

" Consumer Goods "

Berentzen-Gruppe AG

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Q3/21: Prelim. figures, new guidance & first virtual investor day

Revenue development & profitability: Last Tuesday (05.10.) the Berentzen Group released preliminary financial figures for Q3/21e (final financial results for Q3/21 will be published on October 21, 2021). Group revenues reached EUR 105.8m (-6.3% yoy), lower than what we had anticipated (FMR 9M/21: EUR 108.7m). Adjusted by the adverse effect within the bottling business (contract termination with Pepsi) core business contracted by -0.3%. However, unadjusted Q3/21 revenues reached EUR 41.0m corresponding to an increase of +4.0% yoy.

Based on effective cost reduction measures EBITDA/EBIT margin climbed from 9.5%/3.7% in Q3/20 (EBITDA/EBIT: EUR 3.8m/1.5m) to 11.7%/6.3% in Q3/21e (EBITDA/EBIT: EUR 4.8m/2.6m). 9M/21e EBIT reached EUR 5.1m (margin: 4.8%; +50.0%) and thus, Berentzen's full year profitability target (EBIT guidance 2021: between EUR 4.0m and 5.0m).

New Guidance / adjusted FMR estimates: The management adapted its 2021 full year guidance and now expects revenues in the range of EUR 145.0m to 150.0m (before: EUR 152.0m to 158.0m / FMR new: EUR 148.0m; old: EUR 156.0m). On the contrary, EBITDA projection have been heightened to range between EUR 15.0m to 16.0m (before: EUR 13.0m to 15.0m / FMR new: EUR 15.2m; old: EUR 14.2m). The same is true for expected EBIT with a new target range of EUR 6.0m to 7.0m (before: EUR 4.0m to 6.0m / FMR new: EUR 6.3m; old: EUR 5.3m).

First virtual investor day: Yesterday, management held its first virtual investor day. The main topics were growth and profitability enhancing product strategies. In short, investments will be directed towards products that are proven to be on a growth path and make a positive margin contribution. However, management also pointed out the increased competition due to changed market structures as a result of the pandemic. The coming quarters will show how effectively management will address these challenges.

Berentzen shares showed relative strength in the past days. The announced uplift in EBITDA/EBIT guidance backs the stock performance fundamentally and underlines management's profitability focus. We think Berentzen has taken the right path to catch up profitability levels observed for peers and/or competitors. Therefore we confirm our BUY recommendation and leave the price target unchanged at EUR 8.00. The peer group valuation shows a fair value of EUR 9.45 per share whereas our DCF model indicates a fair value of EUR 9.44 per share.

FY End: 31.12.; in EURm	CAGR (18-23e)	2018	2019	2020	2021e	2022e	2023e
Revenue	0.6%	162.2	167.4	154.6	148.0	163.0	167.5
Adj. EBITDA	0.0%	17.3	18.4	14.1	15.2	17.1	17.3
Adj. EBITDA Margin		10.7%	11.0%	9.1%	10.2%	10.5%	10.3%
Adj. EBIT	-3.9%	9.8	9.8	5.2	6.3	7.9	8.0
Adj. EBIT Margin		6.0%	5.9%	3.4%	4.3%	4.8%	4.8%
Net result	-2.7%	5.2	4.9	1.2	3.3	4.4	4.5
EPS	-2.7%	0.55	0.52	0.13	0.35	0.47	0.48
Dividend per share		0.28	0.28	0.13	0.18	0.23	0.24
EV/Sales		0.38	0.38	0.27	0.39	0.42	0.36
EV/EBITDA		4.59	3.49	3.32	2.88	4.02	3.60
P/E		11.67	12.21	48.76	18.27	13.73	13.41
Net debt/EBITDA		-0.01	0.11	-0.18	-0.48	0.05	0.09

Source: Berentzen, FMR

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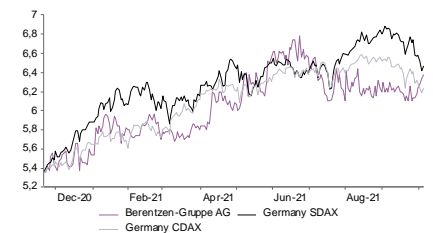
BUY

Before: BUY

Price target **EUR 8.00 (8.00)**
Share price **EUR 6.40 (+25%)**

*last XETRA closing price

Change	2021e	2022e	2023e
Revenue	-8.0	-3.0	-3.1
Adj. EBIT	1.0	-0.2	-0.2
EPS	0.07	-0.02	-0.01



