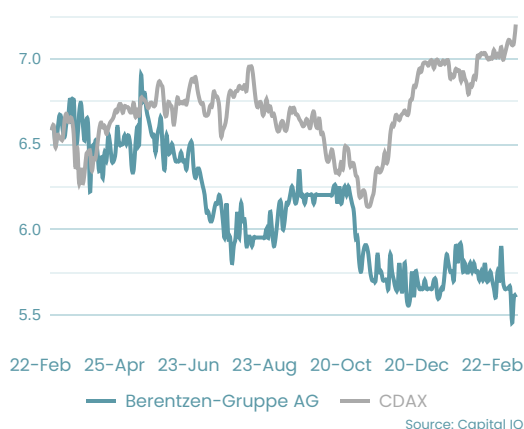


Rating	Buy
Price target	12.00 EUR
Potential	112%
Share data	
Share price (last close price in EUR)	5.65
Number of shares (in m)	9.4
Market cap. (in EUR m)	53.1
Trading vol. (Ø 3 months; in K shares)	3.8
Enterprise Value (in EUR m)	73.2
Ticker	BEZ
Guidance 2023	
Sales (in EUR m)	182-190
EBIT (in EUR m)	7-8

Share price (EUR)



Shareholder	
Streubesitz	73.8%
Main First	8.5%
Marchmain Invest N.V.	5.5%
Lazard Frères Gestion	5.1%
Aevum Fondation de Prévoyance	5.0%

Calendar	
FY 2023 results	March 28, 2024
Q1 results	May 7, 2024

Changes in estimates			
	2023e	2024e	2025e
Sales (old)	184.2	195.1	201.3
Δ	0.8%	-	-
EBIT (old)	7.1	9.4	11.1
Δ	8.0%	-	-
EPS (old)	0.27	0.49	0.61
Δ	-66.7%	-22.4%	-13.1%

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Publication	
Comment	20. February 2024

HIT feedback and key takeaways from the “Building Berentzen 2028” strategy update

Berentzen-Gruppe AG has presented its revised Group strategy for the first time at the 11th Hamburg Investor Days (HIT) and communicated specific quantitative midterm goals. Furthermore, the company reported preliminary financial ratios for 2023 which we believe are evidence of the necessity and timing of this strategic update.

“Building Berentzen 2028” in response to a market environment that remains challenging – preliminary financial ratios: The company recognized revenue of EUR 185.6m at the end of 2023, corresponding to an increase of 6.6% yoy. However, this was mainly driven by price effects. It is true that the gradual implementation of price increases has compensated for the higher input costs for the first time since August which resulted in a stronger recovery of earnings than we had expected in the second half of the year (2023 EBIT: EUR 7.7m vs. MONE: EUR 7.1m). On the other hand, we seem to have underestimated the effects of the strong increase in interest rates, which resulted in an adjustment of our estimates regarding EPS and dividend. In its Q3 report, Berentzen-Gruppe had informed about the use of an option to increase the syndicated loan, which we had already taken into account (EUR 9.9m; repayment by the end of 2026). As can be taken from the reported preliminary 2023 results, however, the higher interest rate level and the increased financial liabilities to banks mainly led to higher interest expenses in factoring (“significant increase in overall financing costs”). All in all, we expect interest expenses to have peaked at EUR 5.3m in 2023. In combination with the IAS 29 effect (MONE: EUR -1.2m), according to which Turkey is classified as hyperinflationary economy, the financial result has significantly burdened net income which is expected to amount to only EUR 0.8m according to our forecasts (EPS: EUR 0.09; dividend: EUR 0.05 per share vs. previously: EUR 0.27 and EUR 0.14). Before we extensively revise our planning for the following years, we will wait for further details, especially for the 2024 outlook which is expected to be communicated as part of the publication of the AR on 28 March. Below we will first outline the quantitative target for 2028 and then summarize the four strategic focus areas which are planned to pave the way to the 2028 targets.

Targets for 2028: Although numerous measures will still have to be implemented to achieve the targets, Berentzen has mapped out its midterm strategy quite clearly and we advocate this for reasons of transparency. Accordingly, the group aims for a top line of EUR 235m and EBITDA of EUR 28m (EBITDA margin: 12%) as well as EBIT of EUR 18m (EBIT margin: 8%). When compared to the current level, this implies a significant margin expansion (vs. 2023e: +3.3pp and +3.9pp).

Portfolio adjustment still pending – Increase of (focus) brand values: Although the same focus brands had been defined in the 2018/19 group strategy (Berentzen, Pusckin, Mio Mio), marketing is planned to be much more aggressive from now on since the strong development of these brands had been thwarted by lower-margin products at group level (cf. Comment of 26 October). Management announced that the next step will be an analysis phase during which the portfolio will be reviewed critically in terms of profitability. Existing capacities will be released through portfolio adjustments which can then be redirected to the focus brands.

