

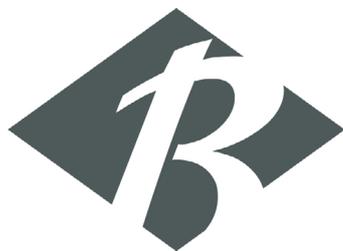


BERENTZEN-GRUPPE
Thirst for life

Interim Report Q1 2022

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Overview Q1/2022

Consolidated revenues rise significantly by 14.7% on the equivalent quarter of last year. Consolidated EBIT, consolidated EBITDA and operating cash flow all positive and clearly up on the previous-year level.

Q1/2022

- Consolidated revenues: EUR 36.1 million (EUR 31.4 million).
- Consolidated EBIT: EUR 1.2 million (EUR 0.5 million).
- Consolidated EBITDA: EUR 3.2 million (EUR 2.7 million).
- Operating cash flow: EUR 2.3 million (EUR 1.6 million).
- Cash and cash equivalents: EUR 1.8 million (EUR 4.5 million).
- Dynamic gearing ratio: 0.09 (0.45).
- Equity ratio: 40.4% (39.8%).

Outlook

- Earnings forecasts for the 2022 financial year confirmed.

(1) Business performance and economic position

(1.1) Significant events in the reporting period

Effects of the coronavirus pandemic

As expected, the coronavirus pandemic still constitutes a significant event during the reporting period. Some of the measures taken by federal and state governments to contain the coronavirus continue to have an adverse impact on the German economy, albeit with decreasing intensity over the course of the quarter. These measures include, among other things, restricting access to and imposing conditions on food and drink establishments, extensive social distancing and strict rules on events. With the three-stage plan passed by federal and state governments in February 2022, however, steps were increasingly taken to open establishments from March onwards.

All segments of the Berentzen Group continue to be affected by the effects of the coronavirus pandemic. The business with non-alcoholic beverages and branded spirits was impacted in particular by restrictions on access to and conditions imposed in the hospitality sector. This predominantly impacted the *Non-alcoholic Beverages* segment. In the *Spirits* segment, the cancellation of celebrations also impacted sales performance, in particular of those branded products that tend to be consumed on social occasions. In the *Fresh Juice Systems* segment, the pandemic continued to have a negative impact on sales of fruit presses, owing to a suspension of investments in the direct and indirect sales channels of food and drink establishments, and food retailers.

Conflict between Russia and Ukraine

The Russian invasion of Ukraine began on February 24, 2022, following which Ukrainian president Volodymyr Zelenskyy declared a state of war and martial law in that country. Since then, Russia's war of aggression has continued with increasing severity and destruction. It has

led to several million people fleeing Ukraine. In reaction to Russia's war of aggression, NATO and EU countries have passed extensive sanctions against Russia.

There is a very small potential risk of Berentzen Group losing revenues directly in connection with the conflict. For instance, merely around 0.2% of consolidated revenues was generated in total in Russia and Ukraine over the whole 2021 financial year. In contrast, more significant impact is expected on the procurement market. The first energy and material price rises have already occurred in this area. From the second quarter of 2022 onwards Berentzen Group will face challenges arising from further and more severe price hikes and disruptions to various supply chains, especially regarding the procurement of grain alcohol and glass. The potential effects on the financial performance of Berentzen Group are analysed on an ongoing basis, with countermeasures being introduced wherever possible.

(1.2) Financial performance

		Q1/2022	Q1/2021	Change
Consolidated revenues excluding alcohol tax	EUR'000	36,073	31,439	+ 14.7 %
Spirits segment	EUR'000	22,363	18,051	+ 23.9 %
Non-alcoholic Beverages segment	EUR'000	8,431	9,655	- 12.7 %
Fresh Juice Systems segment	EUR'000	4,417	3,308	+ 33.5 %
Other segments	EUR'000	862	425	> + 100.0 %
Consolidated EBITDA	EUR'000	3,233	2,668	+ 21.2 %
Consolidated EBITDA margin	%	9.0	8.5	+ 0.5 PP ¹⁾
Consolidated EBIT	EUR'000	1,200	463	> + 100.0 %
Consolidated EBIT margin (return on sales)	%	3.3	1.5	+ 1.8 PP ¹⁾

¹⁾ PP = percentage points.

