

Recommendation: Buy

Price target: 12.00 EUR

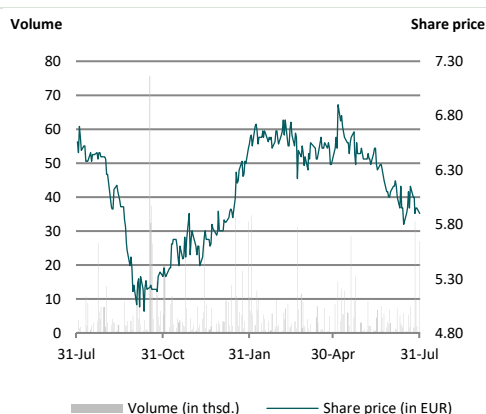
Upside potential: +102 Percent

Share data

Share price	5.95 Euro (XETRA)
Number of shares (in m)	9.4
Market cap. (in m)	55.9
Enterprise Value (in EUR m)	54.9
Code	BEZ
ISIN	DE0005201602

Performance

52 week high (in EUR)	7.00
52 week low (in EUR)	5.00
3 m relative to CDAX	-4.9%
6 m relative to CDAX	+7.6%


Shareholder

Free float	73.8%
Main First	8.5%
Marchmain Invest	5.5%
Lazard Frères Gestion	5.1%
Aevum Fondation de Prévoyance	5.0%
Own shares	2.1%

Calendar

Q2 results	10. August 2023
Q3 results	24. October 2023

Change in estimates

	2023e	2024e	2025e
Revenue (old)	188.7	195.1	201.3
Δ in %	-	-	-
EBIT (old)	7.8	9.4	11.1
Δ in %	-	-	-
EPS (old)	0.43	0.57	0.71
Δ in %	-	-	-

Analysts

Nils Scharwächter	Tim Kruse, CFA
+49 40 41111 37 86	+49 40 41111 37 84
n.scharwaechter@montega.de	t.kruse@montega.de

Publication

Comment	1. August 2023
---------	----------------

Global players such as Coca-Cola & PepsiCo. report positive trend in Q2 – Bargaining power vis-à-vis food retail decisive in our view

On 10 August, Berentzen-Gruppe AG will release figures for the second quarter which we expect to be similar to the first three months. Top line should have increased significantly again, and earnings are seen to be below Q2/22. However, the price increases implemented in 2023 are expected to have resulted in first improvements.

Top line mainly benefits from price effects: After Berentzen-Gruppe has seen a successful start to the year in terms of revenues (Q1/23: EUR 41.8m; +15.9% yoy), growth should have continued through the second quarter in our view. In concrete terms, we anticipate a further increase to EUR 46.2m (up 7.6%) despite the significantly higher baseline in the previous year.

Earnings level improving in Q2 – but still below prior year: The cost increases which, for the most part, did not bear fruit until Q4 as most of the supply agreements have fixed prices, will have a full year effect in the current fiscal year. Price pass-throughs related to LEH partners were only implemented gradually which led to a substantial decline in the Q1 EBITDA margin (Q1/23: 7.0%; -2pp yoy). We expect the price increases implemented in Q2 to result in growth of 2.1pp qoq to 9.1%, which is still significantly below the prior-year quarter (10.8%) but should be seen as a first step towards a continuing recovery in our view.

Financial reports of competitors underline impact of bargaining power: Whilst the global beverages conglomerates such as Coca-Cola and PepsiCo. have reported strong Q2 results both in sales and earnings and hence have raised their full-year guidance, the comparatively limited bargaining power of smaller suppliers such as Berentzen-Gruppe AG, or Schloss Wachenheim AG, which we believe to be a comparable peer, weighs down on profitability. Schloss Wachenheim reported a noticeable growth in net sales (9M-2022/23: EUR 322.5m; +11.1% yoy) due to price effects but had to face significant setbacks in EBIT (EUR 21.7m; EBIT margin: 6.7%; -1.7pp yoy). We believe Berentzen should face similar challenges, but the focus products, which are highly attractive from the LEH partner's point of view, such as private label spirits (differentiation possibilities), the high-quality fresh juice systems of Citrocas (enhancement opportunity in stores) and the strongly growing Mio Mio lemonade brand (shelf rotation extremely high) are likely to allow for passing on the higher procurement costs at least in stages. For instance, the recent launch of the new "Spezi" (lemonade and cola) flavor at Mio Mio has been a success for the company and is expected to contribute to another double-digit growth (MONE: 26% yoy). Furthermore, progress in pomegranate juicers should result in high single-digit growth rates in the Citrocas segment (MONE: 8% yoy).