Source: Factset

Basic share data

Number of shares (million)	9.39
Free float and others (in %)	79.40%
Market cap (EURm)	60.1
Trading volume (Ø)	1,575
High (EUR, 52 weeks)	6.8
Low (EUR, 52 weeks)	5.0

Shareholder structure

Monolith (NL)	4.90%
MainFirst (LU)	8.50%
Lazard Frères Gestion (FR)	5.10%
Treasury shares	2.10%
Free float and others	79.40%

Corporate calendar

Interim Report Q3/2021	21.10.2021
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Appendix

Discounted cash flow model

in EURm	PHASE 1			PHASE 2							PHASE 3
	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	∞
Sales	148.0	163.0	167.5	171.7	175.5	179.9	184.0	187.6	190.5	192.4	
Sales growth YoY in %	-4.3%	10.1%	2.8%	2.5%	2.3%	2.5%	2.3%	2.0%	1.5%	1.0%	
EBIT	6.3	7.9	8.0	8.9	9.3	9.6	10.0	10.3	10.5	10.6	
EBIT margin in %	4.3%	4.8%	4.8%	5.2%	5.3%	5.4%	5.5%	5.5%	5.5%	5.5%	
Income tax on EBIT	-1.9	-2.4	-2.4	-2.7	-2.8	-2.9	-3.0	-3.1	-3.1	-3.2	
Depreciation and amortisation	8.9	9.2	9.3	9.1	8.4	8.0	8.2	8.4	8.5	8.8	
Change in net working capital	-1.1	-4.1	-0.9	-0.8	-0.7	-0.6	-0.5	-0.4	-0.3	-0.2	
Net capital expenditure	-8.3	-8.6	-9.0	-9.1	-8.4	-8.3	-8.5	-8.6	-8.8	-8.8	
Free cash flow	3.9	2.0	5.0	5.5	5.8	5.8	6.2	6.5	6.7	7.2	
Present values	3.8	1.8	4.1	4.1	4.0	3.6	3.6	3.4	3.2	3.2	46.4
Present value Phase 1	9.8	21%									
Present value Phase 2	25.1	31%									
Present value Phase 3	46.4	57%									
Total present value	81.3	100%									
+ Net cash	7.4										
- Minority interest (est. market value)	0.0										
Fair value of equity	88.7										
Number of shares (m)	9.4										
Fair value per share (EUR)	9.44										

Risk free rate	2.0%	Target equity ratio	76.1%
Equity risk premium	6.0%	Tax shield	30.0%
Debt risk premium	3.0%	Beta (fundamental)	1.40
CAGR Sales Phase 2	1.9%	WACC	8.93%
∅ EBIT-margin Phase 2	5.4%	Terminal growth	2.0%

Sensitivity analysis						
		Terminal growth (Phase 3)				
		1.0%	1.5%	2.0%	2.5%	3.0%
EBIT margin	3.4%	6.00	6.19	6.40	6.65	6.94
	4.4%	7.35	7.60	7.88	8.21	8.59
	5.4%	8.71	9.01	9.44	9.76	10.23
	6.4%	10.06	10.42	10.84	11.32	11.88
	7.4%	11.41	11.83	12.31	12.87	13.52

Source: FMR

As shown in the peer table below, the derived fair value for the Berentzen Group increased significantly from EUR 7.89 (as of Aug. 12, 2021) to now EUR 9.45 per share. This is due to the fact that our former peer Altia Oyj merged with Arcus ASA to form the new Anora Group Plc. The merger was announced on September 29, 2020 and completed on September 1, 2021. As a result, financial metrics used to derive valuation multiples have changed significantly since our last update, as the market capitalization prior to the completion of the transaction referred only to Altia Oyj, while the financial estimates already reflected the merged company, including synergies. Thus, the market capitalization of the new Anora Group has approximately doubled from EUR 385m (as of Aug. 12, 2021) to now EUR 669m, while the financial denominators of the respective valuation multiples have increased only slightly since then. Consequently, the valuation multiples have roughly doubled (e.g. EV/EBITDA (2022e) multiple from 3.8x to 6.8x; EV/Sales (2022e) multiple from 0.6x to 1.0x). This has closed the valuation gap between our DCF model and the peer group valuation (see valuation summary below).

