



BERENTZEN-GRUPPE
Durst auf Leben

Annual Report 2023

EXECUTIVE SUMMARY



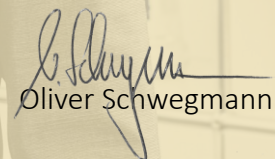
Dear Berentzen Group stakeholders,

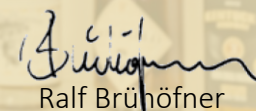
With this Executive Summary, we would like to offer you an overview of the key developments in our corporate group in the 2023 financial year. We hereby focus on the most important information from the financial performance, financial position and cash flows as well as the forecast for the 2024 financial year.

For everything else, we recommend a view in our Annual Report. Our Investor Relations department will of course be happy to answer any questions you may have.

You can find our full letter for you, our esteemed stakeholders, directly [here](#).

Your Executive Board,


Oliver Schwegmann


Ralf Brühöfner



Executive Summary

Key figures

		2023/31.12.2023	2022/31.12.2022	Change
Consolidated revenues excl. spirits tax	EURm	185.7	174.2	+6.6%
Spirits segment	EURm	115.0	104.0	+10.6%
Non-alcoholic Beverages segment	EURm	43.5	44.6	-2.5%
Fresh Juice Systems segment	EURm	19.6	18.8	+4.4%
Other segments	EURm	7.5	6.8	+10.0%
Consolidated EBITDA	EURm	16.0	16.7	-3.9%
Consolidated EBITDA margin	%	8.6	9.3	-0.7PP
Consolidated EBIT	EURm	7.7	8.3	-7.6%
Consolidated EBIT margin	%	4.1	4.7	-0.5PP
Consolidated Profit	EURm	0.9	2.1	-58.8%
Dividend per share	EUR	0.09 ¹	0.22	-59.1%
ROCE	%	7.4	9.0	-1.6PP
Operating Cashflow	EURm	9.7	12.3	-21.4%
Free Cashflow	EURm	-12.5	-4.1	>-100%

1|Proposal



Financial Performance

Berentzen Group's P&L in EUR'000

	2023	2022	Change
Consolidated revenues	185,650	174,216	+6.6%
Change in inventories	464	4,696	-90.1%
Total operating performance	186,114	178,912	+4.0%
Purchased goods and services	108,862	99,652	+9.2%
Consolidated gross profit	77,252	79,260	-2.5%
Other operating income	6,023	4,747	+26.9%
Operating expenses	75,570	75,671	-0.1%
Consolidated operating profit (EBIT)	7,705	8,337	-7.6%
Gain or loss from the net monetary position in accordance with IAS-29	-1,590	-1,195	-33.1%
Financial result and result from equity interests	-4,013	-1,671	>-100.0%
Consolidated profit before taxes	2,102	4,171	-49.6%
Income tax expenses	1,237	2,070	-40.2%
Consolidated Profit	865	2,101	-58.8%

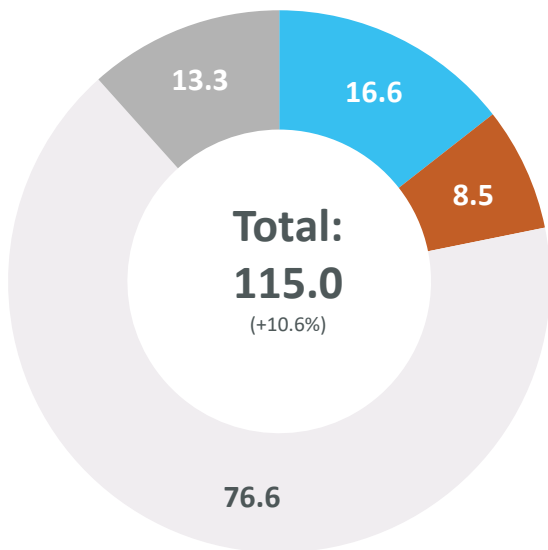
- **Consolidated revenues** of the **Berentzen Group** amounted to **EURm 185.7** in the **2023 financial year**
- **Revenue growth** of 6.6% is almost exclusive due to realised **price increases**
- **Increases** in the cost of **materials and raw materials** were only gradually **fully offset** over the course of the year
- **Gross profit** decreased by **EURm 2.0**.
- Group's **operating expenses unchanged** – despite an **increase** of around **EURm 1.3** in **personnel expenses**
- **IAS-29 accounting of the spirits business in Turkey** (via the Group's own distribution company) led to a **net loss of EURm 1.6**. Background: Highly inflationary macro-economic environment
- In addition to **lower consolidated EBIT**, a **significantly higher burden** from the **financial result** (more information on page 8) is the main reason why **consolidated net income fell** from EURm 2.1 in the 2022 financial year **to just under EURm 0.9** in the 2023 financial year.
- Against this background, we, the Executive Board, together with the Supervisory Board, will propose a **dividend of € 0.09 per share** at the upcoming Annual General Meeting.



