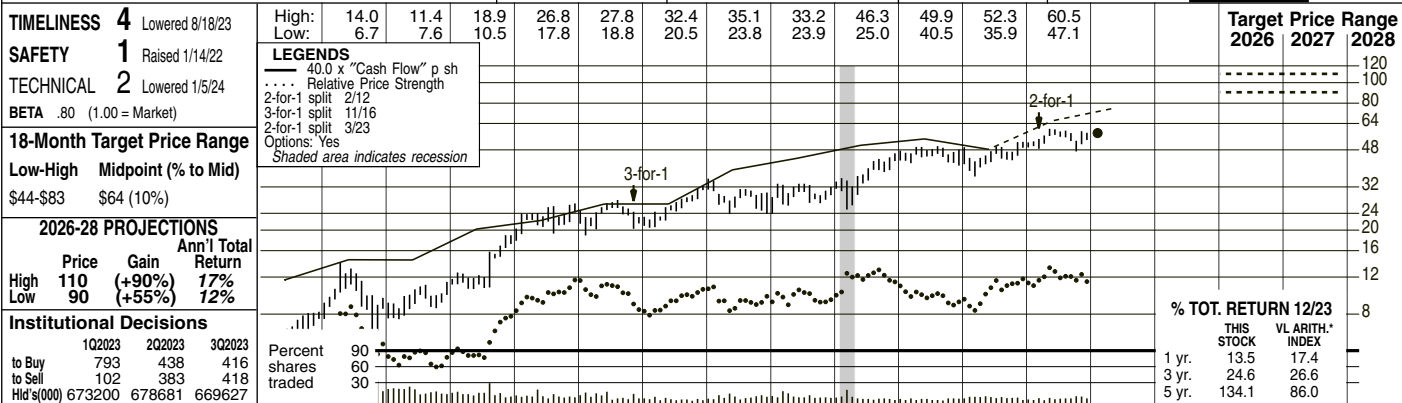


# MONSTER BEVERAGE NDQ-MNST

RECENT PRICE **57.61** P/E RATIO **33.3** (Trailing: 39.3) (Median: 34.0) RELATIVE P/E RATIO **1.89** DIV'D YLD **Nil** **VALUE LINE**



2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	© VALUE LINE PUB. LLC	26-28
.81	.95	1.08	1.22	1.63	2.07	2.24	2.45	2.24	2.69	2.70	3.50	3.91	4.35	5.23	6.04	<b>6.80</b>	<b>7.50</b>	Sales per sh	<b>8.00</b>
.14	.10	.20	.21	.29	.36	.36	.51	.56	.67	.67	.97	1.09	1.26	1.35	1.21	<b>1.65</b>	<b>1.90</b>	"Cash Flow" per sh	<b>2.60</b>
.13	.09	.18	.19	.26	.31	.33	.46	.56	.60	.68	.88	1.02	1.19	1.29	1.12	<b>1.60</b>	<b>1.85</b>	Earnings per sh <sup>A</sup>	<b>2.50</b>
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>	Div'ds Decl'd per sh	<b>Nil</b>
--	.01	.02	.01	.02	.04	.04	.03	.03	.09	.07	.06	.09	.05	.04	.18	<b>.20</b>	<b>.25</b>	Cap'l Spending per sh	<b>.30</b>
.38	.40	.55	.78	.94	.65	.99	1.51	3.95	2.94	3.13	3.32	3.89	4.89	6.20	6.73	<b>7.00</b>	<b>7.25</b>	Book Value per sh <sup>C</sup>	<b>8.70</b>
1118.3	1083.9	1057.9	1067.8	1045.7	994.66	1000.9	1006.3	1217.4	1133.1	1246.4	1087.4	1073.4	1056.2	1058.6	1044.6	<b>1040.00</b>	<b>1038.00</b>	Common Shs Outst'g <sup>B</sup>	<b>1035.00</b>
28.9	28.6	15.8	19.3	24.4	31.8	28.8	29.1	40.5	40.1	38.2	32.8	29.2	30.7	35.7	40.3	<b>34.2</b>	<b>34.2</b>	Avg Ann'l P/E Ratio	<b>40.0</b>
1.53	1.72	1.05	1.23	1.53	2.02	1.62	1.53	2.04	2.10	1.92	1.77	1.56	1.58	1.93	2.34	<b>1.98</b>	<b>1.98</b>	Relative P/E Ratio	<b>2.20</b>
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>	Avg Ann'l Div'd Yield	<b>Nil</b>