Continued next page ->

FYend: 31.12.	2021	2022	2023e	2024e	2025e
Sales	146.1	174.2	185.6	195.1	201.3
Growth yoy	-5.5%	19.2%	6.6%	5.1%	3.2%
EBITDA	15.4	16.7	16.1	19.0	21.2
EBIT	6.7	7.0	7.7	9.4	11.1
Net income	3.7	2.1	0.8	3.6	5.0
Gross profit margin	46.9%	45.5%	42.6%	42.9%	43.3%
EBITDA margin	10.5%	9.6%	8.7%	9.7%	10.5%
EBIT margin	4.6%	4.0%	4.1%	4.8%	5.5%
Net Debt	-8.9	-2.5	9.0	4.3	4.6
Net Debt/EBITDA	-0.6	-0.2	0.6	0.2	0.2
ROCE	16.8%	16.1%	14.5%	16.5%	19.2%
EPS	0.39	0.22	0.09	0.38	0.53
FCF per share	0.46	-0.44	-1.01	0.55	0.16
Dividend	0.22	0.22	0.05	0.19	0.27
Dividend yield	3.9%	3.9%	0.9%	3.4%	4.8%
EV/Sales	0.5	0.4	0.4	0.4	0.4
EV/EBITDA	4.8	4.4	4.5	3.9	3.5
EV/EBIT	10.9	10.4	9.5	7.8	6.6
PER	14.5	25.7	62.8	14.9	10.7
P/B	1.1	1.1	1.1	1.0	1.0

Source: Company data, Montega, Capital IQ

Figures in EUR m, EPS in EUR, Price: 5.65 EUR

Non-alcoholic beverages should be focused in particular in our view, which was also confirmed by Oliver Schwegmann (CEO) at the HIT presentation. The strategic focus brands are seen to account for almost 90% of growth by 2028. Berentzen and Puschkin (CAGR 23-28e: 12.5%) as well as Mio Mio (CAGR 23-28e: 16.0%) are expected to continue to significantly outperform their respective markets in the next few years (3.1% and 1.8%). Mio Mio is seen to account for 71% of segment sales in 2028, after 15% in 2018 and presumably 41% in 2023e. As this will come with a strong positioning, the bargaining power over food retail partners is expected to increase significantly, which has been one of the core challenges in the most recent past. The massive cost increases on the input side could only be passed on gradually, which had temporarily weighed down on margins.

Intensification of sales activities and significant increase in marketing: To have a stronger position regarding shelf space in the food retail business going forward, the company's sales structures have been newly defined. It is planned to increase the sales team by five new employees each year by 2028 to double the headcount to c. 60 in the final expansion stage, which would lower the still existing north-south divide amongst others. In addition to sales optimization, the more aggressive marketing of the focus brands is likely to benefit from the significant increase in marketing expenses. The group aims to raise the marketing budget by EUR 1.0m p.a., which would triple the amount by 2028.

Private label spirits highly attractive as a differentiation factor for food retail business: With PABST&RICHARZ, Berentzen-Gruppe combines the production of own brand spirits and the private label segment in the most different price categories. The inflation-driven consumer restraint recently has led to the fact that non-brand products – especially in the entry-level price segment – have significantly gained market shares (H1/23: 45.9%; +3.4pp yoy). This year, the company has seen another noticeable top line increase of private label spirits by almost 15% yoy to EUR 76.6m (>40% of group sales). Berentzen is already cost leader in the low-price segment thanks to efficient production processes, whereas the group's position in the medium and premium segment is mainly based on the ratio of price and quality with a strong commitment to quality. It is planned to increase the advantages over competitors with further measures to enhance efficiency going forward. In essence, this will include drivers such as pace of innovation and/or agility in product development as well as process optimization (e.g. automated production lines, efficient supply chain).

Paving the way for the new ventures alongside the focus brand: In addition to the focus brands, the group has so-called "satellite" segments, which have attractive growth prospects and finance themselves thanks to an inherent profitable business. The fresh juice segment with Citrocasa takes the front seat here. However, it failed to continue the growth rates of the previous year (2023e: 6.4% yoy vs. 2022: 22.5% yoy). We again assume that the sale of oranges and bottles has more than compensated for the still restrained willingness of the food retail partners to invest in new juice machines, which has led to the reported increase in revenue. Looking ahead, the sector benefits from the structurally growing demand for a healthy diet, as a result of which categories such as smoothies and juices are likely to continue to make headway. In 2024, Citrocasa is expected to return to the growth path thanks to a revival of the retailers' readiness to invest, the launch of a new machine generation in Q2 and the reorientation of the own sales teams for the German business.