The Berentzen Group generated consolidated revenues of EUR 36.1 million (EUR 31.4 million) in the first three months of the 2022 financial year. This is equivalent to an increase in revenue of 14.7%.

Revenue development across the individual segments**Spirits**

	01/01 to 03/31/2022	01/01 to 03/31/2021	Change	
	EUR'000	EUR'000	EUR'000	%
Berentzen	2,926	1,852	+ 1,074	+ 58.0
Puschkin	1,469	1,102	+ 367	+ 33.3
Other	161	243	- 82	- 33.7
Focus brands	4,556	3,197	+ 1,359	+ 42.5
Other brands	2,070	1,784	+ 286	+ 16.0
Customer sales budget	- 543	- 418	- 125	- 29.9
Branded spirits in Germany	6,083	4,563	+ 1,520	+ 33.3
Branded spirits abroad	1,888	1,053	+ 835	+ 79.3
Premium/medium private-label brands	5,652	4,154	+ 1,498	+ 36.1
Standard private-label brands	9,034	8,648	+ 386	+ 4.5
Customer sales budget	- 267	- 325	+ 58	+ 17.8
Export and private-label brands	16,307	13,530	+ 2,777	+ 20.5
Other and internal revenues	- 27	- 42	+ 15	+ 35.7
Revenues in the Spirits segment	22,363	18,051	+ 4,312	+ 23.9

In the *Spirits* segment, revenues were clearly up on the level in the equivalent quarter of last year, with a rise of 23.9%. In this context, the volume of revenues in the business with branded spirits in Germany saw a rise of 33.3% and the business with export and private-label brands one of 20.5%.

Even if numerous occasions for consumptions – such as carnival events and private parties – did not take place or only with restrictions also over the first three months of 2022, the measures aimed at containing the coronavirus were less restrictive overall than in the comparative period. As a consequence, the revenues generated by the focus brands were 42.5% up on the level of the equivalent

period last year. In this context, a marketing offensive for various liqueur varieties in particular brought about considerable growth in the business with the *Berentzen* and *Puschkin* brands.

The spirits business with export and private-label brands saw consistent positive developments across the individual product categories: While the sales volume

with the premium and medium product concepts that are at the centre of our strategic focus saw a significant rise of 36.1%, revenues in the business with the lower-margin standard products rose by a mere 4.5%. The export business with branded spirits – particularly in the Benelux countries with the *Berentzen* and *Puschkin* focus brands – recorded significant revenue growth of 79.3%.

	Non-alcoholic Beverages			
	01/01 to 03/31/2022	01/01 to 03/31/2021	Change	
	EUR'000	EUR'000	EUR'000	%
Mio Mio	3,421	3,204	+ 217	+ 6.8
Kräuterbraut	38	37	+ 1	+ 2.7
Focus brands	3,459	3,241	+ 218	+ 6.7
Emsland / St. Ansgari	2,104	2,068	+ 36	+ 1.7
Märkisch / Grüneberger	1,745	1,533	+ 212	+ 13.8
Regional brands	3,849	3,601	+ 248	+ 6.9
Other brands	641	638	+ 3	+ 0.5
Branded business	7,949	7,480	+ 469	+ 6.3
Franchise business	1,171	68	+ 1,103	> + 100.0
Contract bottling business	298	2,903	- 2,605	- 89.7
Other business	1,469	2,971	- 1,502	- 50.6
Customer sales budget	- 1,062	- 822	- 240	- 29.2
Other and internal revenues	75	26	+ 49	> + 100.0
Revenues in the Non-alcoholic Beverages segment	8,431	9,655	- 1,224	- 12.7

With a decrease of 12.7%, revenues in the *Non-alcoholic beverages* segment were in decline overall. This development is entirely attributable to the termination of a long-term agreement on the bottling of *Pepsi* brand products effective as of the end of the first quarter of 2021: In the first three months of 2022, the drop in the revenues generated by contract bottling orders amounted to around EUR 2.6 million in comparison to the equivalent quarter of last year. In contrast, the branded business saw clearly positive developments with a rise in revenue of 6.3%. On the back of growth in the drinks distributed under the *Mio Mio* own brand, the business in the product category of focus brands once again returned a clearly positive development: Revenue growth came to 6.7%. In the regional brands product category (*Emsland Quelle*, *Emsland Sonne*, *Märkisch Kristall*, *St.*

