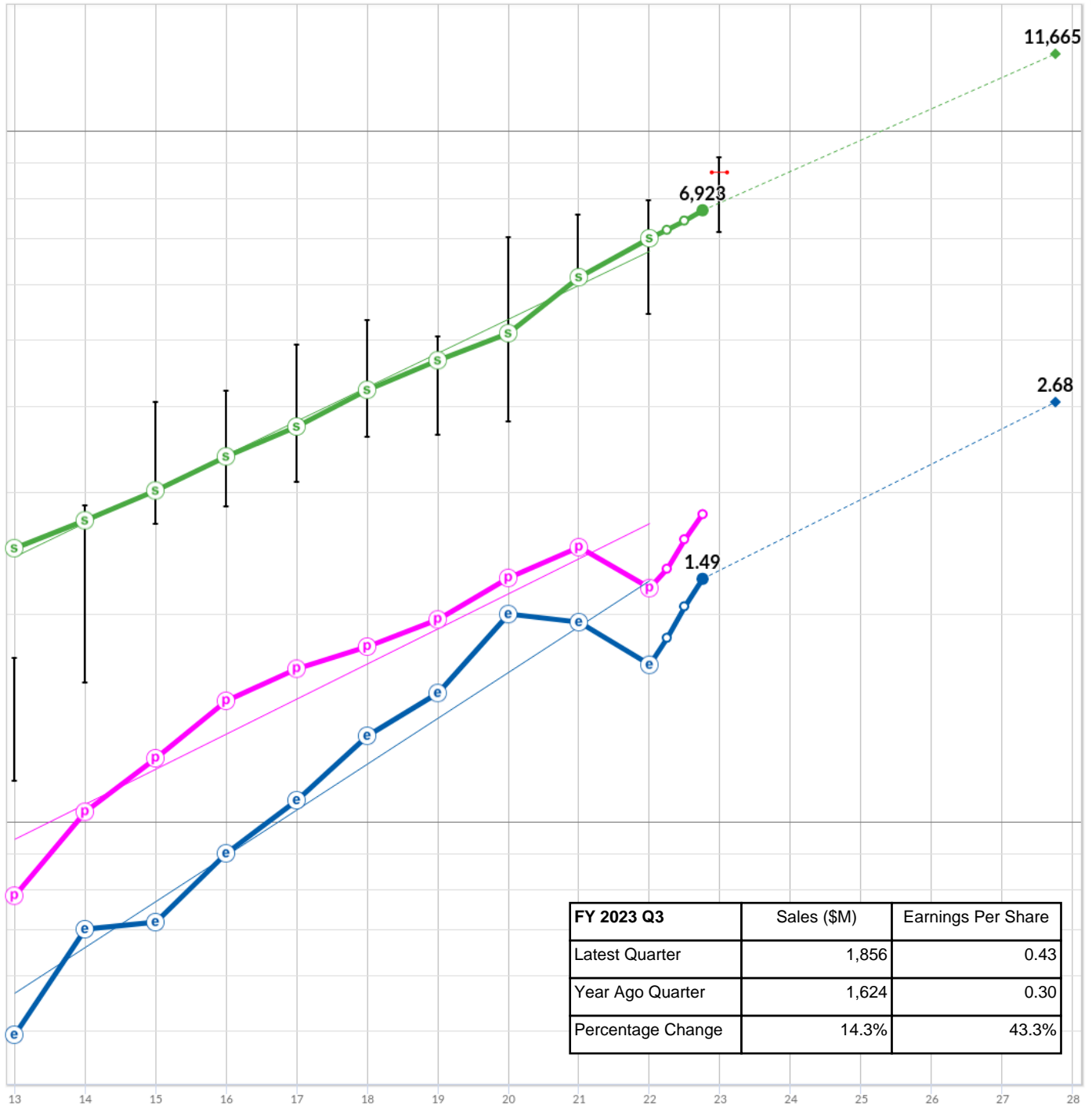


Stock Selection Guide

Company	Monster Beverage		Date	01/05/24	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NAS	Industry	Beverages - Non-Alcoholic		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	1,060.0		0.5	51.1	
Debt (\$M)	0.0	% to Tot Cap	0.0	% Pot Dil	1.2

Symbol: MNST

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 12.0% | (3) Historical Earnings Per Share Growth | 16.5% |
| (2) Estimated Future Sales Growth | 11.0% | (4) Estimated Future Earnings Per Share Growth | 12.5% |

2 EVALUATING Management

Monster Beverage

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Last 5 Year Avg.
% Pre-tax Profit on Sales	25.1%	30.3%	32.7%	35.4%	35.7%	34.0%	33.7%	35.4%	32.5%	24.9%	32.1%
% Earned on Equity	33.9%	33.5%	12.4%	19.8%	21.3%	24.6%	26.5%	30.1%	21.8%	17.1%	24.0%
% Debt To Capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 57.54 (01/05/24)