Conclusion: Berentzen-Gruppe has outlined the targets for 2028 with its strategy update and will now transition into an intensive analysis phase during which processes, products and brands will be put under scrutiny in terms of their profitability. All of the profitability drivers above are comprehensive, in our view, and should provide potential for a revaluation in the medium term. It remains to be seen, however, at which pace this will be implemented in the next few months. First indications are likely to come from the outlook for 2024, which we will use as a basis to review our model. Notably, Ecovadis has again awarded the gold medal to Berentzen for its ESG activities. It is thus among the best 2% of the 100,000 companies under consideration. We also believe that the comprehensive ESG strategy is unique for a company of this size. We stick to our buy recommendation and our price target for the time being.

Company Background

Founded in 1758, Berentzen looks back on a history of over 250 years and is seen as one of the best-known spirits brands in Germany. Alongside production and sale of spirits, the company has expanded its business activities to non-alcoholic beverages and fresh juice systems through numerous acquisitions over the years. Today, Berentzen can be regarded as an integrated beverages group, which has an attractive brand profile with a very good price-performance ratio.

To maintain its ground in the highly competitive beverages market in the long term, the company has established a promising niche strategy over the last years which is based on the Berentzen, Puschkin, Mio Mio and Citrocasa core brands. In addition to this business, the company has a market-leading position in private label spirits which makes the Berentzen group an appreciated partner for customers such as EDEKA and REWE.

Key Facts

Sector	Beverage
Ticker	BEZ
Employees	approx. 500
Sales	EUR 185.6 m
EBITDA	EUR 16.6 m
EBITDA-margin	8.9%
Core competence	Production and distribution of spirits, non-alcoholic beverages and fresh juice systems

Locations	Haselünne (headquarters), Minden, Grüneberg, Linz(Austria), Istanbul (Turkey)
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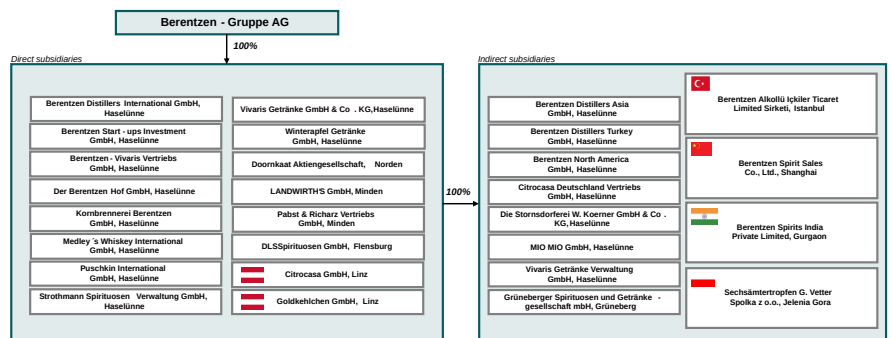
Customers	Food and beverage retail (90%), Gastronomy (10%)
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Source: Company, Montega; Status: FY 2023p

Organisational structure and locations

Berentzen-Gruppe Aktiengesellschaft, the holding company of the group, is located in Haselünne. Based on the long history and the vast range of activities, the company has many different direct and indirect subsidiaries which are all fully owned by the group. The table below shows the scope of consolidation divided by direct and indirect subsidiaries.

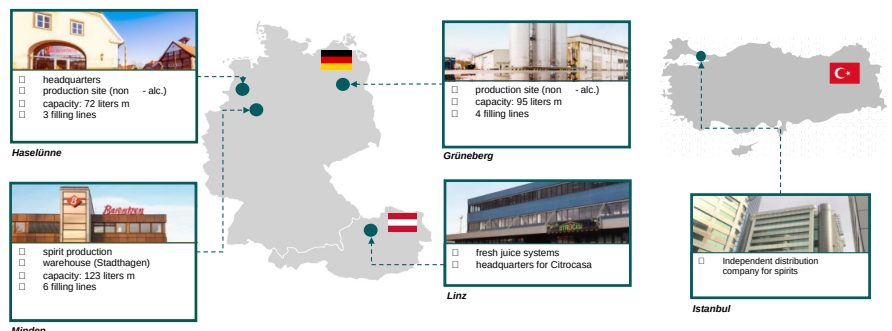
Corporate structure of Berentzen-Gruppe AG



Source: Company

The chart below shows the group's operating locations for production, administration and sale of the goods.

