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| **To:** | Anna |
| **From:** | Bharat |
| **Subject:** | Potential M&A targets for Worldwide Brewing |
| Hey Anna,  Below is a table of my recommendations for potential M&A targets for WorldWide Breweing   |  |  |  |  | | --- | --- | --- | --- | | **Company** | **Description** | **Relevance to WorldWide Brewing** | **Recommendation** | | **HappyHour Co.** | HappyHour Co. is the largest player in Singapore and Malaysia, in the segments of beer, spirits and non-alcoholic beverages. Its operations include manufacturing facilities, distribution and direct sales and it has demonstrated strong growth in EBITDA in FY2020 which was up 20% pcp and amounted to US$300mm. | It has similar operations to WorldWide Brewing across the same segments and is the leading player in Singapore and Malaysia, suggesting the potential for strategic benefits and synergies. It has solid financial results and an ownership structure that is owned by 3 families, rendering a potential acquisition relatively simple and feasible. HappyHour Co. would be appropriate to share. | **Recommend** | | **Spirit Bay** | Thriving in Indonesia, Singapore, and Malaysia, employee-owned, achieves impressive 40% YoY EBITDA growth, fostering market adaptability. | With a strong foothold in Indonesia, Singapore, and Malaysia, Spirit Bay's impressive EBITDA growth of 40% YoY underscores its market dexterity. The employee ownership structure coupled with a well-entrenched distribution network enhances its potential for sustainable growth. | **Recommend** | | **Hipsters’ Ale** | Multi-region consortium of independent microbreweries, registers 15% YoY EBITDA growth, reflecting diversified market resilience. | Operating across diverse locations and a consortium of independent microbreweries, Hipsters' Ale presents a unique proposition. Its incremental EBITDA growth of 15% YoY indicates resilience and adaptability in varied markets | **Recommend** | | **Brew Co.** | Dominant alcohol manufacturer in Malaysia, listed on stock exchange, EBITDA down 5% YoY but maintains strong market position. | As a dominant alcohol manufacturer in Malaysia, Brew Co.'s status on the Malaysian stock exchange will create a problem during MnA | **Not** **Recommend** | | **Bevy’s Direct** | Extensive distribution across major Asian markets, family-owned, sustains 20% YoY EBITDA growth, offering widespread market reach. | Bevy’s Direct boasts a widespread distribution network encompassing multiple key Asian markets. Its consistent EBITDA growth of 20% YoY, coupled with a family-owned structure, aligns well with your business ethos. | **Recommend** |   Regards,  Bharat Sethia | |