52-WEEK HIGH 60.47

52-WEEK LOW 47.13

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2018	35.1	23.8	0.88	39.9	27.1	0.00	0.0	0.0
2019	33.2	23.9	1.02	32.7	23.6	0.00	0.0	0.0
2020	46.3	25.0	1.32	35.1	19.0	0.00	0.0	0.0
2021	49.9	40.8	1.29	38.9	31.8	0.00	0.0	0.0
2022	52.3	35.9	1.12	46.9	32.2	0.00	0.0	0.0
AVERAGE		29.9		36.6	26.7		0.0	
CURRENT/TTM			1.49	40.7	31.7	0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 31.7					CURRENT PRICE EARNINGS RATIO: 38.7			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 36.6 X Estimate High Earnings/Share 2.68 = Forecasted High Price \$ 97.9

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 26.7 X Estimate Low Earnings/Share 1.49 = Forecasted Low Price \$ 39.8

(b) Avg. Low Price of Last 5 Years 29.9

(c) Recent Market Low Price 35.9

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$

Selected Forecasted Low Price \$ 47.1

C ZONING using 25%-50%-25%

Forecasted High Price 97.9 Minus Forecasted Low Price 47.1 = 50.8 Range. 25% of Range 12.7

Buy Zone 47.1 to 59.8

Hold Zone 59.8 to 85.2

Sell Zone 85.2 to 97.9

Present Market Price of 57.54 is in the **BUY** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price}} = \frac{97.9 - 57.54}{57.54} = 0.7022$ To 1
 $\frac{\text{Present Price} - \text{Low Price}}{\text{Low Price}} = \frac{57.54 - 47.1}{47.1} = 0.2219$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{97.9 - 57.54}{57.54} = 0.7022$ X 100 = 70.22 - 100 = 70.2 % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.00}{57.54} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{36.60} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{31.65} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 11.2 %
 Average Yield 0.0 %
 Annualized Rate of Return 11.2 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

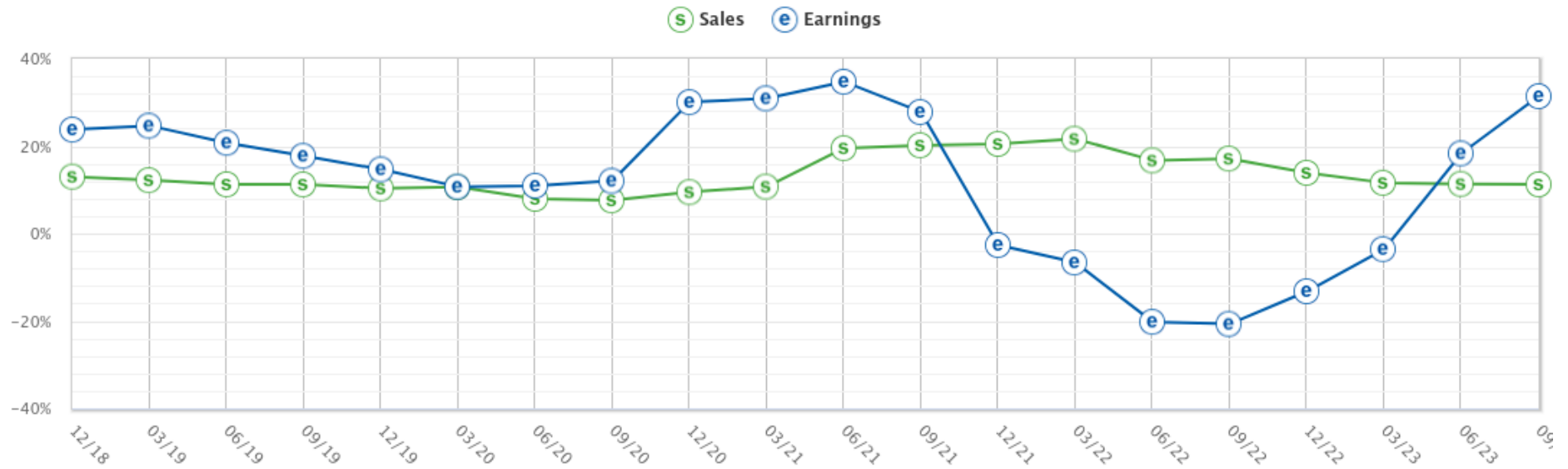
Annualized Appreciation 8.0 %
 Average Yield 0.0 %
 Annualized Rate of Return 8.0 %