Ansgari and *Grüneberg Quelle*), it was possible likewise to significantly increase revenues by 6.9% in comparison to the equivalent period last year. The franchise business recovered considerably in comparison to the equivalent quarter of last year, achieving revenue growth of EUR 1.1 million. As the comparative period was significantly more severely impacted by closures of food and drink establishments due to the coronavirus pandemic, this was firstly due to the positive development in the business with branded drinks from the Sinalco corporate group. Secondly, the volume of revenues presented contains for the first time the revenues of EUR 0.5 million generated since February 2022 from cooperation projects with prominent artists.

Fresh Juice Systems

	01/01 to	01/01 to	Change	
	03/31/2022	03/31/2021	EUR'000	%
	EUR'000	EUR'000		
Fruit juicers	1,283	1,139	+ 144	+ 12.6
Fruit	1,914	1,497	+ 417	+ 27.9
Bottling systems	1,263	754	+ 509	+ 67.5
Other and internal revenues	- 43	- 82	+ 39	+ 47.6
Revenues in the Fresh Juice Systems segment	4,417	3,308	+ 1,109	+ 33.5

The *Fresh Juice Systems* segment reported considerable revenue growth of 33.5% over the first three months of the 2022 financial year: The revenues generated in connection with fruit juicers and its replacement part and service business rose by 12.6%, with the UK and USA regions returning a pleasing development.

Fruit (oranges) demonstrated strong revenue growth of 27.9%, with revenue with bottling systems rising even more significantly by 67.5%. Buoyed by a recovery with regard to the impact of the coronavirus pandemic, this rise stemmed from a pleasing development in the core regions of Germany and Austria, which are served by the Group's in-house sales teams.

Other segments

	01/01 to	01/01 to	Change	
	03/31/2022	03/31/2021	EUR'000	%
	EUR'000	EUR'000		
Tourism and event-related activities	145	107	+ 38	+ 35.5
Spirits business in the Turkish Group company	735	318	+ 417	> + 100.0
Other and internal revenues	- 18	0	- 18	> - 100.0
Revenues in the Other segment	862	425	+ 437	> + 100.0

Berentzen Group's tourism and event business included in the *Other Segments*, which was severely impacted by the coronavirus pandemic at times, returned an increase of 35.5% over the first three months of the financial year. While this is, relatively speaking, a clearly positive development, revenues still remain below the level seen before the outbreak of the pandemic, however. Revenues in the spirits business in Turkey were able to continue the positive trajectory of the past 12 months and rose by more than 100%. While the tourism business in Turkey was still severely impacted by the consequences of the coronavirus pandemic in the equivalent period last year, further recovery of the market environment took place in the first three months of the 2022 financial year.

Consolidated profit

As a consequence of (a) the significantly higher volume of business and (b) on account of a favourable product and segment mix, the income effect of which was able to more than compensate for the rise in energy and materials costs, consequently leading to a higher gross profit margin, the consolidated gross profit increased by EUR 2.9 million. With operating expenses rising by EUR 1.9 million on the one hand and other operating income falling by EUR 0.3 million on the other, the consolidated earnings before interest and tax (consolidated EBIT) rose significantly in the first quarter of 2022 to EUR 1.2 million (EUR 0.5 million).

Consolidated EBITDA based on the above-mentioned consolidated EBIT came to EUR 3.2 million

(EUR 2.7 million). The smaller growth in consolidated EBITDA compared with that of consolidated EBIT resulted from amortisation and depreciation falling by EUR 0.2 million.

(1.3) Cash flows and financial position

Cash flows

	Q1/2022 EUR'000	Q1/2021 EUR'000	Change EUR'000
Operating cash flow	2,310	1,577	+ 733
Cash flow from operating activities	- 17,083	- 21,375	+ 4,292
Cash flow from investing activities	- 1,311	- 73	- 1,238
Cash flow from financing activities	- 7,805	- 337	- 7,468
Cash and cash equivalents at the beginning of the period	28,004	26,334	+ 1,670
Cash and cash equivalents at the end of the period	1,805	4,549	- 2,744

The total funding of the Berentzen Group presented in the Annual Report for the 2021 financial year remains essentially unchanged at the end of the interim reporting period.