CAPITAL STRUCTURE as of 9/30/23		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		26-28
Total Debt None		2246.4	2464.9	2722.6	3049.4	3369.0	3807.2	4200.8	4598.6	5541.4	6311.1	7100	7750	Sales (\$mill)	<b>8250</b>						
Leases, Uncapitalized: Annual rentals \$4.6 mill.		26.5%	31.4%	34.0%	36.9%	35.4%	35.2%	34.9%	33.4%	33.4%	26.2%	<b>28.0%</b>	<b>29.5%</b>	Operating Margin	<b>32.0%</b>						
No Defined Benefit Pension Plan		22.7	25.7	30.9	40.8	48.9	57.0	64.8	61.0	54.2	68.6	70.0	75.0	Depreciation (\$mill)	<b>85.0</b>						
Common Stock 1,040,441,348 shs as of 10/31/23		338.7	483.2	646.1	712.7	780.9	993.0	1107.8	1270.6	1377.5	1191.6	1665	1920	Net Profit (\$mill)	<b>2590</b>						
MARKET CAP: \$59.9 billion (Large Cap)		39.9%	35.2%	27.5%	34.0%	32.0%	23.2%	21.5%	13.3%	23.5%	24.2%	<b>25.0%</b>	<b>24.2%</b>	Income Tax Rate	<b>25.0%</b>						
CURRENT POSITION		15.1%	19.6%	23.7%	23.4%	23.2%	26.1%	26.4%	27.6%	24.9%	18.9%	<b>23.5%</b>	<b>24.8%</b>	Net Profit Margin	<b>31.4%</b>						
2021		867.0	1338.2	3068.4	961.7	1526.0	1203.0	1655.2	2391.0	3717.0	3762.9	3775	3800	Working Cap'l (\$mill)	<b>3850</b>						
2022		--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>	Long-Term Debt (\$mill)	<b>Nil</b>						
9/30/23		992.3	1515.2	4809.4	3329.7	3895.2	3610.9	4171.3	5160.9	6567.0	7025.0	7275	7500	Shr. Equity (\$mill)	<b>9000</b>						
CASH ASSETS (\$MILL.)		34.1%	31.9%	13.4%	21.4%	20.0%	27.5%	26.6%	24.6%	21.0%	17.0%	<b>23.0%</b>	<b>25.0%</b>	Return on Total Cap'l	<b>29.0%</b>						
RECEIVABLES		34.1%	31.9%	13.4%	21.4%	20.0%	27.5%	26.6%	24.6%	21.0%	17.0%	<b>23.0%</b>	<b>25.0%</b>	Return on Shr. Equity	<b>29.0%</b>						
INVENTORY (FIFO)		--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>	All Div'ds to Net Prof	<b>Nil</b>						
OTHER		--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>								
CURRENT ASSETS		34.1%	31.9%	13.4%	21.4%	20.0%	27.5%	26.6%	24.6%	21.0%	17.0%	<b>23.0%</b>	<b>25.0%</b>								
ACCTS PAYABLE		34.1%	31.9%	13.4%	21.4%	20.0%	27.5%	26.6%	24.6%	21.0%	17.0%	<b>23.0%</b>	<b>25.0%</b>								
DEBT DUE		--	--	--	--	--	--	--	--	--	--	<b>Nil</b>	<b>Nil</b>								
OTHER		560.8	557.7	638.9																	
CURRENT LIAB.		965.0	1001.9	1178.8																	

**BUSINESS:** Monster Beverage Corporation develops, markets, sells, and distributes a line of all-natural beverages. The company's product line includes bottled juices, natural sodas, energy drinks, iced teas, lemonades, cocktails, and functional beverages. Functional beverages are intended to have added health benefits, as they are fortified with vitamins, minerals and herbs. Markets products through retail chains, club stores, and specialty stores. Has 5,296 employees. Officers & directors own about 9.4% of common shares, The Coca-Cola Company, 19.5%, The Vanguard Group, 6.0%. (4/23 Proxy). '22 depreciation rate: 9.1%. Chrmn. & CEO: Rodney C. Sacks, Inc.: DE. Addr.: 1 Monster Way, Corona, California 92879. Tel.: 951-739-6200. Internet: www.monsterbevcorp.com.

