077,072	2,236,688	40,973,903
PV of CF (multiple)				1,391,197	1,897,745	2,019,549	2,077,072	2,236,688	48,295,936

BUJIF: Consumer Staples

Appendix I: Comps



Monster Beverage Corporation (NasdaqGS: MNST)

Comparable Companies

Figures in Thousands USD

Company	Ticker	Price	Shares Outstanding	Market Cap	Cash	Debt	Minority Interest	EV	EPS	EV/Reven	EV/EBIT	EV/EBITD	P/E	FWD EV/Reven	FWD EV/EBIT	FWD EV/EBITD	FWD P/E
Monster Beverage Corporation	MNST	\$81.62	535,639	43,718,855	1,326,462	-	-	42,392,393	2.57	7.65	23.58	22.94	31.74	5.72	16.05	15.45	20.54
The Coca-Cola Co.	KO	\$62.87	4,340,000	272,855,800	9,684,000	23,257,000	-	286,428,800	2.33	7.49	26.06	22.3	26.80	6.9	23.64	20.81	23.66
PepsiCo, Inc.	PEP	\$169.76	1,389,000	235,796,640	5,596,000	40,334,000	-	270,534,640	6.28	3.41	23.76	19.2	27.08	3.19	20.72	16.7	23.34
Keurig Dr Pepper	KDP	\$38.24	1,427,900	54,602,896	567,000	11,882,000	-	65,917,896	1.49	5.12	20.45	16.34	25.03	4.68	17.26	14.99	20.15
National Beverage	FIZZ	\$44.68	93,511	4,178,071	40,372,000	50,000,000	-	13,806,071	1.5	3.66	18.98	16.61	30.48	3.57	18.86	17.22	24.45
Minimum									1.49	3.41	18.98	16.34	25.03	3.19	16.05	14.99	20.15
Quartile 1									1.50	3.54	19.72	16.48	25.92	3.38	16.65	15.22	20.34
Median									2.33	5.12	23.58	19.20	27.08	4.68	18.86	16.70	23.34
Quartile 3									4.43	7.57	24.91	22.61	31.11	6.31	22.18	19.02	24.06
Maximum									6.28	7.65	26.06	22.94	31.74	6.90	23.64	20.81	24.45
Average									2.83	5.47	22.57	19.47	28.23	4.81	19.31	17.03	22.43
Average (excl MNST)									2.90	4.92	22.31	18.61	27.35	4.59	20.12	17.43	22.90

Appendix J: WACC



Monster Beverage Corporation (NasdaqGS: MNST)

WACC

Risk Free Rate	2.38%
Beta	0.93
Equity Risk Premium	6.62%
Expected Market Return	9.00%
Weight of Equity	100%
Cost of Equity	8.5%

Implied Tax Rate	20%
Weight of Debt	0%
Cost of Debt	0%

WACC 8.52%

MV Equity	43,718,855
<i>Share Price</i>	\$81.62
<i>Shares Outstanding</i>	535,639

BV Debt 0

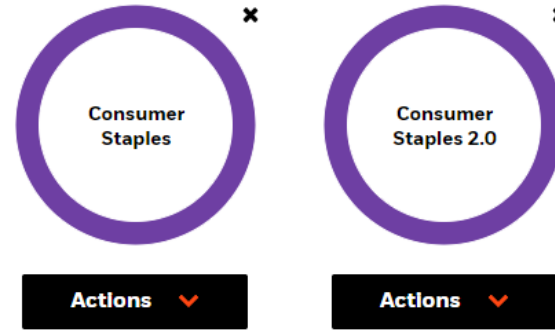
Appendix K: BlackRock Aladdin



Portfolio Holdings

		Consumer Staples Last updated 04/13/2022	Consumer Staples 2.0 Last updated 04/13/2022
US Equities		100.00%	100.00%
DAR	DARLING INGREDIENTS INC	11.63%	10.13%
EL	ESTEE LAUDER INC CLASS A	16.65%	14.50%
MNST	MONSTER BEVERAGE CORP	-	12.70%
PEP	PEPSICO INC	17.83%	15.70%
STZ	CONSTELLATION BRANDS INC CLASS A	10.18%	8.87%
TGT	TARGET CORP	43.71%	38.10%

Appendix K: BlackRock Aladdin



Snapshot

Common Period 1 Year 3 Year 5 Year

March 2003 - February 2022

The historical period for which returns are available for all holdings. The common period begins at the inception date of the class.