The operating cash flow, which excludes changes in working capital and hence documents the impact of cash flows directly related to performance and profitability on the change in cash, amounted to EUR 2.3 million in the first three months of the 2022 financial year (EUR 1.6 million). In this context, this development essentially results from the improved consolidated earnings before interest and tax adjusted for amortisation, depreciation and impairment and a more favourable balance of payments in connection with income taxes.

The cash flow from operating activities also encompasses changes in working capital and led to a net cash outflow of EUR 17.1 million (EUR 21.4 million). This is essentially attributable to reporting date-related cash outflows of what is known as "trade working capital", i.e. the balance from movements in inventories, receivables including factoring arrangements, liabilities arising from alcohol tax and trade payables. In this context, it is worth pointing out the effect arising from the seasonal decrease in alcohol tax liabilities in the period from January 1, 2022 to March 31, 2022 amounting to EUR 7.8 million (EUR 14.9 million).

The Group's investing activities – including but not limited to payments for investments in property, plant and equipment – led to a net cash outflow of EUR 1.3 million (EUR 0.1 million). In the equivalent quarter of last year, investments in non-current assets of EUR 1.3 million were accompanied by proceeds from disposals of non-current assets held for sale of EUR 1.2 million.

Financing activities gave rise to a cash outflow of EUR 7.8 million in the first quarter of 2022 (EUR 0.3 million). This is mainly attributable to the repayment of a loan amounting to EUR 7.5 million taken out in the 2021 financial year as part of the syndicated loan, under which it was also refinanced.

All in all, cash and cash equivalents totalled EUR 1.8 million (EUR 4.5 million) at the end of the interim reporting period, of which EUR 0.3 million (EUR 2.5 million) relates to receivables from the customer settlement accounts maintained with banks that are used for settlement under two factoring agreements.

Financial position

		3/31/2022	3/31/2021	Change
Equity ratio	%	40.4	39.8	+ 0.6 PP ¹⁾
Dynamic gearing ratio	Ratio	0.09	0.45	- 0.36

¹⁾ PP = percentage points.

The Group's asset and capital structure remains robust overall. At 40.4% (39.8%), the equity ratio had risen slightly as at the end of the first quarter of 2022 compared with the level of the equivalent quarter of last year. The basis for this development is the rise in equity in conjunction with a smaller percentage increase in total assets.

Due to a lower level of net debt at the reporting date and an increase in consolidated EBITDA over the past 12 months, the dynamic gearing ratio improved with a value of 0.09 (0.45) in relation to the comparative period last year. This means that the Berentzen Group maintains a good ability to service its debt.

(2) Report on subsequent events

No events that could have a significant impact on the future business performance and the financial performance, cash flows and financial position of the Berentzen Group occurred after the end of the reporting period.

(3) Report on risks and opportunities

The primary risks consolidated into categories that could have significant detrimental effects on the Group's business activities and its financial performance, cash flows and financial position are presented in the Berentzen Group Annual Report for the 2021 financial year, together with the greatest opportunities and the structure of the risk management system.

With a view to the remaining nine months of the 2022 financial year, there were no material changes

over the first quarter of the 2022 financial year to the opportunities and risks described in the Annual Report for the 2021 financial year with regard to the reaching of defined objectives or the implementation of strategies. Among other things, this also applies to the risks already mentioned in the Annual Report in connection with the war between Russia and Ukraine. The war has an impact on a number of risks, specifically on risks in the categories of "industry risks", "operating and product-related risks" and "business environment risks" both over the short and medium-term horizon. This essentially relates to individual risks such as (further) increases in procurement prices for, and appreciable scarcity of, raw materials and semi-finished goods on the market and the possibility of necessary sales price increases being rejected by Berentzen Group's customers, who are primarily attributable to the German or European food retail trade as a consequence of its market concentration or due to its significance to individual companies. Otherwise, there were no changes to the risk categories within the risk matrix presented in the 2021 Annual Report. This includes the overall assessment of opportunities and risks made in the report. Consequently, there are no risks classified as high risk within the scope of the risk management system. In the opinion of the Management, the Berentzen Group's risk exposure has thus remained unchanged overall compared with the position described in the Berentzen Group annual report for the 2021 financial year, and continues to be manageable from today's perspective.