Peer group valuation

Company name	P/E			EV/EBITDA			EV/EBIT			EV/Sales		
	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e
Davide Campari-Milano N.V.	46.0x	40.0x	35.9x	28.5x	25.4x	23.3x	33.9x	29.8x	27.2x	7.1x	6.7x	6.3x
Anora Group Oyj	17.0x	12.7x	12.2x	7.7x	6.8x	6.6x	11.1x	9.6x	9.1x	1.2x	1.0x	1.0x
Arcus ASA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
A.G. BARR p.l.c.	20.1x	17.7x	16.9x	9.7x	9.4x	8.8x	13.0x	12.5x	11.5x	2.0x	1.9x	1.8x
Olii Oyj Class A	21.7x	19.0x	17.5x	11.0x	10.1x	9.5x	15.9x	14.2x	13.2x	2.2x	2.0x	1.9x
Remy Cointreau SA	51.8x	44.0x	38.7x	29.3x	25.7x	23.1x	33.5x	29.1x	26.0x	7.4x	6.8x	6.3x
Schloss Wachenheim AG	12.6x	11.9x	11.7x	6.0x	5.7x	5.8x	9.7x	9.3x	9.5x	0.7x	0.6x	0.6x
Stock Spirits Group Plc	20.4x	19.2x	18.6x	12.9x	12.1x	11.5x	15.8x	14.9x	14.1x	2.7x	2.6x	2.5x
Diageo plc	27.0x	24.6x	22.8x	20.5x	18.9x	17.6x	22.9x	21.1x	19.6x	7.0x	6.6x	6.3x
Average	27.1x	23.6x	21.8x	15.7x	14.3x	13.3x	19.5x	17.6x	16.3x	3.8x	3.5x	3.3x
Median	21.0x	19.1x	18.0x	11.9x	11.1x	10.5x	15.8x	14.5x	13.6x	2.4x	2.3x	2.2x
	Net income			EBITDA			EBIT			Sales		
<small>in Mo. EUR, außer EPS (in EUR)</small>	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e
Berentzen-Gruppe AG (FMR)	3.29	4.38	4.48	15.2	17.1	17.3	6.3	7.9	8.0	148.0	163.0	167.5
Applied multiples: mean Anora Group Oyj & Schloss Wachenheim AG	14.8	12.3	11.9	6.8	6.2	6.2	10.4	9.4	9.3	0.9	0.8	0.8
Enterprise value (derived)	48.8	53.8	53.5	103.7	106.5	107.4	65.7	74.2	74.6	133.9	134.8	135.6
- Financial net debt & minority interests	-4.8											
		53.8			101.7			69.4			130.1	
Market capitalisation (derived)	88.8											
Premium (discount) vs. Peer Group		0%										
Fair market capitalisation	88.8											
Number of shares (m)		9.4										
Fair value per share (EUR)	9.45											

Source: FMR, FactSet

Valuation summary

Valuation method	Fair value per share (EUR)	Mcap (in EURm)
DCF	9.44	88.70
Average	9.45	88.73
Peer group	9.45	88.76

