



BERENTZEN-GRUPPE
Thirst for life

Berentzen-Gruppe Aktiengesellschaft

Annual Financial
Statements **2019**



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A. Combined management report

The management report and the Group management report of Berentzen-Gruppe Aktiengesellschaft have been combined in accordance with Section 315 (5) of the German Commercial Code (HGB) in conjunction with Section 298 (2) HGB and published in the 2019 Annual Report of Berentzen-Gruppe Aktiengesellschaft.

The separate financial statements and management report of Berentzen-Gruppe Aktiengesellschaft for the 2019 financial year, which is combined with the Group management report, will be submitted electronically to the operator of the Federal Gazette (Bundesanzeiger) and disclosed in the Federal Gazette.

The separate financial statements of Berentzen-Gruppe Aktiengesellschaft and the Group's Annual Report for the 2019 financial year are also available on Berentzen-Gruppe Aktiengesellschaft's corporate website at www.berentzen-gruppe.de/en.

B. Annual financial statements

Balance sheet as at December 31, 2019

Assets	12/31/2019 EUR	12/31/2018 EUR
A. Non-current assets		
I. Intangible assets		
1. Purchased franchises, industrial property rights and similar rights, and licenses to such rights	491,258.83	374,103.79
2. Advances to suppliers	93,256.50	39,600.00
	584,515.33	413,703.79
II. Property, plant and equipment		
1. Land, leasehold rights, and buildings, including buildings on land not owned	11,167,505.47	11,479,504.87
2. Technical equipment and machinery	7,030,738.28	7,781,233.45
3. Other equipment, plant and office equipment	790,795.02	723,175.87
4. Advances to suppliers and construction in progress	24,568.19	83,464.28
	19,013,606.96	20,067,378.47
III. Non-current financial assets		
1. Shares in affiliated companies	28,527,446.12	28,527,446.12
2. Loans to affiliated companies	5,400,000.00	5,400,002.00
3. Participating interests	0.00	1.00
4. Other loans	0.00	1.00
	33,927,446.12	33,927,450.12
	53,525,568.41	54,408,532.38
B. Current assets		
I. Inventories		
1. Raw materials and supplies	4,910,264.72	4,477,536.12
2. Work in progress	18,137,581.31	18,111,723.68
3. Finished products and merchandise for resale	10,592,400.19	9,837,576.20
	33,640,246.22	32,426,836.00
II. Receivables and other assets		
1. Trade receivables	1,530,116.02	3,287,848.78
2. Amounts receivable from affiliated companies	35,501,575.21	33,693,618.97
3. Other assets	6,140,299.62	5,580,902.48
	43,171,990.85	42,562,370.23
III. Cash on hand and cash in banks	9,132,524.73	4,577,063.21
	85,944,761.80	79,566,269.44
C. Prepaid expenses	146,739.80	153,325.92
	139,617,070.01	134,128,127.74

Income statement for the period from January 1 to December 31, 2019

	2019 EUR	2018 EUR
1. Revenues	302,413,006.30	310,986,528.02
2. Alcohol tax	203,154,018.38	209,327,944.48
3. Revenues net of alcohol tax	99,258,987.92	101,658,583.54
4. Increase in inventories of finished goods and work in progress	237,933.17	1,475,964.72
5. Other operating income	1,304,005.28	1,403,659.20
6. Purchased goods and services		
a) Cost of raw materials and supplies, and merchandise for resale	53,366,447.32	53,300,421.90
b) Cost of purchased services	2,675,962.75	2,154,930.21
7. Personnel expenses		
a) Wages and salaries	11,279,220.39	10,487,009.45
b) Social security, pension and benefit costs (of which for pensions: EUR 192,533.55; PY: EUR - 41,123.80)	1,934,175.21	1,612,968.56
8. Depreciation, amortisation and write-downs of intangible assets and property, plant and equipment	1,870,823.89	1,882,761.08
9. Other operating expenses	21,801,378.24	25,095,062.41
10. Income from participating interests (of which from affiliated companies: EUR 1,250,000.00; PY: EUR 1,000,000.00)	1,250,000.00	1,000,000.00
11. Income from profit-and-loss transfer agreements	49,377.00	47,549.91
12. Income from other securities and loans of non-current financial assets (of which from affiliated companies: EUR 149,225.46; PY: EUR 148,879.41)	149,225.46	148,879.41
13. Other interest and similar income (of which from affiliated companies: EUR 4,086.02; PY: EUR 5,237.67) (of which income from discounting: EUR 2,999.41; PY: EUR 2,179.9)	15,460.70	19,169.96
14. Write-downs on non-current financial assets and securities classified as current assets	4.00	410,000.00
15. Expenses from losses absorbed	643,158.34	813,551.40
16. Interest and similar expenses (of which payable to affiliated companies: EUR 41,716.17; PY: EUR 42,090.52) (of which expenses from compounding: EUR 79,265.78; PY: EUR 99,733.67)	1,374,540.91	1,315,355.80
17. Income taxes (of which deferred taxes: EUR 41,900.00; PY: EUR 102,600.00)	1,887,806.57	2,320,527.48
18. Profit after taxes	5,431,471.91	6,361,218.45
19. Other taxes	52,344.48	50,533.28
20. Net profit/loss for the year	5,379,127.43	6,310,685.17
21. Profit carried forward from previous year	7,791,478.52	4,111,026.83
22. Distributable profit	13,170,605.95	10,421,712.00