Conclusion: Although the cost pressure is likely to still be clearly noticeable in Q2, we expect a significant improvement compared to Q1. Over the course of the year, the company should succeed to gradually improve profitability due to further price increases. We therefore reiterate our buy rating with an unchanged price target of EUR 12.00.

Yend: 31.12.	2021	2022	2023e	2024e	2025e
Sales	146.1	174.2	188.7	195.1	201.3
Growth yoy	-5.5%	19.2%	8.3%	3.4%	3.2%
EBITDA	15.4	16.7	17.0	19.0	21.2
EBIT	6.7	7.0*	7.8	9.4	11.1
Net income	3.7	2.1	4.0	5.4	6.7
Gross profit margin	46.9%	45.5%	42.6%	42.9%	43.3%
EBITDA margin	10.5%	9.6%	9.0%	9.7%	10.5%
EBIT margin	4.6%	4.0%	4.1%	4.8%	5.5%
Net Debt	-8.9	-2.5	0.6	0.9	-1.4
Net Debt/EBITDA	-0.6	-0.2	0.0	0.0	-0.1
ROCE	16.8%	16.1%	15.5%	17.3%	19.5%
EPS	0.39	0.22	0.43	0.57	0.71
FCF per share	0.46	-0.44	-0.11	0.18	0.53
Dividend	0.22	0.22	0.22	0.29	0.36
Dividend yield	3.7%	3.7%	3.7%	4.9%	6.1%
EV/Sales	0.4	0.3	0.3	0.3	0.3
EV/EBITDA	3.6	3.3	3.2	2.9	2.6
EV/EBIT	8.2	7.8	7.0	5.8	4.9
PER	15.3	27.0	13.8	10.4	8.4
P/B	1.1	1.1	1.1	1.0	0.9

Source: Company data, Montega, Capital IQ

*Includes impairment write-downs of 1.3 EUR m; Figures in EUR m, EPS in EUR Price: 5.95

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

Code	BEZ	Revenue	174.2 EUR m
Industry	Beverage	EBITDA	16.7 EUR m
Employees	approx. 500	EBITDA margin	9.6%
Core competence	Production and distribution of spirits, non-alcoholic beverages and fresh juice systems		
Locations	Haselünne (headquarters), Minden, Grüneberg, Linz (Austria), Istanbul (Turkey)		
Customers	Food and beverage retail (90%), Gastronomy (10%)		

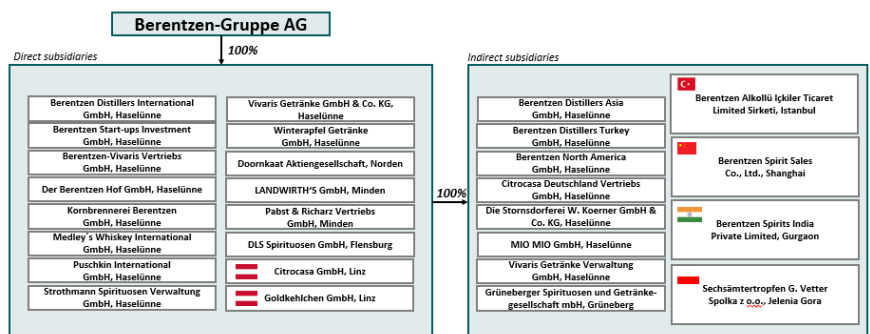
Source: Company

FY 2022

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.

