

Molson Coors: Can a broader portfolio restore growth?

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The investor's question

You are an outside investor preparing a short strategy assessment of Molson Coors Beverage Company. The company has presented Horizon 2030 as a plan to build growth through accountability, capability and discipline. Your assignment is to assess how much confidence the public evidence supports in that strategy's ability to restore durable growth.

This is a hypothetical investor exercise. It does not represent an actual investor's position, a management meeting, or a decision made by the company. Do not make a valuation or price target. State what evidence would change your assessment.

A portfolio with several jobs

Molson Coors has roots in beer, with brands positioned across core, above-premium and value tiers. Its 2025 annual report lists Coors Light, Miller Lite, Coors Banquet, Molson Canadian, Carling and Ožujsko as core power brands; Madrí Excepcional, Staropramen, Blue Moon and Leinenkugel's Summer Shandy as above-premium brands; and Miller High Life and Keystone Light as value brands. The company also sells flavored beverages, spirits and nonalcoholic beverages, and has partner-brand arrangements that include Simply Spiked, ZOA and Fever-Tree. [Molson Coors 2025 Form 10-K, Item 1](#)

In February 2026, management presented four portfolio roles: grow net sales revenue and profit on core power brands; drive profit on value brands; accelerate above-premium beer; and scale in beyond beer. The broader plan also includes commercial execution, modernizing capabilities, championing beer occasions, cost savings and capital allocation. The presentation describes a medium-term growth algorithm of low-single-digit net-sales growth, mid-single-digit underlying income-before-tax growth and high-single-digit underlying diluted-EPS growth. These are company objectives, not achieved results. [Molson Coors CAGNY 2026 presentation, slides 7-10](#)

The strategy is not simply a move away from beer. The stated plan includes strengthening core and value brands while transforming above-premium beer and beyond beer. The company warns that product launches can fail or have short-lived popularity, new products can require additional costs, and insufficient support for current brands could damage sales and distribution relationships. [Molson Coors 2025 Form 10-K, Item 1A](#)

What the operating record shows

Molson Coors reported that 2025 net sales were \$11.141 billion, down 4.2% from 2024. Financial volume declined 8.6%; price and sales mix added 3.8%; currency added 0.6%. Management attributed the favorable price-and-mix contribution to increased net pricing and favorable mix, including lower contract brewing volume and positive brand mix in the Americas. [Molson Coors 2025 Form 10-K, Item 7, “Net sales”](#)

The first half of 2026 showed a similar pattern at a smaller decline. Net sales were \$5.448 billion, down 1.0%. Financial volume fell 4.4%, while price and sales mix added 2.3% and currency added 1.1%. In the second quarter alone, net sales declined 3.3%, with financial volume down 5.4%, price and sales mix up 1.8%, and currency adding 0.3%. The company said the lower volume reflected lower shipments in both the Americas and EMEA&APAC segments. [Molson Coors Q2 2026 Form 10-Q, Item 2, “Net sales”](#)

The company defines financial volume as sales to wholesalers. It includes owned or actively managed brands and specified contract-brewed, factored and company-distributor volume, and excludes royalty volume. It is a measure of company shipments, not retail scan sales or consumer consumption. The price-and-sales-mix line combines more than one factor, so it is not a standalone measure of price increases. [Molson Coors Q2 2026 Form 10-Q, Item 2, “Financial Volume” and “Net sales”](#)

Cost pressure adds another layer. Management reported that the Midwest Premium surcharge on aluminum increased cost of goods sold by about \$40 million in Q2 2026 and \$70 million in the first half; it expected an unfavorable full-year comparison of approximately \$130 million. The filing also cites commodity derivative movements, materials, logistics and manufacturing inflation, mix and volume deleverage, partly offset by cost savings. These are management’s explanations of reported cost movements, not independent estimates of each factor’s effect. [Molson Coors Q2 2026 Form 10-Q, Item 2, “Items Affecting the Americas Segment Results” and “Cost of goods sold”](#)

Reported profit was also under pressure in Q2 2026: GAAP income before taxes fell 49.0% to \$283.1 million, while underlying income before taxes fell 27.8% in constant currency to \$383.2 million. Underlying diluted EPS was \$1.58, down 22.9%. These measures use different accounting definitions; neither on its own establishes the cause of the decline. [Molson Coors Q2 2026 results release](#)

Portfolio expansion and the cost of execution

On April 1, 2026, Molson Coors acquired Atomic Brands, maker of Monaco Cocktails, for \$275 million, subject to a working-capital adjustment. The company described the deal as aligned with its strategy to expand beyond beer, especially into ready-to-drink cocktails. Approximately \$65 million of consideration was allocated to a definite-lived brand intangible amortized over 15 years; most of the remaining amount was allocated to goodwill. The filing does not disclose Monaco’s standalone sales or the acquisition’s incremental return. [Molson Coors Q2 2026 Form 10-Q, Note 1 and Item 2](#)