Source: FMR, FactSet

Berentzen Group AG - Income Statement

in EURm	IFRS	2018	2019	2020	2021e	2022e	2023e
Revenues		162.2	167.4	154.6	148.0	163.0	167.5
YoY growth		1.1%	3.2%	-7.7%	-4.3%	10.1%	2.8%
Increase or decrease in inventory of finished goods and work in progress		1.4	0.0	0.1	0.7	0.8	0.8
as % of revenues		0.9%	0.0%	0.0%	0.5%	0.5%	0.5%
Total operating income		163.6	167.4	154.6	148.7	163.8	168.3
YoY growth		0.7%	2.3%	-7.6%	-3.8%	10.1%	2.8%
Cost of materials		-91.9	-92.7	-87.5	-81.4	-87.8	-90.1
as % of revenues		-56.7%	-55.4%	-56.6%	-55.0%	-53.9%	-53.8%
Gross profit		71.7	74.7	67.1	67.3	76.0	78.2
as % of revenues		44.2%	44.6%	43.4%	45.5%	46.6%	46.7%
Other operating income		4.7	4.1	3.1	1.5	0.0	0.0
as % of revenues		2.9%	2.5%	2.0%	1.0%	0.0%	0.0%
Personnel expenses		-24.6	-25.6	-25.0	-23.3	-23.8	-24.7
as % of revenues		-15.2%	-15.3%	-16.2%	-15.7%	-14.6%	-14.7%
Other operating expenses		-35.3	-35.9	-31.2	-30.4	-35.1	-36.2
as % of revenues		-21.8%	-21.5%	-20.2%	-20.5%	-21.5%	-21.6%
Exceptional effects		0.8	1.1	1.5	0.0	0.0	0.0
Adj. EBITDA		17.3	18.4	14.1	15.2	17.1	17.3
as % of revenues		10.7%	11.0%	9.1%	10.2%	10.5%	10.3%
Depreciation of property, plant and equipment, and amortisation of intangible assets		-7.5	-8.5	-8.9	-8.9	-9.2	-9.3
as % of revenues		-4.6%	-5.1%	-5.8%	-6.0%	-5.7%	-5.6%
Adj. EBIT		9.8	9.8	5.2	6.3	7.9	8.0
as % of revenues		6.0%	5.9%	3.4%	4.3%	4.8%	4.8%
Exceptional effects		-0.8	-1.1	-1.5	0.0	0.0	0.0
Financial result		-1.6	-1.5	-1.5	-1.6	-1.6	-1.6
EBT (Earnings before income taxes)		7.4	7.2	2.3	4.7	6.3	6.4
as % of revenues		4.6%	4.3%	1.5%	3.2%	3.8%	3.8%
Income taxes		-2.3	-2.3	-1.0	-1.4	-1.9	-1.9
as % of EBT		30.5%	31.6%	-45.3%	-30.0%	-30.0%	-30.0%
Net income		5.2	4.9	1.2	3.3	4.4	4.5
as % of revenues		3.2%	2.9%	0.8%	2.2%	2.7%	2.7%
Other comprehensive income		-0.3	-0.5	-0.6	0.0	0.0	0.0
Consolidated comprehensive income		4.9	4.4	0.7	3.3	4.4	4.5
as % of revenues		3.0%	2.6%	0.4%	2.2%	2.7%	2.7%
Shares outstanding (in m)		9.4	9.4	9.4	9.4	9.4	9.4
Basic earnings per share (EUR)		0.55	0.52	0.13	0.35	0.47	0.48
Dividends per share (EUR)		0.28	0.28	0.13	0.18	0.23	0.24
Payout ratio in %		51%	53%	99%	50%	50%	50%

Source: Berentzen-Gruppe AG; FMR

Berentzen-Gruppe AG - Balance Sheet

in EURm	IFRS	2018	2019	2020	2021e	2022e	2023e
Assets							
Non-current assets		59.4	59.7	56.1	55.5	54.8	54.5
as % of total assets		41.0%	39.4%	38.6%	39.9%	38.5%	37.4%
Intangible assets		12.1	11.6	10.7	10.4	9.9	9.6
Property, plant and equipment		45.8	45.4	42.2	41.9	41.8	41.7
Investment property		0.7	0.7	0.0	0.0	0.0	0.0
Deferred tax assets		0.0	0.0	0.1	0.1	0.1	0.1
Right-of-use assets		0.0	1.3	2.1	2.1	2.1	2.1
Other financial assets		0.8	0.7	0.9	0.9	0.9	0.9
Current assets		85.5	91.9	89.1	83.7	87.6	91.1
as % of total assets		59.0%	60.6%	61.4%	60.1%	61.5%	62.6%
Inventories		39.9	40.6	39.4	37.9	39.9	40.7
Trade receivables		16.4	14.8	11.8	13.4	16.5	17.0
Income tax assets		0.3	0.1	0.8	0.8	0.8	0.8
Cash and cash equivalents		15.8	22.7	26.3	17.8	16.6	18.8
Assets held for sale		0.0	0.0	0.7	0.0	0.0	0.0
Other current financial and non-financial assets		13.1	13.8	10.0	13.8	13.8	13.8
Total assets		145.0	151.6	145.2	139.2	142.5	145.6
Shareholders' equity and liabilities							
Shareholders' equity		47.4	49.2	47.2	49.3	52.0	54.3
as % of total equity and liabilities		32.7%	32.4%	32.5%	35.4%	36.5%	37.3%
Subscribed capital		24.4	24.4	24.4	24.4	24.4	24.4
Additional paid-in capital		6.8	6.8	6.8	6.8	6.8	6.8
Retained earning		16.2	18.0	16.0	18.1	20.8	23.1
Non-current provisions and liabilities		19.0	19.5	18.7	18.1	17.5	16.9
as % of total equity and liabilities		13.1%	12.9%	12.9%	13.0%	12.3%	11.6%
Non-current provisions		9.9	9.9	8.9	8.3	7.7	7.1
Non-current financial liabilities		7.1	7.9	8.6	8.6	8.6	8.6
Deferred income tax liabilities		2.0	1.8	1.2	1.2	1.2	1.2
Current liabilities and provisions		78.5	82.9	79.3	71.8	73.0	74.4
as % of total equity and liabilities		54.2%	54.7%	54.6%	51.6%	51.2%	51.1%
Alcohol tax liabilities		42.3	43.6	42.6	38.5	38.4	39.0
Current provisions		0.7	0.3	0.1	0.1	0.1	0.1
Income tax liabilities		2.8	1.5	0.3	0.3	0.3	0.3
Current financial liabilities		1.1	2.3	1.7	1.7	1.7	1.7
Trade payables and other liabilities		31.6	35.3	34.6	31.2	32.5	33.3
Total equity and liabilities		145.0	151.6	145.2	139.2	142.5	145.6