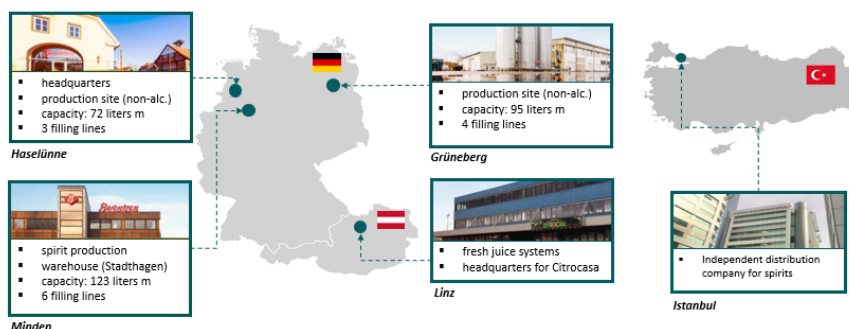
Corporate structure of Berentzen-Gruppe AG



Source: Montega

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

Locations of Berentzen-Gruppe AG



Source: Unternehmen

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 Apfelkorn* 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-Marketing-Products 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*

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	Doornkaat Strohmann GOLD KEHL CHEN Dirty Harry BOMMERLINDER Hansen TRES PAISES	PUSCHKIN Berentzen PARST & RICHARZ		
Non-alcoholic Beverages	EMSLAND MÄRKISCH KRISTALL SANKT ANSGARI	vivaris EMSLAND Perle Light EMSLAND Sonne	quixx Santitas MIO MIO	
Fresh Juice Systems	FRUTAS			CITROCASA

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%)

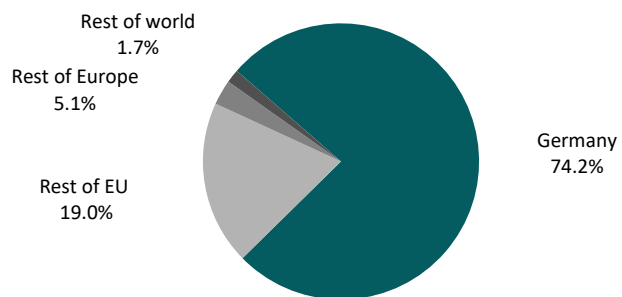
This segment includes the activities of the Turkish subsidiary (segment share c. 75%) and revenues of the *Berentzen Hof* event location at the company's headquarters in Haselünne. In the years prior to Covid-19, *Berentzen Hof* had been a popular destination with more than 35,000 visitors per year.

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

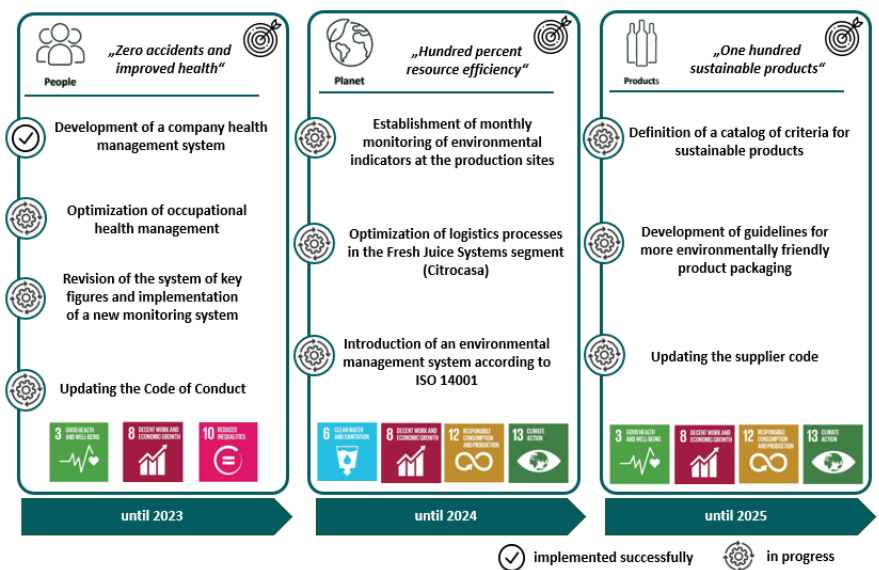


Source: Company

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.