In 2025, the company recorded a \$3.646 billion partial goodwill impairment for its Americas reporting unit. Management said the impairment test reflected lower current and forecast results, which it attributed to industry declines, market-share losses and higher-than-expected U.S. costs, together with a higher discount rate and lower market multiples. At year-end, the reporting unit’s estimated fair value exceeded its carrying value by less than 15%. Management said its forecast growth targets remained at risk while portfolio strategies were in progress. The impairment is an accounting estimate based on cash-flow and market assumptions; it is not a

cash outflow of the same amount in 2025. [Molson Coors 2025 Form 10-K, Item 7 and Note 6](#)

Industry evidence: useful, but not a forecast

Academic studies help explain why a branded-beverage strategy can be difficult to evaluate. Rojas and Peterson studied 64 U.S. beer brands using supermarket scanner data from 1988 to 1992. Their demand model estimated brand-level responses to price and advertising; in the preferred specification, the median own-price elasticity was -3.53 , and 74% of cross-advertising elasticities were positive. Their results suggest that competitive effects can differ across brands and that advertising may expand category demand as well as shift share. The historical supermarket sample is not a current estimate for Molson Coors, its brands, distributor shipments or RTDs. [Rojas and Peterson \(2008\), "Demand for Differentiated Products," DOI](#)

A second study used a hypothetical choice experiment with 390 beer drinkers in Nha Trang, Vietnam. Its latent-class model found that brand, price and package format mattered, with preferences varying across four segments; alcohol level was least significant in that setting. The study helps frame consumer heterogeneity, but it is not evidence of realized U.S. purchases or Molson Coors' economics. [Nguyen et al. \(2018\), "The Role of Packaging Format, Alcohol Level and Brand," DOI](#)

Competitors are also investing across brand tiers and beverage categories. Heineken reported for 2025 that total volume declined 1.2%, while its Heineken® brand grew 2.7%, net revenue rose 1.6% and net revenue per hectoliter rose 3.8%. Heineken attributed its strategy to investment in global brands, innovation and execution. Its geography, portfolio and reporting definitions differ from Molson Coors, so the results provide context rather than a direct comparison. [Heineken FY2025 results](#)

Exhibits

Exhibit 1. Net-sales change bridges

Period	Net sales	Financial volume	Price and sales mix	Currency	Reported change
FY2025 vs. FY2024	\$11,140.8m vs. \$11,627.0m	−8.6%	+3.8%	+0.6%	−4.2%
Q2 2026 vs. Q2 2025	\$3,096.5m vs. \$3,200.8m	−5.4%	+1.8%	+0.3%	−3.3%
H1 2026 vs. H1 2025	\$5,447.6m vs. \$5,504.9m	−4.4%	+2.3%	+1.1%	−1.0%

Source: company Form 10-K and Q2 2026 Form 10-Q cited above. Bridge components sum to reported change at displayed precision. Components are rounded and price/sales mix combines effects.

Exhibit 2. Medium-term growth algorithm

Company objective	Stated medium-term rate
Net sales revenue, constant currency	Low-single-digit growth
Underlying income before income taxes, constant currency	Mid-single-digit growth
Underlying diluted EPS	High-single-digit growth

Source: CAGNY 2026 presentation, slide 7. These are forward-looking company objectives.

Exhibit 3. Selected execution evidence

Evidence	What is disclosed	What remains unknown
Monaco acquisition	\$275m purchase price, subject to adjustment; transaction completed April 1, 2026	Standalone revenue, incremental sales, profitability and return
Midwest Premium	~\$40m Q2 and ~\$70m H1 2026 unfavorable COGS impact; ~\$130m expected FY2026 impact versus 2025	How much cost can be recovered through pricing without affecting volume or share
Americas impairment	\$3.646bn partial goodwill impairment in 2025; management cites forecast and market changes	Whether portfolio strategy will improve future consumer demand or returns
Financial volume	Company shipments to wholesalers declined in FY2025 and H1 2026	Retail sell-through, consumer consumption and inventory movements by brand

Sources: 2025 Form 10-K and Q2 2026 Form 10-Q. Company explanations are attributed; unknowns are not estimates.

Assignment

Prepare a one-page investor assessment that:

1. States your confidence level in Horizon 2030's ability to restore durable growth and identifies the strongest evidence for and against it.
2. Separates what the results show about financial volume, price/sales mix, currency and costs from what they cannot establish about consumer demand or causal strategy effects.
3. Identifies three observable signposts you would monitor to update your assessment, explaining why each would be informative.
4. States one important evidence gap that limits your conclusion.

You may conclude that the evidence supports high, moderate or low confidence, provided you explain the reasoning. Do not assume that an acquired brand, a premium tier or a stated target guarantees growth. Do not make a valuation or use information after October 3, 2026.