

Berentzen-Gruppe (BEZ GY) | Consumer Goods

February 06, 2024

2023 prelims in-line with expectations

Berentzen's preliminary results for 2023 were in-line with our estimates and company guidance. We keep our BUY rating with a DCF-based PT of EUR 8. In our view, Berentzen is trading on attractive multiples for 2024e EV/Sales (0.3x), 2024e EV/EBIT (6.4x) and 2024e P/E (11.9x), which we think are multiples that do not reflect the diversified product portfolio, the strong presence in the mid-price segment, a high level of recognition of the focus spirits brands Berentzen and Puschkin and the proven track record in product innovation.

- Revenue improved by 6.6% y-o-y to EUR 185.6 m, marginally below our estimate of EUR 186.3 m (vs. company guidance: EUR 182.0-190.0 m). Y-o-y sales growth was entirely driven by price increases, which could overcompensate a slight y-o-y decrease in sales volumes due to consumer restraints for Fast Moving Consumer Goods. EBITDA of EUR 16.1 m (-3% y-o-y) was slightly ahead of our forecast of EUR 15.9 m (vs. company guidance: EUR 15.3-16.3 m). EBIT of EUR 7.7 m (vs. M'e: EUR 7.6 m and company guidance: EUR 7.0-8.0 m) declined by 7% y-o-y due to negative operating leverage, higher prices for raw materials and wage inflation. Moreover, the significant increase of interest rates and higher capital costs needed to finance inventories, resulted in substantially higher financing expenses.
- Berentzen will provide 1) final figures for 2023 and an outlook for 2024 on March 28 and 2) new strategic guidelines on 8 February, which aim to align the company, its structures and processes, and its product portfolio even more closely with the goal of generating further growth in its core strategic fields.

Fundamentals (in EUR m) ¹	2020	2021	2022	2023e	2024e	2025e
Sales	155	146	174	186	192	198
EBITDA	14	15	17	16	17	19
EBIT	5	7	8	8	9	10
EPS adj. (EUR)	0.13	0.39	0.22	0.24	0.48	0.58
DPS (EUR)	0.13	0.22	0.22	0.19	0.25	0.30
BVPS (EUR)	5.05	5.20	5.34	5.37	5.64	5.97
Net Debt incl. Provisions	-7	-9	-3	2	3	4
Ratios ¹	2020	2021	2022	2023e	2024e	2025e
EV/EBITDA	3.2	3.3	3.1	3.5	3.2	3.0
EV/EBIT	8.8	7.6	6.2	7.4	6.4	5.7
P/E adj.	42.0	16.3	25.6	24.5	11.9	9.8
Dividend yield (%)	2.3	3.5	3.8	3.2	4.4	5.3
EBITDA margin (%)	9.1	10.5	9.6	8.5	9.1	9.6
EBIT margin (%)	3.3	4.6	4.8	4.1	4.6	5.0
Net debt/EBITDA	-0.5	-0.6	-0.2	0.1	0.2	0.2
PBV	1.1	1.2	1.1	1.1	1.0	1.0

¹Sources: Bloomberg, Metzler Research

Buy



unchanged

Price*

EUR 5.70

Price target

EUR 8.00 (unchanged)

* XETRA trading price at the close of the previous day unless stated otherwise in the Disclosures

Market Cap (EUR m) ¹	54
Enterprise Value (EUR m) ¹	56
Free Float (%) ¹	79.4

Price (in EUR)¹



Performance (in %) ¹	1m	3m	12m
Share	0.0	-0.9	-14.9
Rel. to Prime All Share	-1.8	-10.7	-21.0

Changes in estimates (in %) ¹	2023e	2024e	2025e
Sales	0.0	0.0	0.0
EBIT	0.0	0.0	0.0
EPS	0.0	0.0	0.0

Sponsored Research



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company note

Key Data

Company profile

CEO: Oliver Schwegmann

CFO: Ralf Bruehoefner

Haselünne, Germany

Berentzen, headquartered in Haselünne (Germany) is a leading beverage company in Germany and one of the oldest producers of spirits with a history going back to 1758. The business activities of the company include the production and distribution of spirits, non-alcoholic beverages, fresh juice systems as well as tourist and event activities at the Berentzen-Hof in Haselünne

Major shareholders

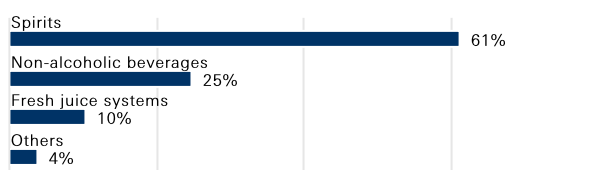
Marchmain Invest NV (5.5%), MainFirst Bank AG (8.5%), Lazard Frères Gestion SAS (5.1%)