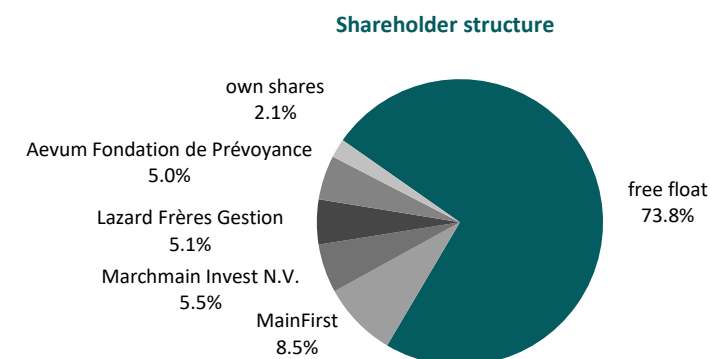
Oliver Schwegmann (CEO) assumed this position in June 2017 and is responsible for marketing, distribution, production & logistics, procurement as well as research & development. The graduate sports economist had held several management positions at prestigious companies prior to this. Most recently, 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

APPENDIX

DCF Modell

Figures in m	2023e	2024e	2025e	2026e	2027e	2028e	2029e	Terminal Value
Sales	188.7	195.1	201.3	207.3	213.5	219.3	224.6	229.1
<i>Change yoy</i>	8.3%	3.4%	3.2%	3.0%	3.0%	2.7%	2.4%	2.0%
EBIT	7.8	9.4	11.1	12.5	12.8	12.9	12.9	12.6
<i>EBIT margin</i>	4.1%	4.8%	5.5%	6.0%	6.0%	5.9%	5.8%	5.5%
NOPAT	5.5	6.6	7.8	8.8	9.0	9.0	9.1	8.8
Depreciation	9.2	9.6	10.1	10.4	10.7	11.0	11.2	11.5
<i>in % of Sales</i>	4.9%	4.9%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Change in Liquidity from								
- Working Capital	-4.0	-2.5	-0.7	-1.7	-0.7	-0.7	-0.6	-0.5
- Capex	-10.4	-10.7	-11.1	-11.0	-11.1	-11.0	-11.2	-11.5
<i>Capex in % of Sales</i>	5.5%	5.5%	5.5%	5.3%	5.2%	5.0%	5.0%	5.0%
Other	0.0	0.0	0.0	0.0	0.2	0.2	0.2	0.2
Free Cash Flow (WACC model)	0.4	2.9	6.1	6.4	8.0	8.5	8.6	8.4
WACC	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Present value	0.4	2.6	5.1	4.9	5.7	5.6	5.3	80.1
Total present value	0.4	3.0	8.0	13.0	18.7	24.3	29.6	109.7

Valuation

Total present value (Tpv)	109.7
Terminal Value	80.1
Share of TV on Tpv	73%
Liabilities	11.0
Liquidity	13.5
Equity value	112.2

Number of shares (mln)	9.39
Value per share (EUR)	11.95
+Upside / -Downside	101%
Share price	5.95

Model parameter

Debt ratio	40.0%
Costs of Debt	5.0%
Market return	9.0%
Risk free rate	2.50%
Beta	1.30
WACC	8.0%
Terminal Growth	2.0%

Growth: sales and margin

Short term: Sales growth	2023-2026	3.2%
Mid term: Sales growth	2023-2029	2.9%
Long term: Sales growth	from 2030	2.0%
EBIT margin	2023-2026	5.1%
EBIT margin	2023-2029	5.5%
Long term EBIT margin	from 2030	5.5%

Sensitivity Value per Share (EUR)

Terminal Growth

WACC	1.25%	1.75%	2.00%	2.25%	2.75%
8.47%	10.17	10.68	10.96	11.27	11.96
8.22%	10.57	11.12	11.43	11.77	12.54
7.97%	10.99	11.60	11.95	12.32	13.17
7.72%	11.45	12.12	12.50	12.92	13.87
7.47%	11.95	12.69	13.11	13.57	14.64

Sensitivity Value per Share (EUR)

EBIT margin from 2030e

WACC	5.00%	5.25%	5.50%	5.75%	6.00%
8.47%	10.24	10.60	10.96	11.32	11.68
8.22%	10.67	11.05	11.43	11.82	12.20
7.97%	11.14	11.54	11.95	12.35	12.76
7.72%	11.64	12.07	12.50	12.93	13.36
7.47%	12.20	12.65	13.11	13.57	14.03