Segment revenues

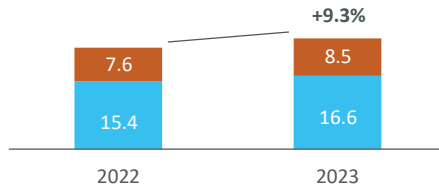
Spirits segment with a revenue plus

Revenue split Spirits segment in EURm

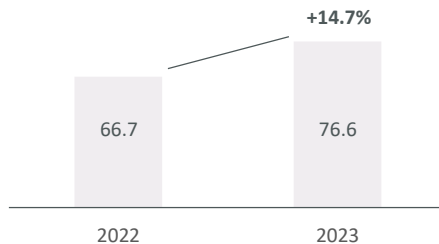


■ Berentzen¹ ■ Puschkin¹ ■ Private Label ■ Other²

Berentzen & Puschkin



Private Label



- **Positive revenue performance** of **+10.6%** driven by higher selling prices
- Revenue growth of all **focus brands (+9.2%)** is mainly due to the development of our strategic core brands **Berentzen (+7.9%)** and **Puschkin (+12.2%)**. **Other focus brands** achieved **+5.9%** with revenues of around EURm 0.8
- In particular, revenues from **Berentzen fruit liqueurs** and **Puschkin vodka** products **developed positively**
- Declining demand in the BeNeLux and Chile markets and in the duty-free business for our brandes spirits. **Revenues in export business fell by 21.4%** compared to the previous year
- Dynamic increase in revenues in the private label business: **Revenues with premium and medium products** recorded **significant growth of 7.6%**, revenues in the **standard products business** even grew by **18.6%**

1| Revenues in Germany

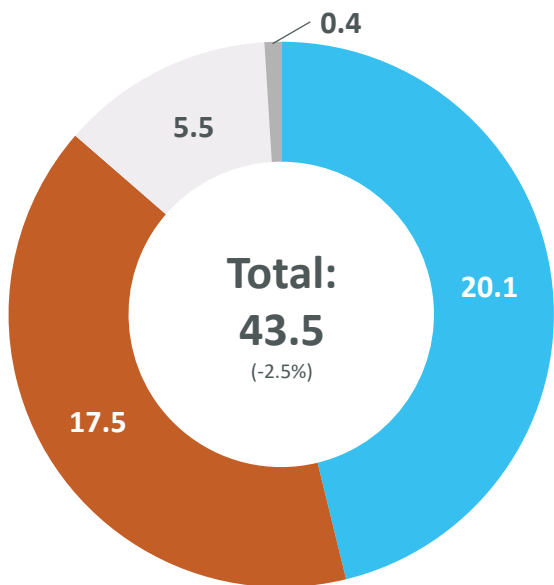
2| incl. customer sales budgets



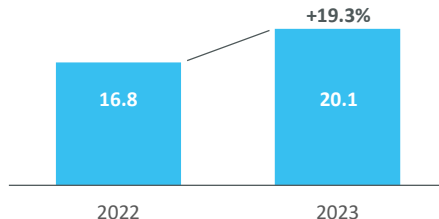
Segment revenues

Non-alcoholic beverages segment with revenue decline

Revenue split NAB¹ segment in EURm



Mio Mio



- **Revenues** in the **Non-alcoholic Beverages** segment fell by 2.5%
- The reason for this: A significant overall decline in sales volume, mainly caused by the end of co-operation business with prominent artists
- In contrast, **Mio Mio** recorded dynamic **revenue growth** of **19.3%**
- **Revenues** of **regional NAB-brands** relatively **stable** overall
- **Franchise business** recorded a **decline in revenue** of **EURm 5.6**, because of the end of co-operation business