→ **What is defining the common period?**

PERFORMANCE

Annualized Return ⓘ

As of 2/28/22

• Annualized Return	16.74%	21.14%
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12 Month Trailing Yield ⓘ

As of 2/28/22

	1.37%	1.20%
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Upside/Downside Capture vs S&P500 ⓘ

As of 2/28/22

• Gross of an advisory fee	102.30% / 69.99%	114.54% / 64.75%
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Appendix K: BlackRock Aladdin



Hypothetical Portfolio Performance

As of 2/28/22

[+ Add Advisory Fee](#)

Portfolio	Performance Type	Last Month	Last Quarter	Year To Date	1-Year	3 Year	5 Year
Consumer Staples	Gross of an advisory fee	-5.14%	-8.44%	-11.01%	13.85%	33.74%	27.98%
Consumer Staples 2.0	Gross of an advisory fee	-4.84%	-7.37%	-11.14%	11.58%	30.61%	26.47%

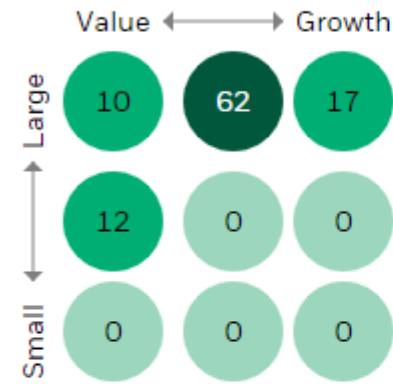
Appendix K: BlackRock Aladdin



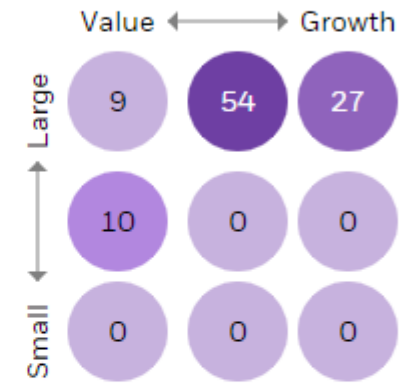
^ EQUITY STYLE i

Category	Consumer Staples	Consumer Staples 2.0
Large	88.37%	89.87%
Large Value	10.18%	8.87%
Large Blend	61.54%	53.80%
Large Growth	16.65%	27.20%
Mid	11.63%	10.13%
Mid Value	11.63%	10.13%
Mid Blend	0.00%	0.00%
Mid Growth	0.00%	0.00%
Small	0.00%	0.00%
Small Value	0.00%	0.00%
Small Blend	0.00%	0.00%
Small Growth	0.00%	0.00%