Source: Montega

P&L (in Euro m) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Sales	154.6	146.1	174.2	188.7	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	189.2	195.6	201.7
Material Expenses	87.5	78.0	99.7	108.7	111.8	114.5
Gross profit	67.1	68.5	79.3	80.5	83.8	87.2
Personnel expenses	25.0	26.8	28.8	31.5	32.2	32.8
Other operating expenses	31.2	30.1	38.6	35.9	36.7	37.4
Other operating income	3.1	3.8	4.7	4.0	4.1	4.2
EBITDA	14.0	15.4	16.7	17.0	19.0	21.2
Depreciation on fixed assets	6.4	6.4	6.3	7.2	7.6	8.1
EBITA	7.6	8.9	10.3	9.9	11.4	13.1
Amortisation of intangible assets	2.5	2.2	2.0	2.1	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	7.8	9.4	11.1
Financial result	-1.5	-1.4	-2.9	-2.0	-1.7	-1.6
Result from ordinary operations	2.3	5.3	4.2	5.8	7.7	9.5
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
EBT	2.3	5.3	4.2	5.8	7.7	9.5
Taxes	1.0	1.6	2.1	1.7	2.3	2.9
Net Profit of continued operations	1.2	3.7	2.1	4.0	5.4	6.7
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	4.0	5.4	6.7
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	1.2	3.7	2.1	4.0	5.4	6.7

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%	16.7%	16.5%	16.3%
Other operating expenses	20.2%	20.6%	22.1%	19.0%	18.8%	18.6%
Other operating income	2.0%	2.6%	2.7%	2.1%	2.1%	2.1%
EBITDA	9.1%	10.5%	9.6%	9.0%	9.7%	10.5%
Depreciation on fixed assets	4.2%	4.4%	3.6%	3.8%	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%	-1.1%	-0.9%	-0.8%
Result from ordinary operations	1.5%	3.6%	2.4%	3.1%	3.9%	4.7%
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBT	1.5%	3.6%	2.4%	3.1%	3.9%	4.7%
Taxes	0.7%	1.1%	1.2%	0.9%	1.2%	1.4%
Net Profit of continued operations	0.8%	2.5%	1.2%	2.1%	2.8%	3.3%
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%	2.1%	2.8%	3.3%
Minority interests	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit	0.8%	2.5%	1.2%	2.1%	2.8%	3.3%

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

Balance sheet (in Euro 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	49.0	51.1	53.1
Financial assets	1.1	1.5	1.3	1.3	1.3	1.3
Fixed assets	56.1	56.9	57.3	58.5	59.6	60.6
Inventories	39.4	39.0	51.1	55.5	59.1	61.0
Accounts receivable	11.8	7.5	10.6	9.8	10.2	10.5
Liquid assets	26.3	28.3	13.5	10.4	10.1	12.4
Other assets	11.6	10.4	13.7	13.7	13.7	13.7
Current assets	89.1	85.2	89.0	89.4	93.1	97.5
Total assets	145.2	142.1	146.3	147.8	152.7	158.2
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	47.2	48.9	50.1	52.1	55.5	59.4
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	3.9	3.9	3.9
Accounts payable	34.6	36.3	45.9	45.5	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	95.8	97.3	98.8
Total liabilities and shareholders' equity	145.2	142.1	146.3	147.8	152.7	158.2

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%	4.7%	3.9%
Property, plant & equipment	30.5%	32.1%	31.9%	33.1%	33.5%	33.6%
Financial assets	0.7%	1.0%	0.9%	0.9%	0.8%	0.8%
Fixed assets	38.7%	40.0%	39.2%	39.6%	39.1%	38.3%
Inventories	27.1%	27.4%	35.0%	37.6%	38.7%	38.6%
Accounts receivable	8.1%	5.3%	7.3%	6.6%	6.7%	6.6%
Liquid assets	18.1%	19.9%	9.3%	7.0%	6.6%	7.8%
Other assets	8.0%	7.3%	9.3%	9.2%	8.9%	8.6%
Current assets	61.4%	60.0%	60.8%	60.5%	61.0%	61.7%
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%	35.2%	36.3%	37.6%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions	6.2%	6.1%	4.9%	4.9%	4.7%	4.5%
Financial liabilities	7.1%	7.6%	2.7%	2.6%	2.6%	2.5%
Accounts payable	23.8%	25.5%	31.4%	30.8%	30.8%	30.7%
Other liabilities	30.3%	26.4%	26.8%	26.5%	25.7%	24.8%
Total Liabilities	67.5%	65.6%	65.8%	64.8%	63.7%	62.4%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

