

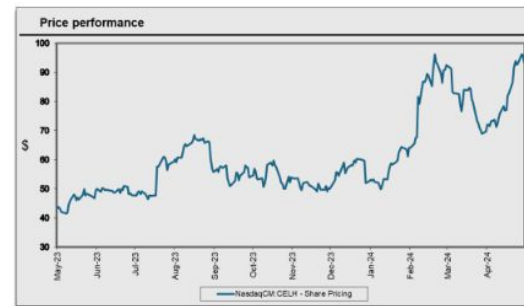
Celsius Holdings inc.

- Equity research

Key points

- Competitive pressure
- Challenges in international expansion
- Dependency on PepsiCo

Sell
CELH, NASDAQ
Price: \$92,57
Price Target: \$63



| | YTD | 1m | 3m | 6m |
|-----|------|-----|-----|-----|
| Abs | 110% | 10% | 30% | 75% |
| Rel | 98% | 8% | 25% | 67% |

Company Data

| | |
|--------------------|-------------|
| Price (\$) | 92.57 |
| Date of Price | 17 May 24 |
| 52-Week Range (\$) | 40.87-99.62 |
| Market Cap (\$ mn) | 21, 578.00 |
| Shares O/S (mn) | 233.1 |
| Price Target (\$) | 63 |

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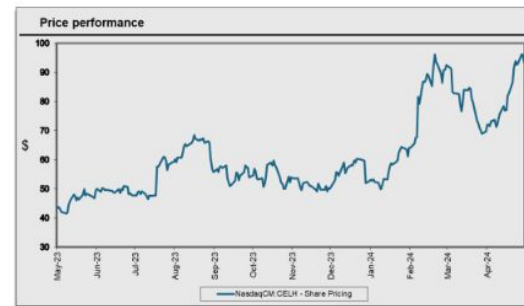
- Energy drinks
- Founded in 2004
- Revenue growth
- PepsiCo deal generating 59% of revenue 2023
- Overvalued

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Group A

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Valuation

Three Scenarios

Base

- Analytical mean

Bull

- Successful international expansion
- High expansion cost
- Aggressive marketing and innovation

Bear

- Close to earlier international growth rates
- Declining capital costs
- Maintaining existing operations
- Cost effective

| (in USD thousands) | 2022 | 2023 | 2024E | 2025E | 2026E | 2027E | 2028E | Terminal |
|------------------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|
| Revenue | 653 604 | 1 318 014 | 1 727 640 | 2 317 120 | 3 019 650 | 3 196 000 | 3 551 500 | |
| EBIT | -157 801 | 266 366 | 370 280 | 501 970 | 647 530 | 744 500 | 842 000 | |
| NOPAT | -122 769 | 207 233 | 288 078 | 390 533 | 503 778 | 579 221 | 655 076 | |
| + D&A | 7 802 | 17 350 | 3 910 | 4 120 | 4 340 | 8 430 | 10 180 | |
| % of PP&E | 76,6 % | 69,8 % | 17,2 % | 12,5 % | 9,7 % | 17,7 % | 19,4 % | |
| -CAPEX | -8 264 | -17 433 | -22 980 | -26 160 | -29 110 | -32 170 | -35 390 | |
| % of PP&E | 81,1 % | 70,1 % | 100,9 % | 79,6 % | 65,3 % | 67,6 % | 67,5 % | |
| -NWC change | 10 465 | -29 793 | -86 836 | -76 836 | -86 769 | -8 709 | -30 235 | |
| % of sales | 21,8 % | 13,1 % | 15,0 % | 14,5 % | 14,0 % | 13,5 % | 13,0 % | |
| Free Cash Flow to Firm | -112 766 | 177 357 | 182 172 | 291 656 | 392 240 | 546 772 | 599 631 | 617 620 |
| Discount rate | | | 1,07 | 1,15 | 1,23 | 1,31 | 1,40 | 1,40 |
| Present value of FCFF | | | 170 199 | 254 578 | 319 872 | 416 587 | 426 833 | |

| Up/downside | |
|-----------------------|---------|
| Bull | 22,12% |
| Base (Analytical DCF) | -38,64% |
| Bear | -56,63% |



Relative Valuation

- Monster Beverage Corp.
- National Beverage Corp.
- PepsiCo.
- CocaCola.
- Keurig Dr.Pepper.

| Median | 24.5x |
|-------------------|-------|
| CELSIUS EBITDA | 270 |
| Enterprise Value | 6,616 |
| (-) NIBD | -756 |
| Equity Value | 7,372 |
| Shares Outstandin | 233 |
| Share Price | 32 |

| Median | 30.1x |
|-------------------|-------|
| CELSIUS EBIT | 266 |
| Enterprise Value | 8,010 |
| (-) NIBD | -756 |
| Equity Value | 8,766 |
| Shares Outstandin | 233 |
| Share Price | 38 |

| Average | 23.9x |
|--------------------|-------|
| CELSIUS EBITDA | 270 |
| Enterprise Value | 6,433 |
| (-) NIBD | -756 |
| Equity Value | 7,189 |
| Shares Outstanding | 233 |
| Share Price | 31 |

| Average | 29.5x |
|--------------------|-------|
| CELSIUS EBIT | 266 |
| Enterprise Value | 7,868 |
| (-) NIBD | -756 |
| Equity Value | 8,624 |
| Shares Outstanding | 233 |
| Share Price | 37 |

Football Field

- 2.75-3.25%
- 59-67 \$

