

Berentzen-Gruppe Aktiengesellschaft

Outperform

| Target price : 9.00 €

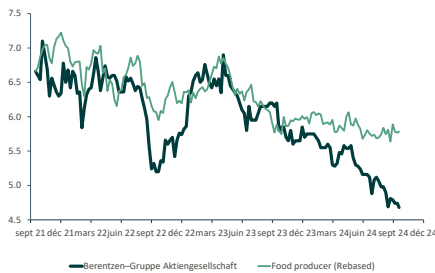
Price (16/10/2024) : 4.68 € | Upside : 92%

| | | |
|----------|--------|--------|
| Revision | 12/24e | 12/25e |
| EPS | ns | |

9M 2024 prelims – ongoing earnings growth

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Sources : ODDO BHF Securities, SIX

Share data

BEZ3 GR | BEZ.DE

| | |
|-----------------------|-------------|
| Market Cap (€m) | 45 |
| Enterprise value (€m) | 58 |
| Extrema 12 months (€) | 4.68 - 6.10 |
| Free Float (%) | 73.8 |

Performance (%)

| | 1m | 3m | 12m |
|--------------------------|------|-------|-------|
| Absolute | -0.8 | -9.3 | -23.9 |
| Perf. rel. Country Index | -1.7 | -9.7 | -34.1 |
| Perf. rel. Food producer | -0.8 | -10.7 | -22.3 |

P&L

| | 12/24e | 12/25e | 12/26e |
|-----------------------|--------|--------|--------|
| Sales (€m) | 190 | 198 | 204 |
| EBITDA (€m) | 18.3 | 19.4 | 20.9 |
| Current EBIT (€m) | 9.2 | 10.2 | 11.8 |
| Attr. net profit (€m) | -1 | 4.2 | 5.3 |
| Adjusted EPS (€) | -0.10 | 0.45 | 0.57 |
| Dividend (€) | 0.00 | 0.18 | 0.20 |

| | | | |
|---------------------|------|------|------|
| P/E (x) | ns | 10.4 | 8.3 |
| P/B (x) | 1.0 | 0.9 | 0.8 |
| Dividend Yield (%) | 0.0 | 3.8 | 4.3 |
| FCF yield (%) | 9.5 | 10.3 | 12.8 |
| EV/Sales (x) | 0.31 | 0.28 | 0.26 |
| EV/EBITDA (x) | 3.2 | 2.8 | 2.5 |
| EV/Current EBIT (x) | 6.3 | 5.4 | 4.5 |
| Gearing (%) | 15 | 7 | 2 |
| Net Debt/EBITDA (x) | 0.4 | 0.2 | 0.1 |

Strong operating results

During the first nine months of 2024, preliminary EBIT rose by almost 52% y-o-y to € 7.6m. Significant EBIT growth was mainly driven by better unit margins. After nine months, the company has almost achieved the level of EBIT seen for FY 2023 (€ 7.7m). Preliminary revenue of € 133.5m remained flat (-0.8% y-o-y) as ongoing weakness in consumer spending and the general uncertainty among consumers due to inflation and the macroeconomic crisis, led to an overall decline in sales volumes. The 9M EBIT margin came to 5.7% (+200bp y-o-y). Q3 2024 EBIT improved by 46% to € 2.5m, with margins improving by 180bp to 5.6%.

9M 2024 – preliminary results

| € m | 9M 2024 | 9M 2023 | Y-o-y |
|---------|---------|---------|--------|
| Revenue | 133.5 | 134.6 | -0.8% |
| EBITDA | 14.1 | 11.2 | +26.1% |
| Margin | 10.6% | 8.3% | +230bp |
| EBIT | 7.6 | 5.0 | +51.9% |
| Margin | 5.7% | 3.7% | 200bp |

Sources: ODDO BHF Securities, company

Outperform rating and TP maintained

As expected, Berentzen confirmed its outlook for revenue (€ 185.0m to € 195.0m), EBITDA (€ 18.0m to € 20.0m) and EBIT (€ 9.0m to € 11.0m). We are in line with the company's guidance range, but 39% above FactSet consensus EBIT (€ 6.6m). We reiterate our Outperform rating and target price of € 9. The final 9M 2024 numbers will be reported on 23 October 2024.

Next Events

23/10/2024 Q3 Results

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Neutral: performance expected to be comparable to that of the benchmark index, sectoral (large caps) or other (small and mid caps).

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| Date | Reco | Price Target (EUR) | Price (EUR) | Analyst |
|----------|------------|--------------------|-------------|-------------------|
| 17/10/23 | Outperform | 9.00 | 6.10 | Klaus Breitenbach |

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| | | Outperform | Neutral | Underperform |
|------------------------------|-------|------------|---------|--------------|
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| Liquidity providers coverage | (78) | 44% | 49% | 8% |
| Research service coverage | (50) | 58% | 32% | 10% |
| Investment banking services | (40) | 60% | 35% | 5% |

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