■ Mio Mio ■ Regional brands ■ Franchise business ■ Other²

¹ | Non-alcoholic Beverages

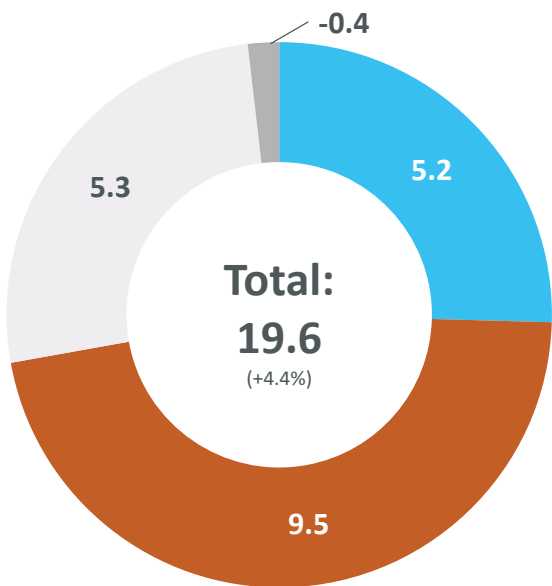
² | incl. customer sales budgets



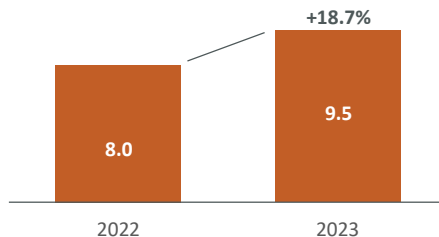
Segment revenues

Fresh Juice Systems segment with revenue growth

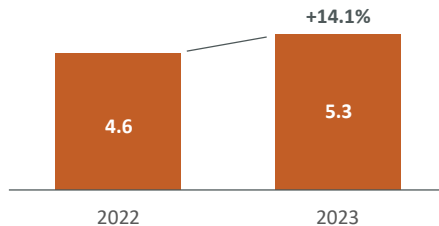
Revenue split FJS¹ segment in EURm



Fruits



Bottles



■ Fruit presses ■ Fruits ■ Bottling systems ■ Other & internal revenues

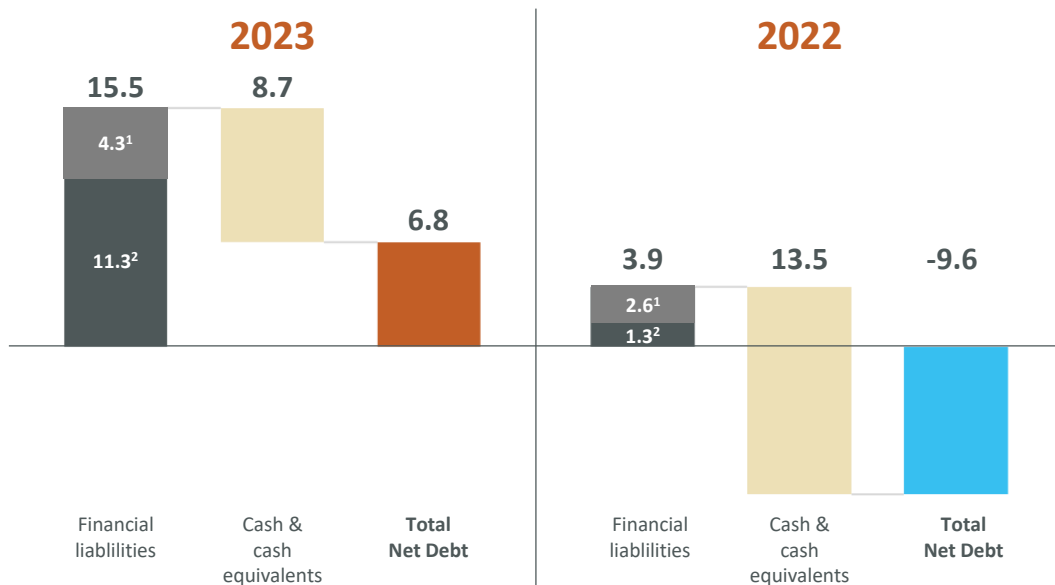
- **Revenues increased by 4.4%** in the 2023 financial year
- **Decline** in revenues generated on sales of **fruit presses** (-19.2%). Mainly due to lower sales volume in Germany, Scandinavia, France and the UK. In contrast, sales volume in Austria and US developed positively
- Decline was **more than offset** by dynamic revenue growth on **fruits** (+18.7%) and **bottling systems** (+14.1%)