Source: Berentzen-Gruppe AG; FMR

Berentzen-Gruppe AG - Cash Flow Statement

in EURm	IFRS	2018	2019	2020	2021e	2022e	2023e
Consolidated profit		5.2	4.9	1.2	3.3	4.4	4.5
Income tax expenses		2.3	2.3	1.0	1.4	1.9	1.9
Interest income		-0.1	-0.1	-0.1	0.0	-0.1	-0.1
Interest expenses		1.6	1.6	1.6	1.6	1.7	1.7
Amortisation and depreciation of assets		7.5	8.5	8.9	8.9	9.2	9.3
Impairments / write-ups of assets		0.0	0.0	1.4	0.0	0.0	0.0
Other non-cash effects		-0.5	-0.9	-0.8	0.0	0.0	0.0
Increase/decrease in provisions		-0.4	-0.6	-1.1	-0.6	-0.6	-0.6
Gains/losses on disposals of property, plant and equipment		0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in receivables assigned under factoring agreements		-1.0	8.6	-7.7	-1.6	-3.1	-0.5
Decrease/increase in other assets		-5.5	-8.1	15.7	-2.2	-2.0	-0.8
Increase/decrease in alcohol tax liabilities		-1.0	1.3	-0.9	-4.1	-0.1	0.6
Increase/decrease in other liabilities		0.0	3.7	-0.6	-3.4	1.3	0.9
Cash and cash equivalents generated from operating activities		8.1	21.4	18.6	3.2	12.5	16.9
Income taxes paid		-1.2	-3.4	-3.7	-1.4	-1.9	-1.9
Interest received		0.1	0.1	0.1	0.0	0.1	0.1
Interest paid		-1.4	-1.4	-1.4	-1.6	-1.7	-1.7
Cash flow from operating activities		5.6	16.6	13.6	0.2	9.0	13.4
Proceeds from disposals of intangible assets		0.1	0.1	0.0	0.0	0.0	0.0
Payments for investments in intangible assets		-0.8	-1.0	-0.5	-1.3	-1.3	-1.5
Proceeds from disposals of property, plant and equipment		0.2	0.1	0.1	0.7	0.0	0.0
Payments for investments in property, plant and equipment		-6.0	-6.2	-4.7	-7.0	-7.3	-7.5
Proceeds from disposals of financial assets		0.0	0.0	0.1	0.0	0.0	0.0
Proceeds from government grants		0.0	0.0	0.0	0.0	0.0	0.0
Payments for additions to the consolidated group		0.0	0.0	-0.4	0.0	0.0	0.0
Cash flow from investing activities		-6.5	-6.9	-5.4	-7.5	-8.6	-9.0
Cash inflows from the utilization of loan agreements		0.0	0.3	0.0	0.0	0.0	0.0
Repayment of Bonds		0.0	-0.1	-0.1	0.0	0.0	0.0
Payments related to the issuance of bonds		0.0	0.0	0.0	0.0	0.0	0.0
Dividend payments		-2.1	-2.6	-2.6	-1.2	-1.6	-2.2
Payments for the purchase of treasury shares		0.0	0.0	0.0	0.0	0.0	0.0
Lease liability repayments		0.0	-0.7	-1.2	0.0	0.0	0.0
Cash flow from financing activities		-2.1	-3.2	-3.9	-1.2	-1.6	-2.2
Total change in cash and cash equivalents		-3.0	6.6	4.3	-8.5	-1.2	2.2
Cash and cash equivalents at the start of the period		18.4	15.5	22.0	26.3	17.8	16.6
Cash and cash equivalents at year's end		15.5	22.0	26.3	17.8	16.6	18.8
Overdraft facilities with banks		0.3	0.7	0.0	0.0	0.0	0.0
Cash and cash equivalents		15.8	22.7	26.3	17.8	16.6	18.8