Locations of Berentzen-Gruppe AG



Source: Company

Major events in the company's history

- 1758 Company is founded by Johann Bernhard Berentzen
- 1899 Berentzen is entered as a brand as one of the first German spirits
- 1958 Entry into the non-alcoholic beverages segment (Emsland Getränke)
- 1960 Start of the concession business with the PepsiCo group
- 1976 Successful launch of Berentzen Apfeln Korn as the group's flagship
- 1979 Expansion of the export business
- 1988 Merger with Pabst & Richarz to Berentzen-Gruppe
- 1990 Acquisition of the Puschkin brand which was later expanded as an umbrella brand
- 1992 Acquisition of Doornkaat, the well-known grain spirits brand
- 1993 Conversion into a Aktiengesellschaft
- 1994 IPO at the Frankfurt stock exchange
- 1996 Acquisition of Mineralbrunnen in Grüneberg
- 1998 Acquisition of rival Dethleffsen and thus expansion of product assortment
- 2008 AURELIUS acquires 75.1% of the ordinary shares
- 2014 Acquisition of today's Citrocasa GmbH (formerly: TMP Technic-MarketingProducts GmbH; AT) which marks the entry into the fresh juice system segment
- 2015 Vivaris Getränke GmbH & Co. KG acquires concession from Sinalco Conversion of non-voting preference shares into shares with voting rights
- 2016 AURELIUS sells the complete investment
- 2018 "Thirst for live" is the new slogan of the Berentzen group
- 2019 Innovation campaign in the product portfolio
- 2020 Foundation of Berentzen-Vivaris-Vertriebs GmbH (own sales team) to sell spirits and non-alcoholic beverages & Acquisition of Austrian premium cider brand Goldkehlchen
- 2024 Realignment of the brand and product portfolio

Brand portfolio and segments

The chart below shows the brand portfolio of the Berentzen group in the individual segments (Spirits, Non-alcoholic Beverages, Fresh Juice Systems). The right column displays all those brands which are in the focus of the company’s strategy and which therefore play a decisive role in the equity story.

Brand portfolio of the Berentzen-Gruppe AG

				Focus brands/ core of Equity Story
Spirits	 	 	 	
Non-alcoholic Beverages	 	 	 	
Fresh Juice Systems				

Source: Company, Montega

The four segments below are the basis of reporting pursuant to IFRS 8.

Spirits segment (revenue share: 59.7%): This segment with its traditional Berentzen brand is the origin of the company. In addition to the Berentzen and Puschkin core brands, the company offers other regional and national spirits brands such as Strothmann, Bommerlunder, Doornkaat or Dirty Harry. In the last years, the company has started a broad innovation campaign for its focus brands and launched various product variations which address different target groups. For instance, the seasonal Berentzen Creamers product line addresses the target group of younger consumers because of the available flavours and the product presentation. The high-quality product design and lower sweetness of Landlikör addresses persons aged 35+. The domestic brand spirits account for roughly one third of revenues in this segment. Subsidiary Pabst & Richarz Vertriebs GmbH is responsible for the business activities of the private label business and bundles the commissioned products of all kinds of spirits for customers such as REWE, EDEKA, or the Schwarz group. Together with the export of the brand spirits, the revenue share of these activities accounts for the remaining two thirds of this segment.

Sample product overview in the spirits segment



Source: Company

Non-alcoholic Beverages (revenue share: 25.6%): The non-alcoholic beverages segment is exclusively managed by subsidiary Vivaris Getränke GmbH & Co. KG. Mio Mio is the declared focus brand, which is characterised by a sustainable focus (fully climate-neutral) and additive ingredients such as caffeine, guarana, or mate. At an average growth rate of over 30% p.a., Mio Mio has been the growth driver of this segment in the past few years and meanwhile accounts for a segment share of more than one third. Regional mineral waters of the brands Emsland, Märkisch Kristall and Sankt Ansgari (revenue shares: almost 50%) make up the largest share in the Non-alcoholic Beverages segment in terms of volume. The remaining revenues in this segment are generated with other lemonades and soft drinks, energy drinks and with the concession business for Sinalco. Contract filling for PepsiCo was discontinued at the end of Q1/21.

Sample product overview in the non-alcoholic beverage segment



Source: Company

Fresh Juice Systems (revenue share: 10.8%): The acquisition of TMP Technic-Marketing-Products GmbH in 2014, which changed its name to Citrocasa GmbH in July 2019, marked the entry into the market for fresh juice systems. The company's range of services include the distribution of juicers but also the supply of oranges and the corresponding bottling systems. This one-stop solution of Citrocasa addresses the retail in Germany and Austria, whilst juicers are sold by distributors on a global scale. The distribution of juicers accounted for roughly 32% of revenues in FY 2021, trade in oranges for roughly 45% and the sale of bottling systems for roughly 23%.

Sample product overview in the fresh juice systems segment



Source: Company

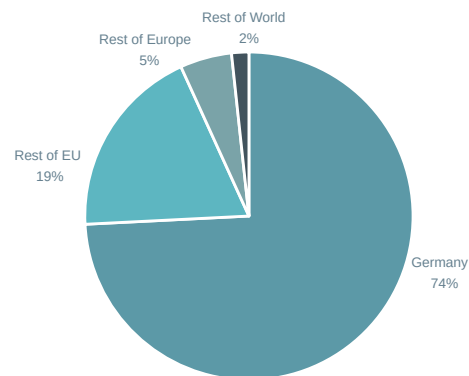
Others (revenue share: 3.9%): This segment includes the activities of the Turkish subsidiary (segment share c. 75%) and revenues of the Berentzen Hof event location at the company's headquarters in Haselünne. In the years prior to Covid-19, Berentzen Hof had been a popular destination with more than 35,000 visitors per year.