Spotlight financial result

Higher financial net debt

Financial liabilities at year's end (in EURm)



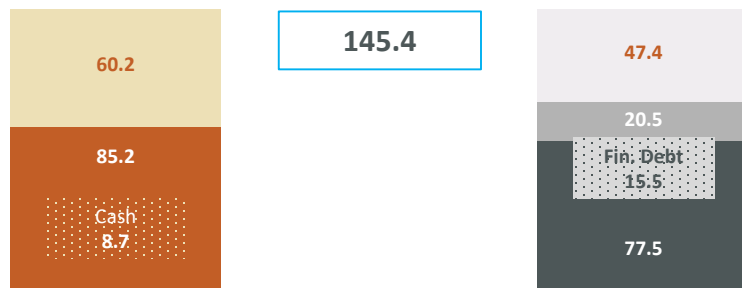
- **Low net debt** (EURm 6.8), **but increased** by approx. EURm 17.4 (previous year: net cash EURm 9.6)
- **Increased borrowing requirements**, partly due to higher capital tied up in trade working capital (EURm +6.4) and as a result of EURm 2.6 lower cash flow from operating activities



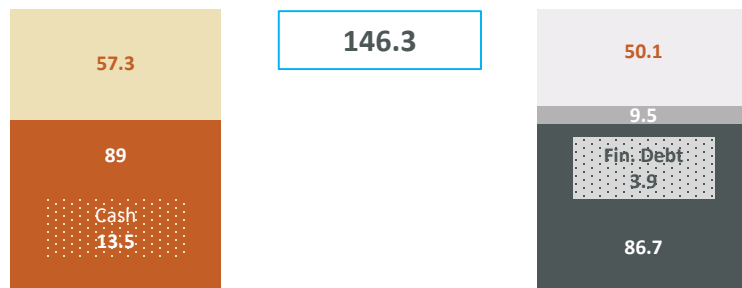
Balance Sheet

Balance sheet total remains stable

31.12.2023 (in EURm)



31.12.2022 (in EURm)



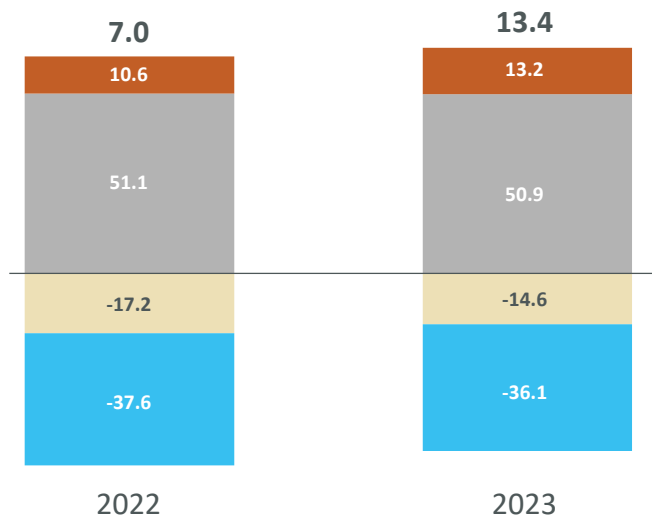
■ Non-Current Assets
 ■ Current Assets
 ■ Equity
 ■ Non-current liabilities
 ■ Current liabilities