(4) Outlook

	2021 EURm	Forecast for the 2022 financial year in the 2021 forecast report EURm	Forecast for the 2022 financial year Q1/2022 EURm
Consolidated revenues	146.1	154.0 to 162.0	unchanged
Consolidated EBIT	6.7	5.0 to 8.0	unchanged
Consolidated EBITDA	15.4	14.0 to 17.0	unchanged

As at the end of the first quarter of 2022, the Berentzen Group confirms the forecasts made in the Annual Report for the 2021 financial year in relation to the consolidated earnings before interest and tax (consolidated EBIT), the consolidated earnings before tax, depreciation and amortisation (consolidated EBITDA) and consolidated revenues. Against this background, the Berentzen Group expects its financial performance to remain sturdy in the 2022 financial year.

of massive price rises for energy and materials as well as disrupted supply chains.

All in all, the Berentzen Group does not have any new information suggesting that the main forecasts and other statements regarding the anticipated development of the corporate group made in the 2021 Annual Report for the 2022 financial year have changed in any significant manner. In this respect, the forecasts are each based on a corporate structure essentially unchanged in comparison to the 2021 financial year and are, furthermore, dependent on the general economic and industry-specific environment. The risks and opportunities described in the Report on Risks and Opportunities and contained in the Annual Report for the 2021 financial year, as well as those that were not identifiable at the time of preparing this Interim Report, may also have an effect on the forecast. In this context, particular mention should be given to the potential ongoing consequences of the global coronavirus pandemic and the war in Ukraine, which could negatively impact the expected development of the financial performance, cash flows and financial position of the Berentzen Group. Consequently, there is no change to the Berentzen Group's expectations of further high, appreciably increasing, cost burdens as a consequence

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Financial calendar 2022

May 3, 2022	Interim Report Q1/2022
May 18, 2022	Virtual Annual General Meeting of Berentzen-Gruppe Aktiengesellschaft
June 8, 2022	Virtual Roadshow with Kepler Cheuvreux
June 13 to 14, 2022	Virtual Roadshow with Metzler Capital Markets
June 23 to 24, 2022	CF&B Spring European MidCap Event in Paris (FR)
August 11, 2022	Group Half-Yearly Financial Report 2022
September 27 to 28, 2022	Virtual Investors' Day
October 25, 2022	Interim Report Q3/2022
November 28 to 29, 2022	Deutsches Eigenkapitalforum

At May 3, 2022. The financial calendar is provided for information purposes only and will be regularly updated. It is subject to change.

Disclaimer

The present report contains forward-looking statements that relate in particular to the future business performance and future financial performance and transactions or developments relating to Berentzen-Gruppe Aktiengesellschaft and the Berentzen Group. These are based on management assumptions, estimates and expectations at the time of this report's publication regarding future company-related developments. They therefore carry risks and uncertainties which are named and explained, particularly (but not exclusively) as part of the management report within the risk and opportunities report and the forecast report. Events and results that actually occur thereafter may therefore significantly differ from the forward-looking statements, both positively and negatively. Many uncertainties and resulting risks are characterised by circumstances that are beyond the control and influence of Berentzen-Gruppe Aktiengesellschaft and cannot be estimated with certainty. These include – but are not limited to – changing market conditions and their economic development and effect, changes in financial markets and exchange rates, the behaviour of other market actors and competitors and legal changes or political decisions by regulatory and governmental authorities. With regard to the forward-looking statements, unless otherwise required by law, Berentzen-Gruppe Aktiengesellschaft assumes no obligation to make any corrections or adjustments based on facts arising after the time of this report's publication. No guarantee or liability, neither expressed nor implied, is assumed for the currency, accuracy or completeness of the forward-looking statements.

As a supplement to the key figures presented in the annual and consolidated financial statements and determined in compliance with the pertinent accounting related accounting frameworks, the present further contains key figures that are not, or not precisely, defined in the pertinent accounting framework and constitute or may constitute what are known as alternative performance

indicators. Alternative performance indicators that are presented or reported on by other companies using an identical or comparable designation may be calculated in a different fashion.

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This report is also available in an English-language version for information purposes. In the event of discrepancies the German-language version alone is authoritative and takes precedence over the English-language version.

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