ANNUAL RATES		Past 10 Yrs.	Past 5 Yrs.	Est'd '20-'22
of change (per sh)		10 Yrs.	5 Yrs.	to '26-'28
Sales		12.0%	15.5%	7.5%
"Cash Flow"		16.0%	15.0%	12.5%
Earnings		17.0%	14.5%	13.0%
Dividends		--	--	<b>Nil</b>
Book Value		22.5%	12.0%	6.5%

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2020	1062.1	1093.8	1246.4	1196.3	4598.6
2021	1243.8	1462.1	1410.5	1425.0	5541.4
2022	1518.5	1655.2	1624.5	1512.9	6311.1
2023	1698.9	1854.9	1856.0	<b>1690.2</b>	<b>7100</b>
2024	<b>1825</b>	<b>1925</b>	<b>2125</b>	<b>1875</b>	<b>7750</b>

Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2020	.24	.30	.33	.31	1.19
2021	.29	.38	.32	.30	1.29
2022	.28	.25	.30	.29	1.12
2023	.38	.39	.43	<b>.40</b>	<b>1.60</b>
2024	<b>.40</b>	<b>.50</b>	<b>.50</b>	<b>.45</b>	<b>1.85</b>

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2020					
2021					
2022					
2023					
2024					

NO CASH DIVIDENDS BEING PAID

**Monster Beverage recorded stellar third-quarter 2023 financial results.** Heightened demand was realized in all beverage categories that include both energy drink and alcohol beverages. A favorable product mix helped drive a 14% year-over-year increase in sales, to \$1.85 billion. For 2023, we have left intact our full-year sales forecast of \$7.10 billion and 2024's estimate of \$7.75 billion. These advances of 12.5% and 9.1%, respectively, are predicated on the assumption that the company's pricing initiatives, a favorable product mix, and improved economic conditions converge over the near term to create solid beverage demand. The healthy top-line performance ought to continue to drive admirable share-earnings advances as well. During the third quarter, Monster's profit registered at \$0.43 a share, well above our \$0.35 estimate and 43.3% above last year's comparable period. A cost-disciplined approach to operations helped offset higher manufacturing costs. Continued conservative spending practices likely drove double-digit bottom-line progress in 2023, which ought to follow through to 2024.

**Innovation is a key expansion strategy.** Monster's core energy drink lineup should continue to gain in popularity. The company spends ample amounts of money on product-line extensions, which have resonated with consumers. Also, acquisitions, such as Bang Energy in July, 2023, and the purchase of certain energy drinks from The Coca-Cola Company further strengthen Monster's reach in the high-margined energy-drink beverage arena. Moreover, the efficient distribution channels both at home and abroad are likely to enhance top- and bottom-line prospects over the near and long terms.

**Broader market improvements should work in the company's favor.** In recent times, consumers have reined-in spending habits, particularly those related to discretionary purchases. However, with anticipated better conditions, individuals may once again loosen their purse strings. **This stock is an untimely selection for the year ahead.** On the bright side, patient investors may be well rewarded since capital appreciation potential over the 2026-2028 haul is above average.

Nira Maharaj  
January 12, 2024

(A) Fully diluted earnings. Excludes non-recurring gains and (losses): '15, (\$0.27); '17, \$0.04; '20, \$0.13. May not sum due to rounding. Next earnings report due late February.  
 (B) In millions, adjusted for stock splits.  
 (C) Includes intangibles. In '22: \$2,638.3 million, \$2.52 share.

Company's Financial Strength		A+
Stock's Price Stability		100
Price Growth Persistence		85
Earnings Predictability		90