- **Balance sheet total largely unchanged.**
- **Shareholders' equity reduced by EURm 2.7**
Background: Positive consolidated profit +0.9 EURm, but negative impact from other comprehensive income and the dividend payment of 2.1 EURm resolved by the Annual General Meeting in May 2023
- **Equity ratio fell slightly** by 1.6 percentage points from 34.2% to 32.6%
- **Non-current liabilities increased:** In the 2023 financial year, an option of the syndicated loan agreement to increase the financing volume was exercised and, as a result, a further **facility of EURm 9.9 was taken out**, maturing on 31 December 2026
- Balance sheet item **"Cash and cash equivalents"** decreased.
More information on the following slides



Trade Working Capital

Increase of trade working capital



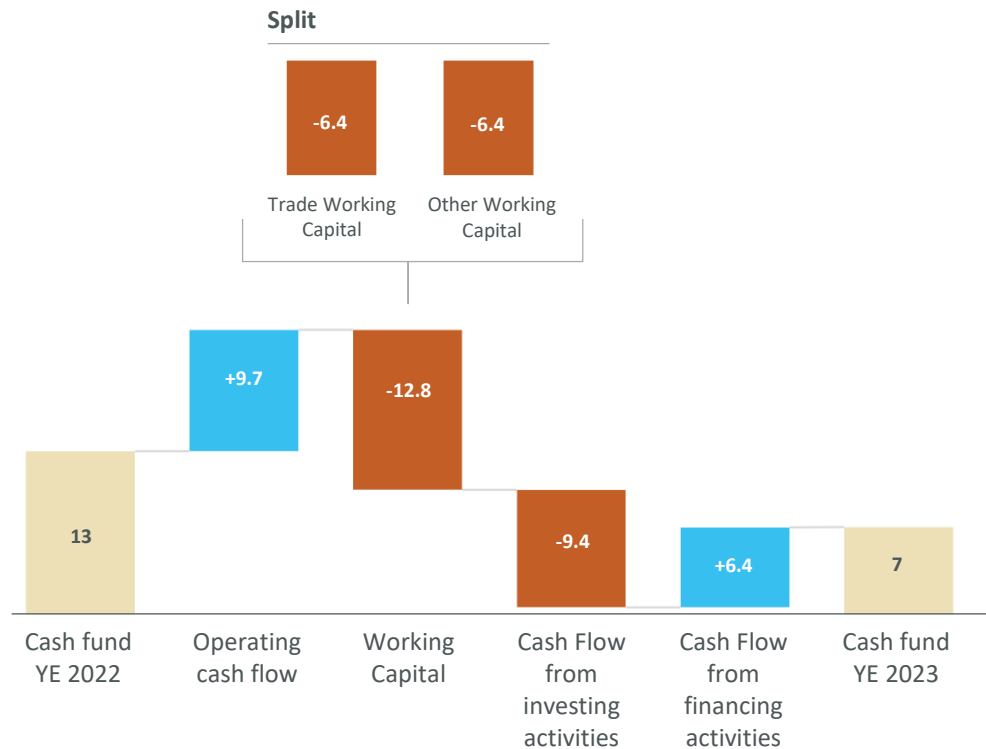
■ Alcohol tax liabilities
 ■ Trade payables
 ■ Inventories
 ■ Trade receivables

- **Capital tied up** in trade working capital **increased** from EURm 7.0 at the end of 2022 **to EURm 13.4** at the end of the 2023 financial year
- This development is due in particular to increased capital tied up in trade receivables of EUR 2.6 million, a reduction in alcohol tax liabilities of EURm 1.5 and a decrease in trade payables of EURm 2.6