Notes to the annual financial statements for the 2019 financial year

(1) Accounting and valuation methods

Berentzen-Gruppe Aktiengesellschaft, Haselünne, is a stock corporation (Aktiengesellschaft) organised under German law. The Company's head office is in Haselünne, Ritterstraße 7, 49740 Haselünne, Germany, and the Company is registered in the Commercial Register of the Osnabrück Local Court (record HRB 120444).

The annual financial statements have been prepared in accordance with the accounting and valuation principles applicable for large corporations under commercial law and the supplementary provisions of the German Stock Corporation Act (Aktiengesetz).

The Income Statement has been prepared in accordance with the cost summary format pursuant to Section 275 (2) HGB.

The additions made to the legally prescribed structure of the Statement of Financial Position and the Income Statement under Section 265 (5) sentence 2 HGB – notably including the separate presentation of alcohol tax – relate to the commercial activities of Berentzen-Gruppe Aktiengesellschaft and serve to present a better view of the Company's financial position, cash flows and financial performance.

The same accounting and valuation methods have been applied as in the previous year.

Intangible assets, which are comprised almost entirely of licenses, are carried at acquisition cost less scheduled amortisation. The licenses are amortized on a straight-line basis over a customary useful life of four to five years.

The items included in property, plant and equipment are carried at acquisition or production cost less scheduled depreciation, where they are depreciable. The depreciation is taken using the straight-line method based on the standard useful life (5 – 57 years). Low value assets have been recorded in a collective item and written down on a straight-line basis over a period of five years, in accordance with the statutory provisions.

Non-current financial assets such as shares in affiliated companies, loans to affiliated companies, participating interests, and other loans are carried at acquisition cost or repayment amount. Write-downs are recognised in accordance with Section 253 (3) HGB. The impairment test performed for the shares in affiliated companies in the form of a discounted cash flow method is based on a medium-term plan with estimation uncertainties that was adopted and approved by the Supervisory Board.

Raw materials and supplies and merchandise for resale, are carried at average acquisition cost. Where the current market values are lower at the reporting date, these are recognised.

Work in progress and finished products are carried at the production cost to be recognised at a minimum under commercial law, meaning with direct input costs plus appropriate add-ons for indirect input costs. The principle of loss-free valuation is observed by applying discounts to the selling prices for costs still to accrue.

Receivables and other assets are stated at the lower of face value or fair value. Specific provisions for anticipated uncollectibility and general provisions to cover general credit risk are deducted from the receivables in the Statement of Financial Position. Receivables with credit insurance, receivables for which guarantees have been provided and the value added tax contained in these amounts are deducted when identifying the stock of receivables exposed to risk.

Cash and cash equivalents are stated at face value.

Prepaid expenses include amounts disbursed prior to the reporting date that represent expenses for a certain period after the reporting date.

Subscribed capital is carried at face value. In accordance with Section 272 (1a) HGB, the imputed nominal value of treasury shares (own shares) is openly deducted from subscribed capital. The difference between the imputed nominal value and the acquisition cost of treasury shares is recognised within the distributable profit. Incidental acquisition costs incurred are recognised in profit or loss.

The provisions for pensions and similar obligations are determined using the projected unit credit (PUC) method in accordance with the generally accepted actuarial principles. The calculations are based on the 2018 G standard tables prepared by Professor Klaus Heubeck, an increase in pensions of 1.5%, and a rate of change of 0% for anticipated fluctuation and salary movements. Use has been made of the option permitted by Section 253 (2) sentence 2 HGB. The amounts are discounted using the average market rate of 2.82% (as at September 2019) announced by Deutsche Bundesbank for an assumed residual maturity of 15 years.