Notes: MNST 1/6/24

Date	Subject	Description	Type
01/06/24	Judgements for SSG Jan 2024	<p>Used slightly less than average analysts (6) consensus (12%) sales growth -11%</p> <p>Used Preferred Procedure for EPS growth</p> <p>Chose High PE for high price (mid-Value Line range)</p> <p>Chose 52 week low for low price.</p> <p>November 2023 was a blowout 3rd quarter for MNST. Many analysts revised their estimates upward for sales & earnings.</p>	Study
11/15/22	2022 3rd Quarter Report	<p>After 3rd quarter earnings report, MNST is still in the hold range.</p> <p>3rd quarter report:</p> <p>A overall price increase was announced on Sept. 1, 2022.</p> <p>15.2% higher yoy net sales; cost of sales increased (due to higher costs for ingredients, packaging materials, co-packing fees, logistics, aluminum cans, and warehouse expenses) causing decrease in gross profit relative to yoy.</p> <p>Operating expenses increased (25.6%) vs (24.5%) yoy, as did distribution costs (27.1% vs 4.6%) and administration costs (10.8% vs 10.1%).</p> <p>15.8% increase in net sales outside U.S., 38% of total sales</p> <p>Planning on introducing first malt beverage alcohol product, The Beast Unleashed, & a pure unflavored still & sparkling water line, Monster Tour Water at the beginning of 2023</p>	Community

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data



Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change	\$		\$ Mil	%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales	
09/23	0.43	43.3	581.9	31.4	38.5	1,856.0	14.3	22.2	1.49	2,011.9	29.1	6,922.9	447.0	22.2	31.4	25.9	11.2
06/23	0.39	52.9	539.0	29.1	47.2	1,855.0	12.1	23.2	1.36	1,850.1	27.7	6,691.1	416.0	22.5	18.3	14.2	11.3
03/23	0.38	38.2	497.6	29.3	26.9	1,698.9	11.9	20.1	1.22	1,677.3	25.8	6,491.4	386.1	23.0	-3.6	-5.8	11.6
12/22	0.29	-5.0	393.5	26.0	-6.1	1,512.9	6.2	23.3	1.12	1,572.0	24.9	6,311.1	380.9	24.2	-13.2	-12.7	13.9
09/22	0.30	-4.8	420.1	25.9	-5.0	1,624.3	15.2	23.3	1.13	1,597.4	25.7	6,223.2	387.0	24.2	-20.7	-10.4	17.1
06/22	0.26	-32.0	366.2	22.1	-30.5	1,655.3	13.2	25.4	1.15	1,619.5	27.0	6,009.4	394.3	24.3	-20.2	-9.8	16.7
03/22	0.28	-6.8	392.2	25.8	-5.1	1,518.6	22.1	25.0	1.27	1,780.2	30.6	5,816.1	424.6	23.9	-6.6	6.4	21.7