Cash flow

Cash drain due to higher capital lock up in working capital

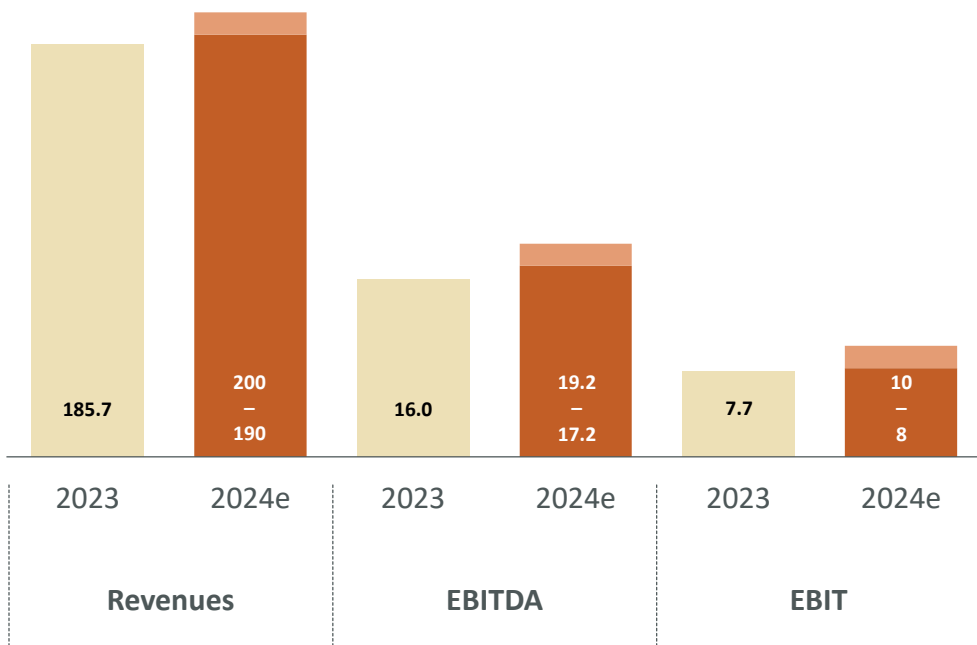


- **Cash outflow** of around **EURm 6.0** in the 2023 financial year. **Cash fund decrease** accordingly to around **EURm 7.0**.
- This was mainly due to **cash outflows in working capital** of **EURm 12.8**, half of which is attributable to an increase in capital tied up in trade working capital.
- **Cash flow from investing activities** amount to **EURm -9.4**. In addition to investments in empties for the further growth of **Mio Mio** of **EURm 3.9**, the main focus was on **investments to increase** the company's own **energy generation** and **energy efficiency**.
- Cash inflow in **Cash flow from financing activities** mainly from the **utilization of an option to increase the syndicated loan** in the amount of **EURm 9.9** (non-current and bullet).



Outlook 2024

Increase in revenues and earnings expected



- **Revenue** expected to **increase to EURm 190.0 to 200.0** in the 2024 financial year. Growth is expected to be driven by all segments, with the Fresh Juice Systems segment likely to see the strongest growth
- **Consolidated EBIT** is expected to be **between EURm 8.0 and 10.0**. This is based on a significant increase in consolidated gross profit due to expansion of marketing activities and sales force
- **Consolidated EBITDA** is forecast to be in the range of **EURm 17.2 to 19.2**. Due to higher depreciation and amortisation, the growth in consolidated EBIT will be slightly lower than the growth in consolidated EBITDA



In a nutshell



BERENTZEN-GRUPPE

Thirst for life



We have been **impacted by the farreaching consequences of the coronavirus pandemic, the war in Ukraine, the massive cost increases, and significantly higher interest rates.** These challenges have forced us as the leaders of our company to mainly engage **in crisis management in the past few years. Nevertheless,** the Berentzen Group maintained **its solid performance** in the past year.



We achieved **revenue growth of 6.6%** in the 2023 financial year. We have also succeeded in **gaining new market share** in important areas in markets that are declining overall. **Consolidated EBIT** totalled **EUR 7.7 million** in the 2023 financial year. It goes without saying that **profitability does not meet our requirements.**



With our new strategy **Building BERENTZEN 2028,** we are shifting **from defence to offense.** The goals we have set are **very ambitious,** but we are convinced that we will achieve them with the **bundle of measures and initiatives** we have put together for this purpose. We look forward to walking this path **together with you.**



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Executive Board, Berentzen-Gruppe Aktiengesellschaft