Provisions for service anniversary awards are funded taking into account a general employer contribution to social security of 20% in line with the employee's present length of service and discounted using a rate of 2.05%. The figures calculated are similarly based on reports using a fluctuation rate of 5% and the 2018 G standard tables prepared by Professor Dr. Klaus Heubeck as the biometric basis of calculation based on the projected unit credit (PUC) method in accordance with generally accepted actuarial principles.

Tax and other provisions are set up to cover all uncertain liabilities and identifiable risks and carried at the amount anticipated to be payable under sound commercial judgement.

The measurement of provisions for legal disputes depends on estimates to a considerable degree. Legal disputes often involve complex legal questions and are fraught with considerable uncertainties. Accordingly, the determination at the reporting date of whether a current obligation probably results from a past event, whether a future outflow of economic resources is probable, and whether the amount of such obligation can be estimated reliably necessarily entails a considerable degree of discretion.

Derivative financial instruments are carried at fair value.

Alcohol tax and import duties are recognised as liabilities in the amounts owed to the main customs offices and presented in a separate item added to the legally prescribed structure.

Liabilities are stated at the settlement amount.

Deferred income comprises amounts received prior to the reporting date that represent income for a specific period after the reporting date.

Deferred tax assets and liabilities are determined in accordance with Section 274 HGB, under which probable tax savings and charges arising in the future are recognised for temporary differences between the book values carried in the annual financial statements of Berentzen-Gruppe Aktiengesellschaft prepared in accordance with German commercial law and the amounts recognised for assets and liabilities for tax purposes. In this context, any such temporary differences accruing in the Group companies of Berentzen-Gruppe Aktiengesellschaft for income tax purposes are recognised by the parent company. The same principle applies for such temporary differences accruing at unincorporated firms in which Berentzen-Gruppe Aktiengesellschaft holds a participating interest, although the valuation is normally limited to deferred corporation taxes including the solidarity surcharge. Anticipated tax savings arising from the use of loss carry-forwards considered realisable in the future are included, provided this does not yield an excess of deferred tax assets. When exercising the capitalisation option permitted in Section 274 (1) sentence 2 HGB, deferred tax assets arising from deductible temporary differences and tax loss carry-forwards in excess of the deferred tax liabilities arising from taxable temporary differences are not capitalised.

The amounts of the tax savings and charges accruing are calculated using the tax rate applicable to the specific company when the differences reverse and are not discounted.

Deferred tax assets and liabilities are netted within the Company and within the group of companies for income tax purposes. Use has not been made of the option to recognise deferred tax assets and liabilities that have not been netted in the Statement of Financial Position compliant with Section 274 (1) sentence 3 HGB.

Receivables and liabilities denominated in foreign currency are translated using the exchange rate applicable at the closing date (average spot exchange rate).

(2) Notes to the Statement of Financial Position

(2.1) Non-current assets

The development of non-current assets over the financial year is presented separately in the Statement of Changes in Non-current Assets presented in an annex to the notes.

Loans to subsidiaries of Berentzen-Gruppe Aktiengesellschaft are shown under Loans to affiliated companies (EUR 5,400 thousand; PY: EUR 5,400 thousand).

(2.2) Receivables and other assets

The total sum of trade receivables is reduced by EUR 23,870 thousand (PY: EUR 17,385 thousand) under the terms of factoring agreements. The receivables were sold to factoring companies on a non-recourse basis. Specific allowances in the amount of EUR 18 thousand (PY: EUR 1 thousand) were recognised on the trade receivables not sold to factoring companies in the 2019 financial year.

The amounts receivable from affiliated companies originate from the ongoing clearing and settlement transactions involving subsidiaries as well as from a short-term loan to a foreign subsidiary.