Sales breakdown by regions and channels

Germany is the group's regional sales focus with revenues of EUR 129.3m in 2022 and a share of 74.2%. The company generated a top line contribution of EUR 33.2m (19.0%) in other countries of the European Union. Revenue streams from the international business also comprise the rest of Europe with EUR 8.8m (5.1%) and revenues outside Europe of EUR 3.0m (1.7%).

In terms of sales channels, Berentzen follows the general market distribution and, at a sales share of c. 90% (MONE), addresses almost exclusively the food retail industry. Accordingly, revenues generated with the food and drink establishments account for some 10%.

Revenues by region

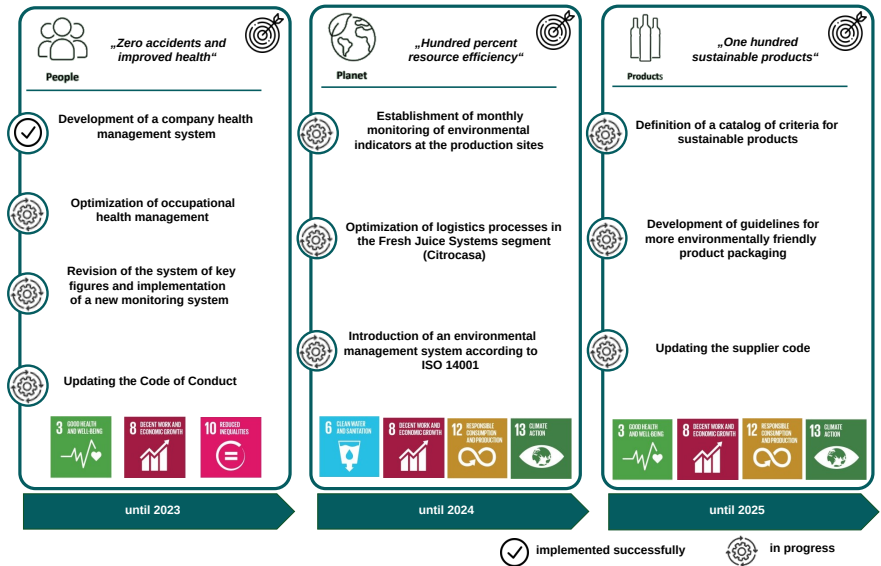


Source: Company

CSR strategy

Corporate Social Responsibility is a key priority for the Berentzen group and can be regarded as exemplary for a company of this size regarding the scope of reporting. That the efforts in this area are paying off has been demonstrated by the Gold Medal which the company has been awarded by EcoVadis most recently. Only 5% of the over 100,000 rated company receive this medal. The strategic key aspects and the corresponding measures of the CSR strategy can be seen in the chart below.

Illustration of CSR strategy



Source: Company, Montega

Management

The current Management Board consists of CEO Oliver Schwegmann and CFO Ralf Brühöfner.



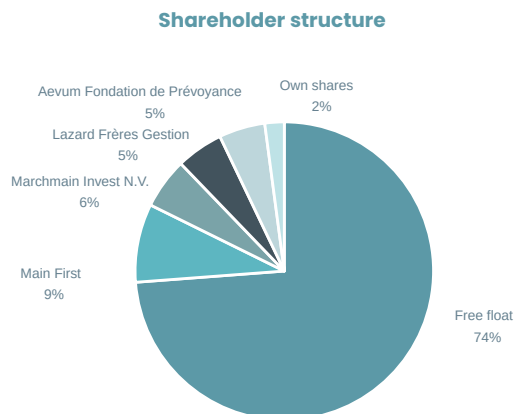
Oliver Schwegmann (CEO) assumed this position in June 2017 and is responsible for marketing, distribution, production & logistics, procurement as well as research & development. The graduate sports economist had held several management positions at prestigious companies prior to this. Most recently, Mr. Schwegmann was Country Managing Director at L'Oréal Suisse SA in Switzerland. Hero AG, Mars GmbH and August Stock KG were other renowned companies, where he held management positions.



Ralf Brühöfner (CFO), a business graduate, started his career at PwC, where he gained experience in investment controlling over several years. In 2001, Mr. Brühöfner joined the Berentzen group as commercial manager and was appointed to the Management Board as CFO in 2007. He has been responsible for finances, controlling, human resources, IT, legal, corporate communications, investor relations and corporate social responsibility since then.