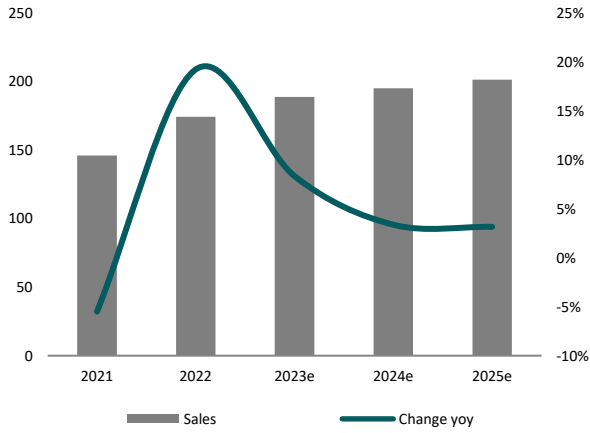
Statement of cash flows (in Euro m) Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Net income	1.2	3.7	2.1	4.0	5.4	6.7
Depreciation of fixed assets	6.4	6.4	6.3	7.2	7.6	8.1
Amortisation of intangible assets	3.9	2.2	3.3	2.1	2.0	2.0
Increase/decrease in long-term provisions	-1.0	-0.2	0.0	0.0	0.0	0.0
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	13.3	15.0	16.7
Increase / decrease in working capital	10.1	7.0	-12.1	-4.0	-2.5	-0.7
Cash flow from operating activities	13.6	11.6	4.9	9.3	12.5	16.0
CAPEX	-5.2	-8.5	-9.1	-10.4	-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	-10.4	-10.7	-11.1
Dividends paid	-2.6	-1.2	-2.1	-2.1	-2.0	-2.7
Change in financial liabilities	0.1	0.5	-6.9	0.0	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	-2.1	-2.0	-2.7
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	-3.1	-0.3	2.3
Liquid assets at end of period	27.0	28.0	13.3	10.4	10.1	12.4

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

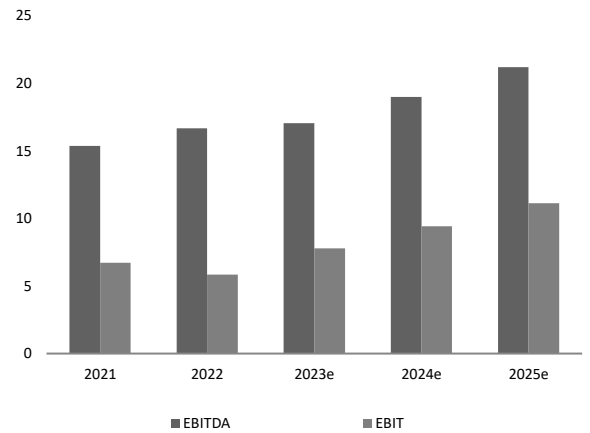
Key figures Berentzen-Gruppe AG	2020	2021	2022	2023e	2024e	2025e
Earnings margins						
Gross margin (%)	43.4%	46.9%	45.5%	42.6%	42.9%	43.3%
EBITDA margin (%)	9.1%	10.5%	9.6%	9.0%	9.7%	10.5%
EBIT margin (%)	2.4%	4.6%	4.0%	4.1%	4.8%	5.5%
EBT margin (%)	1.5%	3.6%	2.4%	3.1%	3.9%	4.7%
Net income margin (%)	0.8%	2.5%	1.2%	2.1%	2.8%	3.3%
Return on capital						
ROCE (%)	8.6%	16.8%	16.1%	15.5%	17.3%	19.5%
ROE (%)	2.5%	7.8%	4.3%	8.1%	10.4%	12.0%
ROA (%)	0.8%	2.6%	1.4%	2.7%	3.5%	4.2%
Solvency						
YE net debt (in EUR)	-7.1	-8.9	-2.5	0.6	0.9	-1.4
Net debt / EBITDA	-0.5	-0.6	-0.2	0.0	0.0	-0.1
Net gearing (Net debt/equity)	-0.2	-0.2	-0.1	0.0	0.0	0.0
Cash Flow						
Free cash flow (EUR m)	8.3	4.3	-4.1	-1.1	1.7	4.9
Capex / sales (%)	3.3%	5.8%	5.2%	5.5%	5.5%	5.5%
Working capital / sales (%)	12%	9%	7%	9%	11%	11%
Valuation						
EV/Sales	0.4	0.4	0.3	0.3	0.3	0.3
EV/EBITDA	3.9	3.6	3.3	3.2	2.9	2.6
EV/EBIT	14.7	8.2	7.8	7.0	5.8	4.9
EV/FCF	6.6	12.7	-	-	31.9	11.1
PE	45.8	15.3	27.0	13.8	10.4	8.4
P/B	1.2	1.1	1.1	1.1	1.0	0.9
Dividend yield	2.2%	3.7%	3.7%	3.6%	4.8%	6.0%