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil		%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit
12/21	0.30	-31.8	419.0	29.4	4.5	1,425.0	19.1	23.3	1.29	1,801.4	32.5	5,541.4	424.1	23.5	-2.7	10.8	20.5
09/21	0.32	-3.1	442.2	31.3	-2.6	1,410.6	13.2	23.7	1.43	1,783.2	33.6	5,312.6	236.9	13.3	27.8	15.3	20.2
06/21	0.38	27.1	526.8	36.0	29.9	1,461.9	33.6	23.4	1.44	1,795.1	34.9	5,148.4	237.1	13.2	34.7	20.4	19.5
03/21	0.30	13.5	413.4	33.2	13.0	1,243.8	17.1	23.8	1.36	1,673.7	35.0	4,780.4	220.5	13.2	30.9	14.0	10.7
12/20	0.44	87.2	400.8	33.5	24.8	1,196.3	17.6	-17.7	1.32	1,626.2	35.4	4,598.6	214.4	13.2	30.0	14.8	9.5
09/20	0.33	18.2	454.0	36.4	13.9	1,246.4	9.9	23.4	1.12	1,546.6	35.0	4,419.6	352.1	22.8	12.1	10.0	7.6
06/20	0.30	11.3	405.5	37.1	6.2	1,093.9	-0.9	23.2	1.07	1,491.1	34.6	4,306.8	345.3	23.2	10.9	10.5	7.9
03/20	0.26	8.3	365.9	34.4	16.4	1,062.1	12.3	23.8	1.04	1,467.6	34.0	4,316.9	340.7	23.2	10.7	10.7	10.6
12/19	0.24	9.3	321.2	31.6	3.3	1,017.2	10.1	20.6	1.02	1,416.0	33.7	4,200.8	303.9	21.5	14.7	9.5	10.3
09/19	0.28	14.6	398.6	35.2	16.3	1,133.6	11.6	25.0	1.00	1,405.6	34.2	4,107.8	310.3	22.1	17.8	12.4	11.2
06/19	0.27	10.4	382.0	34.6	6.7	1,104.0	8.7	23.4	0.96	1,349.6	33.8	3,990.4	287.3	21.3	20.8	9.8	11.3
03/19	0.24	26.3	314.2	33.2	11.5	946.0	11.2	16.8	0.94	1,325.8	34.0	3,902.3	286.0	21.6	24.7	8.8	12.2
12/18	0.22	22.9	310.9	33.6	16.1	924.2	14.1	23.1	0.89	1,293.3	34.0	3,807.2	300.1	23.2	23.8	7.6	13.0
09/18	0.24	26.3	342.6	33.7	6.6	1,016.2	11.7	21.8	0.85	1,250.2	33.9	3,693.3	295.6	23.6	22.5	5.9	11.5
06/18	0.24	23.1	358.1	35.3	3.1	1,015.9	12.0	24.6	0.80	1,229.0	34.3	3,586.6	321.5	26.2	19.5	7.0	12.4
03/18	0.19	22.6	281.7	33.1	6.3	850.9	14.7	23.3	0.75	1,218.4	35.0	3,477.8	353.4	29.0	21.0	11.9	11.8
12/17	0.18	16.7	267.8	33.1	8.6	810.4	7.5	24.8	0.72	1,201.6	35.7	3,369.0	377.1	31.4	19.8	11.3	10.5
09/17	0.19	15.2	321.4	35.3	11.1	909.5	15.4	31.9	0.69	1,180.5	35.6	3,312.5	385.4	32.6	23.4	11.1	12.6
06/17	0.20	30.0	347.5	38.3	20.5	907.1	9.6	35.9	0.67	1,148.5	36.0	3,190.9	380.2	33.1	24.5	8.2	9.7
03/17	0.16	17.4	264.9	35.7	3.8	742.1	9.1	32.8	0.62	1,089.3	35.0	3,111.4	361.1	33.1	4.4	-4.3	12.1
12/16	0.15	33.9	246.7	32.7	7.5	753.8	16.8	29.9	0.60	1,079.7	35.4	3,049.4	366.0	33.9	27.8	21.1	12.0
09/16	0.17	17.9	289.3	36.7	0.4	788.0	4.1	33.8	0.56	1,062.4	36.1	2,941.1	385.7	36.3	17.7	24.4	9.6
06/16	0.15	-28.6	288.3	34.8	-21.0	827.5	19.3	36.1	0.53	1,061.2	36.5	2,909.7	400.2	37.7	18.1	40.6	13.6
03/16	0.13	2,540.0	255.3	37.5	2,781.1	680.2	8.5	35.8	0.59	1,138.0	41.0	2,776.0	432.6	38.0	57.6	87.9	8.6
12/15	0.11	-6.7	229.5	35.6	19.6	645.4	6.6	39.5	0.47	891.5	32.7	2,722.6	370.9	41.6	0.6	19.5	10.5
09/15	0.14	19.7	288.1	38.1	52.5	756.6	19.0	39.4	0.48	854.0	31.8	2,682.7	344.9	40.4	13.9	24.6	11.8
06/15	0.21	55.6	365.1	52.6	69.0	693.7	0.9	37.3	0.45	754.8	29.5	2,562.1	297.7	39.4	16.5	16.6	8.8
03/15	0.01	-94.6	8.9	1.4	-94.1	626.8	16.9	50.2	0.38	605.6	23.7	2,555.5	235.0	38.8	5.9	-0.3	11.2
12/14	0.12	64.4	191.9	31.7	45.7	605.6	12.0	34.7	0.46	745.8	30.3	2,464.9	263.1	35.3	42.3	32.3	9.7
09/14	0.12	33.0	188.9	29.7	25.3	636.0	7.7	35.6	0.42	685.6	28.6	2,400.1	254.8	37.2			
06/14	0.14	31.1	216.0	31.4	22.7	687.2	8.9	34.7	0.39	647.5	27.5	2,354.6	245.8	38.0			

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data									
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit			Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change	\$		\$ Mil	%Sales	\$ Mil		%Rate	EPS	Pre-Tax Profit	Sales	
03/14	0.09	48.4	149.0	27.8	41.4	536.1	10.7	36.1	0.36	607.5	26.4	2,298.3	237.6	39.1				
12/13	0.07		131.7	24.4		540.8		42.2										
09/13	0.09		150.7	25.5		590.4		38.8										
06/13	0.10		176.0	27.9		630.9		39.3										
03/13	0.06		105.4	21.8		484.2		39.8										