Shareholder structure

Berentzen-Gruppe AG went public in June 1994 at the Frankfurt stock exchange. 9.6m shares are currently outstanding. The free float is relatively high at a rate of 74%. MainFirst is the largest shareholder with a stake of 8.5%. Marchmain Invest N.V. recently acquired a stake of 5.5%. This is followed by Lazard Frères Gestion (France) and Aevum Fondation de Prévoyance (Switzerland) which are both holding a stake of some 5%. Berentzen-Gruppe AG holds 2.1% of its own shares.



Source: Company

DCF Model

Figures in EUR m

	2023e	2024e	2025e	2026e	2027e	2028e	2029e	Terminal Value
Sales	185.6	195.1	201.3	207.3	213.5	219.3	224.6	229.1
Change yoy	6.6%	5.1%	3.2%	3.0%	3.0%	2.7%	2.4%	2.0%
EBIT	7.7	9.4	11.1	12.5	12.8	12.9	12.9	12.6
EBIT margin	4.1%	4.8%	5.5%	6.0%	6.0%	5.9%	5.8%	5.5%
NOPAT	5.4	6.6	7.8	8.8	9.0	9.0	9.1	8.8
Depreciation	8.4	9.6	10.1	10.4	10.7	11.0	11.2	11.5
in % of Sales	4.6%	4.9%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Change in Liquidity from								
- Working Capital	-8.6	2.8	-2.5	-3.2	-0.8	-0.8	-0.7	-0.6
- Capex	-10.2	-10.7	-11.1	-11.0	-11.1	-11.0	-11.2	-11.5
Capex in % of Sales	5.5%	5.5%	5.5%	5.3%	5.2%	5.0%	5.0%	5.0%
Other								
Free Cash Flow (WACC model)	-5.0	8.2	4.3	4.9	7.9	8.5	8.5	8.4
WACC	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Present value	-5.0	7.7	3.7	3.9	5.9	5.8	5.4	82.6
Total present value	-5.0	2.7	6.4	10.3	16.2	22.0	27.4	110.1

Valuation

Total present value (Tpv)	110.1
Terminal Value	82.6
Share of TV on Tpv	75%
Liabilities	11.0
Liquidity	13.5
Equity value	112.6

Number of shares (mln)	9.4
Value per share (EUR)	12.0
+Upside / -Downside	112%
Share price	5.65

Model parameter

Debt ratio	40.0%
Costs of Debt	5.0%
Market return	9.0%
Risk free rate	2.5%
Beta	1.3
WACC	8.0%
Terminal Growth	2.0%

Growth: sales and margin

Short term sales growth	2023-2026	3.7%
Mid term sales growth	2023-2029	3.2%
Long term sales growth	from 2030	2.0%
Short term EBIT margin	2023-2026	5.1%
Mid term EBIT margin	2023-2029	5.5%
Long term EBIT margin	from 2030	5.5%

Sensitivity Value per Share (EUR)

WACC	1.25%	1.75%	2.00%	2.25%	2.75%
8.47%	10.18	10.71	11.00	11.32	12.03
8.22%	10.58	11.15	11.48	11.82	12.62
7.97%	11.01	11.64	11.99	12.37	13.25
7.72%	11.47	12.16	12.55	12.98	13.96
7.47%	11.97	12.73	13.16	13.64	14.74

Terminal Growth

Sensitivity Value per Share (EUR)

WACC	5.00%	5.25%	5.50%	5.75%	6.00%
8.47%	10.25	10.63	11.00	11.38	11.75
8.22%	10.68	11.08	11.48	11.87	12.27
7.97%	11.15	11.57	11.99	12.41	12.83
7.72%	11.66	12.10	12.55	13.00	13.44
7.47%	12.21	12.69	13.16	13.64	14.11

EBIT-margin from 2030e

Quelle: Montega

P&L (in EUR m) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Sales	154.6	146.1	174.2	185.6	195.1	201.3
Increase / decrease in inventory	0.1	0.3	4.7	0.4	0.4	0.5
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	154.6	146.4	178.9	186.1	195.6	201.7
Material Expenses	87.5	78.0	99.7	106.9	111.8	114.5
Gross profit	67.1	68.5	79.3	79.1	83.8	87.2
Personnel expenses	25.0	26.8	28.8	31.8	32.2	32.8
Other operating expenses	31.2	30.1	38.6	35.6	36.7	37.4
Other operating income	3.1	3.8	4.7	4.5	4.1	4.2
EBITDA	14.0	15.4	16.7	16.1	19.0	21.2
Depreciation on fixed assets	6.4	6.4	6.3	6.4	7.6	8.1
EBITA	7.6	8.9	10.3	9.7	11.4	13.1
Amortisation of intangible assets	2.5	2.2	2.0	2.0	2.0	2.0
Impairment charges and Amortisation of goodwill	1.4	0.0	1.3	0.0	0.0	0.0
EBIT	3.7	6.7	7.0	7.7	9.4	11.1
Financial result	-1.5	-1.4	-2.9	-6.5	-4.3	-4.0
Result from ordinary operations	2.3	5.3	4.2	1.2	5.1	7.1
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
EBT	2.3	5.3	4.2	1.2	5.1	7.1
Taxes	1.0	1.6	2.1	0.4	1.5	2.1
Net Profit of continued operations	1.2	3.7	2.1	0.8	3.6	5.0
Net Profit of discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	1.2	3.7	2.1	0.8	3.6	5.0
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	1.2	3.7	2.1	0.8	3.6	5.0