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

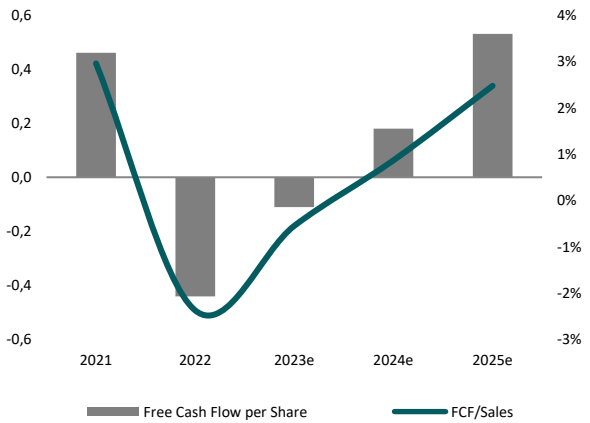
Revenue development



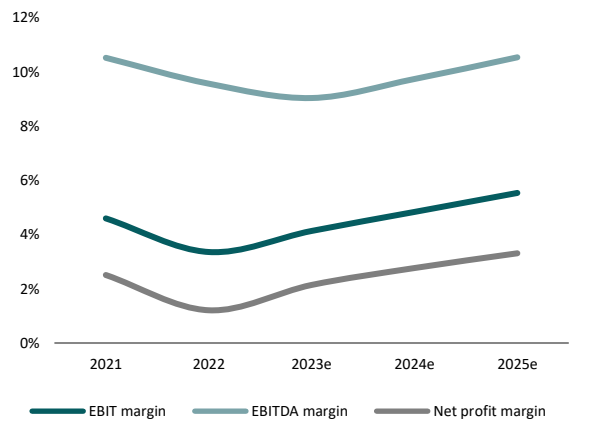
EBITDA and EBIT development



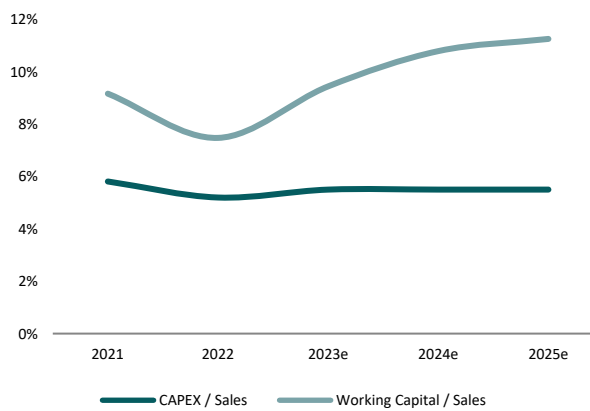
Free Cashflow development



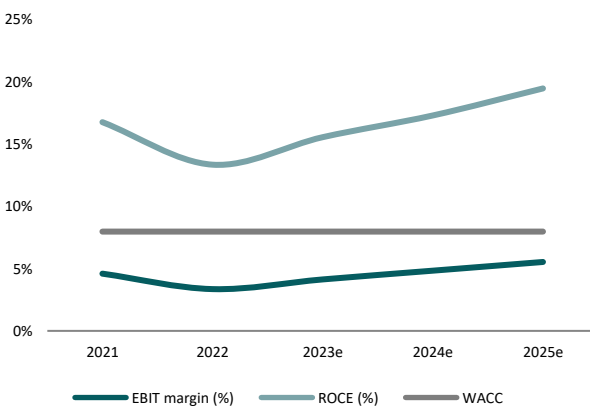
Development of margins



Investments / Working Capital



EBIT yield / ROCE



DISCLAIMER

This document does not represent any offer or invitation to buy or sell any kind of securities or financial instruments. The document serves for information purposes only. This document only contains a non-binding opinion on the investment instruments concerned and non-binding judgments on market conditions at the time of publication. Due to its content, which serves for general information purposes only, this document may not replace personal, investor- or issue-specific advice and does also not provide basic information required for an investment decision that are formulated and expressed in other sources, especially in properly authorised prospectuses. All data, statements and conclusions drawn in this document are based on sources believed to be reliable but we do not guarantee their correctness or their completeness. The expressed statements reflect the personal judgement of the author at a certain point in time. These judgements may be changed at any time and without prior announcement. No liability for direct and indirect damages is assumed by either the analyst or the institution employing the analyst. This confidential report is made available to a limited audience only. This publication and its contents may only be disseminated or distributed to third parties following the prior consent of Montega. All capital market rules and regulations governing the compilation, content, and distribution of research in force in the different national legal systems apply and are to be complied with by both suppliers and recipients. Distribution within the United Kingdom: this document is allotted exclusively to persons who are authorized or appointed in the sense of the Financial Services Act of 1986 or on any valid resolution on the basis of this act. Recipients also include persons described in para 11(3) of the Financial Act 1986 (Investments Advertisements) (Exemptions) Order 1996 (in each currently valid amendment). It is not intended to remit information directly or indirectly to any other groups or recipients. It is not allowed to transmit, distribute, or to make this document or a copy thereof available to persons within the United States of America, Canada, and Japan or to their overseas territories.