Key figures

P&L (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Sales	155	-7.7	146	-5.5	174	19.2	186	6.9	192	3.2	198	3.0
Gross profit on sales	68	-8.4	68	0.0	79	15.8	80	1.2	83	4.0	87	3.9
Gross margin (%)	43.4	-2.7	46.9	7.9	45.5	-2.9	43.0	-5.4	43.4	0.8	43.8	0.9
EBITDA	14	-23.6	15	9.5	17	8.4	16	-4.5	17	9.6	19	8.9
EBITDA margin (%)	9.1	-17.3	10.5	15.9	9.6	-9.1	8.5	-10.7	9.1	6.2	9.6	5.7
EBIT	5	-48.0	7	31.4	8	24.2	8	-8.8	9	16.2	10	13.0
EBIT margin (%)	3.3	-43.6	4.6	39.0	4.8	4.2	4.1	-14.7	4.6	12.6	5.0	9.7
Financial result	-3	-9.2	-1	50.5	-4	-195.4	-4	-5.6	-2	45.5	-2	8.3
EBT	2	-68.7	5	135.0	4	-21.3	3	-23.3	6	101.0	8	21.0
Taxes	1	-55.1	2	60.2	2	26.3	1	-53.6	2	101.0	2	21.0
Tax rate (%)	45.3	n.a.	30.9	n.a.	49.6	n.a.	30.0	n.a.	30.0	n.a.	30.0	n.a.
Net income	1	-75.0	4	197.0	2	-42.6	2	6.6	5	101.0	5	21.0
Minority interests	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Net Income after minorities	1	-75.0	4	197.0	2	-42.6	2	6.6	5	101.0	5	21.0
Number of shares outstanding (m)	9	0.0	9	0.0	9	0.0	9	0.0	9	0.0	9	0.0
EPS adj. (EUR)	0.13	-74.9	0.39	195.5	0.22	-42.5	0.24	6.8	0.48	100.5	0.58	21.0
DPS (EUR)	0.13	-53.6	0.22	69.2	0.22	0.0	0.19	-13.6	0.25	31.2	0.30	21.0
Dividend yield (%)	2.3	n.a.	3.5	n.a.	3.8	n.a.	3.2	n.a.	4.4	n.a.	5.3	n.a.
Cash Flow (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Gross Cash Flow	12	-23.3	13	13.4	13	-5.8	11	-13.4	12	11.6	13	11.1
Increase in working capital	-5	n.a.	-0	n.a.	8	n.a.	3	n.a.	2	n.a.	1	n.a.
Capital expenditures	5	-27.0	7	44.4	9	24.0	10	8.7	10	1.9	11	6.1
D+A/Capex (%)	177.2	n.a.	119.0	n.a.	92.3	n.a.	84.7	n.a.	86.1	n.a.	84.9	n.a.
Free cash flow (Metzler definition)	12	-9.5	6	-49.3	-5	-174.4	-2	54.2	1	124.3	2	202.3
Free cash flow yield (%)	23.2	n.a.	10.2	n.a.	-8.4	n.a.	-3.8	n.a.	0.9	n.a.	2.9	n.a.
Dividend paid	3	0.0	1	-53.6	2	69.3	2	0.0	2	-13.6	2	31.2
Free cash flow (post dividend)	9	-11.9	5	-48.0	-7	-235.3	-4	37.2	-1	69.2	-1	36.4
Balance sheet (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Assets	145	-4.3	142	-2.1	146	2.9	162	10.4	167	3.2	172	3.0
Goodwill	6	0.0	6	0.0	6	0.0	6	0.0	6	0.0	6	0.0
Shareholders' equity	47	-4.0	49	3.4	50	2.6	50	0.3	53	5.4	56	5.9
Equity/total assets (%)	32.5	n.a.	34.4	n.a.	34.2	n.a.	31.1	n.a.	31.8	n.a.	32.7	n.a.
Net Debt incl. Provisions	-7	-169.0	-9	-24.4	-3	71.4	2	163.7	3	79.2	4	28.1
thereof pension provisions	9	-9.8	9	-2.7	7	-17.8	7	0.0	7	0.0	7	0.0
Gearing (%)	-15.1	n.a.	-18.1	n.a.	-5.1	n.a.	3.2	n.a.	5.5	n.a.	6.6	n.a.
Net debt/EBITDA	-0.5	n.a.	-0.6	n.a.	-0.2	n.a.	0.1	n.a.	0.2	n.a.	0.2	n.a.

Structure

Revenue by segment 2022



Sources: Bloomberg, Metzler Research

company note

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Recommendations for each financial instrument or issuer - mentioned in this document - published by Metzler in the past twelve months

Date of dissemination	Metzler recommendation *		Current price **	Price target *	Author ***
	Previous	Current			
Issuer/Financial Instrument (ISIN): Berentzen-Gruppe (DE0005201602)					
18.01.2024	Buy	Buy	5.75 EUR	8.00 EUR	Bauer, Stephan
18.10.2023	Buy	Buy	6.10 EUR	8.00 EUR	Bauer, Stephan
11.08.2023	Buy	Buy	6.00 EUR	8.30 EUR	Diedrich, Tom
05.05.2023	Buy	Buy	6.50 EUR	8.30 EUR	Diedrich, Tom
28.03.2023	Buy	Buy	6.42 EUR	8.30 EUR	Diedrich, Tom

* Effective until the price target and/or investment recommendation is updated (FI/FX recommendations are valid solely at the time of publication)

** XETRA trading price at the close of the previous day unless stated otherwise herein

*** All authors are financial analysts

Berentzen-Gruppe

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