Source: Berentzen-Gruppe AG; FMR

Declaration of liability (disclaimer) and mandatory details pursuant to Section 85 Securities Trading Act (WpHG), EU Market Abuse Regulation (EU Regulation No. 596/2014), Delegated Regulation 2016/958 and Delegated Regulation 2017/565 including details of possible conflicts of interest (disclosures), the author and the responsible supervisory authority

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2. Mandatory details

a) First publication: 08.10.2021,

b) Time conditions of expected updates: quarterly

c) Supervisory authority: Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

d) Previous analyses: No analysis was published in the 12 months before publication of this analysis that contains a recommendation for a specific investment decision which contradicts this analysis.

e) The analysis was made available to the issuer, to the extent that is legally permissible, before publication and was not amended thereafter.

f) All prices and price developments listed in the analysis are based on closing prices insofar as no contradictory details were provided about prices and price developments.

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- (vi.) has concluded an agreement regarding the preparation of investment recommendations with the issuer.
- (vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

Company	Disclosure(s)
Berentzen-Gruppe AG	-

b) FMR Frankfurt Main Research AG has been commissioned by ODDO BHF Corporates & Markets AG to prepare this financial analysis. ODDO BHF Corporates & Markets AG in turn acts on behalf of the issuers who are themselves or whose financial instruments are the subject of this financial analysis.

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- (iv.) has, within the past twelve months, concluded an agreement regarding services in connection with investment banking business or received a service or performance promise from such agreement, with issuers which either themselves or the financial instruments thereof, are the subject of the financial analysis;
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- (vi.) has concluded an agreement regarding the preparation of investment recommendations with the issuer.
- (vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

Company	Disclosure(s)
Berentzen Group AG	iii, vi

Recommendation history over last 12 months:

Date	Recommendation	Share price at publication date	Price target
22.10.2020	BUY	5.30 EUR	9.00 EUR
20.11.2020	BUY	5.22 EUR	8.50 EUR
04.02.2021	BUY	5.72 EUR	8.00 EUR
26.03.2021	BUY	5.86 EUR	8.00 EUR
05.05.2021	BUY	6.02 EUR	8.00 EUR
12.08.2021	BUY	6.44 EUR	8.00 EUR
08.10.2021	BUY	6.40 EUR	8.00 EUR

4. Creation and distribution

a) Responsibility for creation and distribution

FMR Frankfurt Main Research AG

Registered office: Frankfurt am Main; Commercial Register No. HRB 113537, Frankfurt am Main district court; Chairman: Marcus Silbe

b) Issuer

Enid Omerovic, Senior Analyst

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5. Investment recommendation details

Investment recommendation details - stocks:

BUY: In our opinion, the stock will demonstrate an absolute price gain of at least 10 % in a 12-month period.

HOLD: In our opinion, the stock will not exceed or fall below an absolute price gain or loss of 10% in a 12-month period.

Sell: In our opinion, the stock will demonstrate an absolute price loss of at least 10 % in a 12-month period.

6. Sensitivity of the evaluation parameters

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8. Summary of the basis for evaluation

Individual issuers: Current and recognised evaluation methods (e.g. DCF method and Peer Group Analysis) are used for company analysis purposes. The DCF method calculates the value of the issuer based on the sum of the discounted cash flows, i.e. the cash value of the future cash flows of the issuer. The value is therefore determined on the basis of expected future cash flows and the applied discount rate. In Peer Group Analysis, issuers listed on the stock exchange are evaluated by comparing ratios (e.g. price/profit ratio, Enterprise Value/turnover, Enterprise Value/EBITDA, Enterprise Value/EBIT). The comparability of the ratios is primarily determined with reference to the business activity and economic prospects.

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