Declaration according to Section 85 of the German Securities Trading Act (WpHG) and Art. 20 Regulation (EU) No. 596/2014 in conjunction with Commission Delegated Regulation (Delegierte Verordnung) 2016/958 (as of 21 July 2022): Montega has made an agreement with this company about the preparation of a financial analysis. The research report has been made available to the company prior to its publication / dissemination. Thereafter, only factual changes have been made to the report. A company affiliated with Montega may hold an interest in the issuer's share capital or other financial instruments.

Prices of financial instruments mentioned in this analysis are closing prices of the publishing date (respectively the previous day) if not explicitly mentioned otherwise. Any updating of this publication will be made in the case of events that Montega considers to be possibly relevant to the stocks' price performance. The end of regular comments on events in context with the issuer (coverage) will be announced beforehand.

Sources of information: The main sources of information for the preparation of this financial analysis are publications of the issuer as well as publicly available information of national and international media, which Montega regards as reliable. There have also been discussions with members of the management team or the investor relations division of the company concerned when preparing this analysis.

Reference pursuant to MiFID II (as of 21 July 2022): This publication was prepared on the basis of a contract between Montega AG and the issuer and will be paid by the issuer. This document has been widely published and Montega AG makes it simultaneously available for all interested parties. Its receipt therefore is considered a permissible minor non-monetary benefit in the sense of section 64 Paragraph 7 Sentence 2 No. 1 and 2 of the German Securities Trading Act (WpHG).

Fundamental basics and principles of the evaluative judgements contained in this document: Assessments and valuations leading to ratings and judgements given by Montega AG are generally based on acknowledged and broadly approved methods of analysis i.e. a DCF model, a peer group comparison, or sum-of-the-parts model.

Our ratings:

Buy: The analysts at Montega AG believe the share price will rise during the next twelve months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

Sell: The analysts at Montega AG believe the share price will fall during the next twelve months.

Authority responsible for supervision:

Bundesanstalt für Finanzdienstleistungsaufsicht
Graurheindorfer Str. 108 and Marie-Curie-Str. 24-28
53117 Bonn 60439 Frankfurt

Contact Montega AG:

Schauenburgerstraße 10
20095 Hamburg
www.montega.de
Tel: +49 40 4 1111 37 80

Share price and recommendation history

Recommendation	Date	Price (EUR)	Price target	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%