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Increase / decrease in inventory	0.0%	0.2%	2.7%	0.2%	0.2%	0.2%
Own work capitalised	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.2%	102.7%	100.2%	100.2%	100.2%
Material Expenses	56.6%	53.4%	57.2%	57.6%	57.3%	56.9%
Gross profit	43.4%	46.9%	45.5%	42.6%	42.9%	43.3%
Personnel expenses	16.2%	18.3%	16.5%	17.2%	16.5%	16.3%
Other operating expenses	20.2%	20.6%	22.1%	19.2%	18.8%	18.6%
Other operating income	2.0%	2.6%	2.7%	2.4%	2.1%	2.1%
EBITDA	9.1%	10.5%	9.6%	8.7%	9.7%	10.5%
Depreciation on fixed assets	4.2%	4.4%	3.6%	3.5%	3.9%	4.0%
EBITA	4.9%	6.1%	5.9%	5.2%	5.8%	6.5%
Amortisation of intangible assets	1.6%	1.5%	1.2%	1.1%	1.0%	1.0%
Impairment charges and Amortisation of goodwill	0.9%	0.0%	0.7%	0.0%	0.0%	0.0%
EBIT	2.4%	4.6%	4.0%	4.1%	4.8%	5.5%
Financial result	-1.0%	-1.0%	-1.6%	-3.5%	-2.2%	-2.0%
Result from ordinary operations	1.5%	3.6%	2.4%	0.6%	2.6%	3.5%
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBT	1.5%	3.6%	2.4%	0.6%	2.6%	3.5%
Taxes	0.7%	1.1%	1.2%	0.2%	0.8%	1.1%
Net Profit of continued operations	0.8%	2.5%	1.2%	0.4%	1.8%	2.5%
Net Profit of discontinued operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit before minorities	0.8%	2.5%	1.2%	0.4%	1.8%	2.5%
Minority interests	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit	0.8%	2.5%	1.2%	0.4%	1.8%	2.5%

Source: Company (reported results), Montega (forecast)

Balance sheet (in EUR m) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
ASSETS						
Intangible assets	10.8	9.8	9.3	8.2	7.2	6.2
Property, plant & equipment	44.3	45.7	46.7	49.6	51.7	53.8
Financial assets	1.1	1.5	1.3	1.3	1.3	1.3
Fixed assets	56.1	56.9	57.3	59.1	60.3	61.3
Inventories	39.4	39.0	51.1	54.0	57.4	61.0
Accounts receivable	11.8	7.5	10.6	11.2	11.2	11.6
Liquid assets	26.3	28.3	13.5	11.9	16.6	16.3
Other assets	11.6	10.4	13.7	13.7	13.7	13.7
Current assets	89.1	85.2	89.0	90.7	98.9	102.6
Total assets	145.2	142.1	146.3	149.8	159.2	163.9
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	47.2	48.9	50.1	48.9	52.0	55.2
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0
Provisions	9.0	8.7	7.2	7.2	7.2	7.2
Financial liabilities	10.3	10.8	3.9	13.8	13.8	13.8
Accounts payable	34.6	36.3	45.9	40.8	47.0	48.5
Other liabilities	44.1	37.5	39.2	39.2	39.2	39.2
Liabilities	97.9	93.3	96.2	101.0	107.2	108.7
Total liabilities and shareholders' equity	145.2	142.1	146.3	149.8	159.2	163.9

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
ASSETS						
Intangible assets	7.4%	6.9%	6.4%	5.5%	4.5%	3.8%
Property, plant & equipment	30.5%	32.1%	31.9%	33.1%	32.5%	32.8%
Financial assets	0.7%	1.0%	0.9%	0.9%	0.8%	0.8%
Fixed assets	38.7%	40.0%	39.2%	39.5%	37.9%	37.4%
Inventories	27.1%	27.4%	35.0%	36.0%	36.1%	37.2%
Accounts receivable	8.1%	5.3%	7.3%	7.5%	7.0%	7.1%
Liquid assets	18.1%	19.9%	9.3%	7.9%	10.5%	10.0%
Other assets	8.0%	7.3%	9.3%	9.1%	8.6%	8.3%
Current assets	61.4%	60.0%	60.8%	60.6%	62.1%	62.6%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	32.5%	34.4%	34.3%	32.6%	32.7%	33.7%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions	6.2%	6.1%	4.9%	4.8%	4.5%	4.4%
Financial liabilities	7.1%	7.6%	2.7%	9.2%	8.7%	8.4%
Accounts payable	23.8%	25.5%	31.4%	27.2%	29.5%	29.6%
Other liabilities	30.3%	26.4%	26.8%	26.1%	24.6%	23.9%
Total Liabilities	67.5%	65.6%	65.8%	67.4%	67.3%	66.3%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company (reported results), Montega (forecast)