Consumer Staples



Consumer Staples 2.0



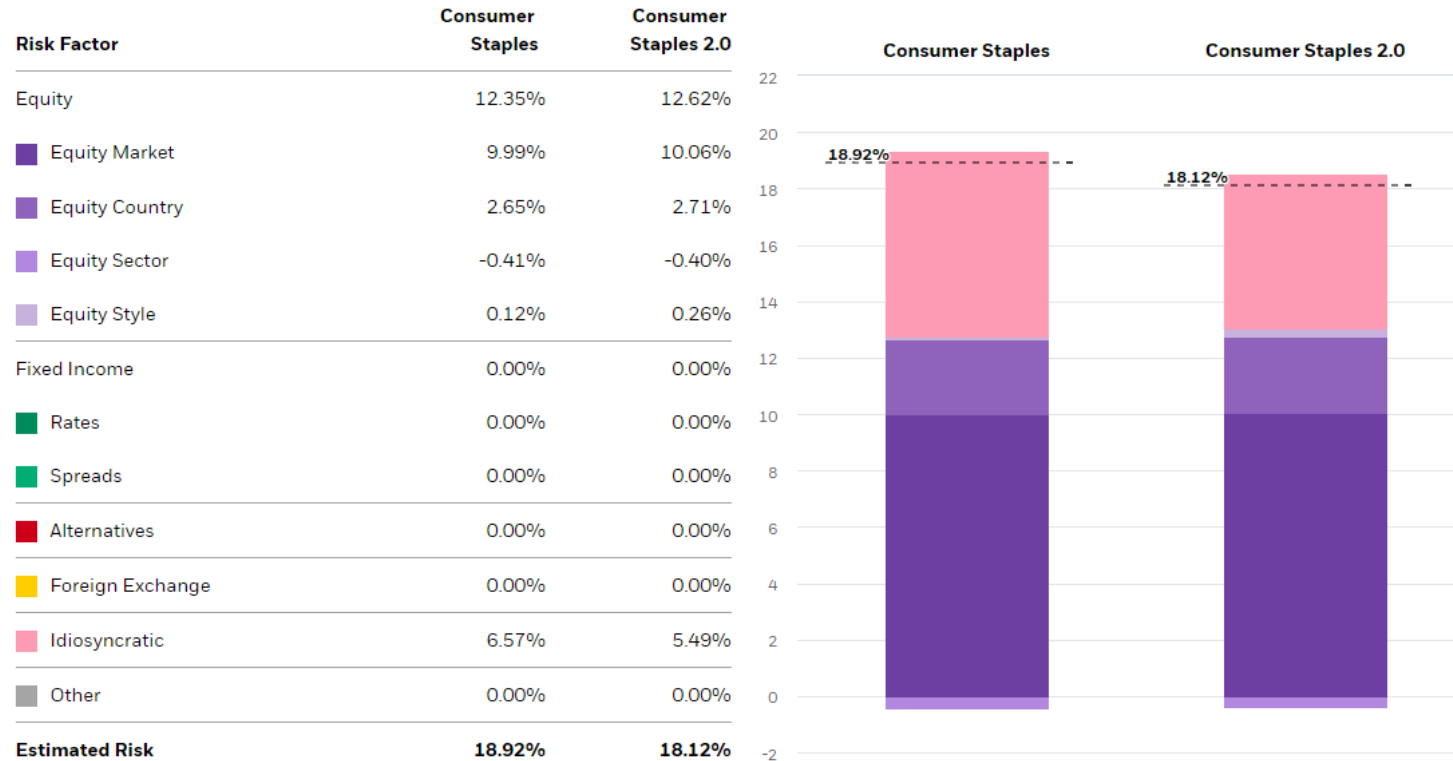
Appendix K: BlackRock Aladdin



^ PORTFOLIO RISK CHARACTERISTICS






Portfolio	Estimated Risk ⓘ	Historical Beta to S&P 500 ⓘ
Consumer Staples	18.92%	1.28
Consumer Staples 2.0	18.12%	1.26

The data for Beta to S&P 500 is as of 2/28/22



Appendix K: BlackRock Aladdin



Scenario	Consumer Staples Dollar Amount: \$100,000	Consumer Staples 2.0 Dollar Amount: \$100,000
 Interest Rates / Inflation 10-Yr US Treasury Rate Rises 1% ⓘ Inflation Expectations Rise 1% ⓘ	+2.29% + \$2,290 +7.45% + \$7,451	+1.99% + \$1,989 +7.33% + \$7,334
 Bonds / Credit Quality High Yield Spreads Widen 30% ⓘ	-7.28% - \$7,284	-7.49% - \$7,487
 Commodities Oil Price Rises 30% ⓘ	+2.73% + \$2,732	+2.59% + \$2,592
 Equities US Large Cap Stocks Fall 15% ⓘ Stock Market Volatility Rises 15% ⓘ	-14.77% - \$14,767 -8.57% - \$8,571	-14.91% - \$14,906 -8.78% - \$8,776
 Past Market Events Crash of 2008 ⓘ Recession (2007-2009) ⓘ	-37.58% - \$37,583 -57.40% - \$57,398	-27.25% - \$27,253 -39.63% - \$39,634