Statement of cash flows (in EUR m) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Net income	1.2	3.7	2.1	0.8	3.6	5.0
Depreciation of fixed assets	6.4	6.4	6.3	6.4	7.6	8.1
Amortisation of intangible assets	3.9	2.2	3.3	2.0	2.0	2.0
Increase/decrease in long-term provisions	-1.0	-0.2	0.0	0.0	0.0	0.0
Other non-cash related payments	-7.0	-7.5	5.3	0.0	0.0	0.0
Cash flow	3.5	4.6	17.1	9.3	13.1	15.1
Increase / decrease in working capital	10.1	7.0	-12.1	-8.6	2.8	-2.5
Cash flow from operating activities	13.6	11.6	4.9	0.7	15.9	12.6
CAPEX	-5.2	-8.5	-9.1	-10.2	-10.7	-11.1
Other	-0.2	1.2	0.0	0.0	0.0	0.0
Cash flow from investing activities	-5.4	-7.3	-9.0	-10.2	-10.7	-11.1
Dividends paid	-2.6	-1.2	-2.1	-2.1	-0.4	-1.8
Change in financial liabilities	0.1	0.5	-6.9	9.9	0.0	0.0
Other	-1.4	-1.9	-1.9	0.0	0.0	0.0
Cash flow from financing activities	-3.9	-2.7	-10.9	7.8	-0.4	-1.8
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Change in liquid funds	4.3	1.7	-15.0	-1.7	4.8	-0.3
Liquid assets at end of period	27.0	28.0	13.3	11.9	16.6	16.3

Source: Company (reported results), Montega (forecast)

Key figures Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Earnings margins						
Gross margin (%)	43.4%	46.9%	45.5%	42.6%	42.9%	43.3%
EBITDA margin (%)	9.1%	10.5%	9.6%	8.7%	9.7%	10.5%
EBIT margin (%)	2.4%	4.6%	4.0%	4.1%	4.8%	5.5%
EBT margin (%)	1.5%	3.6%	2.4%	0.6%	2.6%	3.5%
Net income margin (%)	0.8%	2.5%	1.2%	0.4%	1.8%	2.5%
Return on capital						
ROCE (%)	8.6%	16.8%	16.1%	14.5%	16.5%	19.2%
ROE (%)	2.5%	7.8%	4.3%	1.6%	7.3%	9.6%
ROA (%)	0.8%	2.6%	1.4%	0.5%	2.2%	3.0%
Solvency						
YE net debt (in EUR)	-7.1	-8.9	-2.5	9.0	4.3	4.6
Net debt / EBITDA	-0.5	-0.6	-0.2	0.6	0.2	0.2
Net gearing (Net debt/equity)	-0.2	-0.2	-0.1	0.2	0.1	0.1
Cash Flow						
Free cash flow (EUR m)	8.3	4.3	-4.1	-9.5	5.2	1.5
Capex / sales (%)	3.3%	5.8%	5.2%	5.5%	5.5%	5.5%
Working capital / sales (%)	11.9%	9.2%	7.5%	10.8%	11.8%	11.4%
Valuation						
EV/Sales	0.5	0.5	0.4	0.4	0.4	0.4
EV/EBITDA	5.2	4.8	4.4	4.5	3.9	3.5
EV/EBIT	19.6	10.9	10.4	9.5	7.8	6.6
EV/FCF	8.9	16.9	-	-	14.1	49.3
PE	43.5	14.5	25.7	62.8	14.9	10.7
P/B	1.1	1.1	1.1	1.1	1.0	1.0
Dividend yield	2.3%	3.9%	3.9%	0.8%	3.4%	4.7%

Source: Company (reported results), Montega (forecast)

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Company	Disclosure (as of 23.02.2024)
Berentzen-Gruppe AG	1, 8, 9

Price history

Recommendation	Date	Price (EUR)	Price target (EUR)	Potential
Buy (Initiation)	06.02.2023	6.52	12.00	+84%
Buy	27.03.2023	6.48	12.00	+85%
Buy	05.05.2023	6.50	12.00	+85%
Buy	01.08.2023	5.95	12.00	+102%
Buy	14.08.2023	5.95	12.00	+102%
Buy	20.10.2023	5.95	12.00	+102%
Buy	26.10.2023	5.90	12.00	+103%
Buy	20.02.2024	5.65	12.00	+112%