The following table shows the breakdown of other assets:

	12/31/2019	12/31/2018
	EUR'000	EUR'000
Receivables from factoring haircut	5,651	5,316
Creditors with debit balances	148	78
Receivables from export operations	121	25
Tax refund claims	83	0
Reimbursement claims	69	121
Refund claims from ecology tax	38	37
Other	30	4
	6,140	5,581

The following table shows the residual maturities of the receivables and other assets:

	12/31/2019	of which due in	
		Up to 1 year	More than 1 year
	EUR'000	EUR'000	EUR'000
Trade receivables	1,530	1,530	0
Amounts receivable from affiliated companies	35,502	35,502	0
Other assets	6,140	6,140	0
	43,172	43,172	0

	12/31/2018	of which due in	
		Up to 1 year	More than 1 year
	EUR'000	EUR'000	EUR'000
Trade receivables	3,288	3,288	0
Amounts receivable from affiliated companies	33,693	33,693	0
Other assets	5,581	5,581	0
	42,562	42,562	0

There were receivables denominated in foreign currency with a value of EUR 134 thousand (PY: EUR 175 thousand) at the reporting date.

(2.3) Cash on hand and cash in banks

The item of cash on hand and cash in banks comprises current accounts with banks that are used for settlement of two factoring agreements. These current accounts hold the available cash under these factoring arrangements at any given time ("customer settlement accounts"); the receivables from customer settlement accounts in the

amount of EUR 6,034 thousand (PY: EUR 3,269 thousand) exhibit different characteristics than normal current account receivables due from banks, particularly with regard to interest.

(2.4) Prepaid expenses

Prepaid expenses include advance payments of EUR 147 thousand (PY: EUR 153 thousand) for other third party services.

(2.5) Subscribed capital

The share capital of Berentzen-Gruppe Aktiengesellschaft in the amount of EUR 24,960 thousand (PY: EUR 24,960 thousand) is divided into 9,600,000 shares of common stock (PY: 9,600,000 shares of common stock), which are no-par bearer shares and are fully paid-in. The imputed value per share is EUR 2.60.

At December 31, 2019, the number of shares outstanding was 9,393,691 (PY: 9,393,691) shares of common stock, Berentzen-Gruppe Aktiengesellschaft having purchased a total of 206,309 treasury shares representing an imputed share of capital equal to EUR 536 thousand in the financial years 2015 and 2016.

The development of subscribed capital and the number of shares outstanding are presented in the table below:

	12/31/2019		12/31/2018	
	EUR'000	No.	EUR'000	No.
Common shares (Bearer shares)	24,960	9,600,000	24,960	9,600,000
Capital stock	24,960	9,600,000	24,960	9,600,000
Treasury shares	-536	-206,309	-536	-206,309
Subscribed capital (issued)/ shares outstanding	24,424	9,393,691	24,424	9,393,691

(2.6) Authorised Capital (not issued)

The Executive Board of Berentzen-Gruppe Aktiengesellschaft is authorised, with the consent of the Supervisory Board, to increase the share capital by issuing new bearer shares of common stock in exchange for cash or in-kind contributions on one or more occasions, but for a maximum total of up to EUR 9,984 thousand, in the time until May 21, 2024 (Authorised Capital 2019). The Executive Board is authorised, with the consent of the Supervisory Board, to exclude the shareholders' statutory subscription right in certain cases. The conditions under which the Executive Board can exclude, with the consent of the Supervisory Board, the shareholders' subscription right in a capital increase are set out in Article 4 (4) of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft in the version of June 19, 2019. The authorisation to exclude subscription rights is restricted to an amount of ten percent of the share capital. Not only treasury shares that were issued or sold during the period of this authorisation but also those shares issued to service convertible bonds and/or warrant bonds are to

be deducted from this threshold to the extent that such transactions are carried out subject to exclusion of the shareholders' subscription rights. The Executive Board is authorised, with the consent of the Supervisory Board, to specify the further details of the authorised capital increase and its implementation.

(2.7) Treasury shares

In the financial years 2015 and 2016, 206,309 no par value shares were acquired by Berentzen-Gruppe Aktiengesellschaft within the scope of a share buy-back program. This corresponds to an imputed share equal to EUR 536 thousand or 2.15% of the Company's share capital. The average purchase price per share was EUR 7.2706. The shares were purchased for a total purchase price of EUR 1,500 thousand (excluding transaction costs). The cumulative difference between the imputed nominal value and the acquisition cost of the treasury shares purchased was EUR 964 thousand and was offset against distributable profit.

(2.8) Additional paid-in capital

Additional paid-in capital consists of the share premium on the capital increases of Berentzen-Gruppe Aktiengesellschaft in the years 1994 and 1996. EUR 15,855 thousand and EUR 23,010 thousand were withdrawn from additional paid-in capital and appropriated to retained earnings in the 2004 and 2008 financial years, respectively, to cover the respective net losses of the Company.

(2.9) Retained earnings and distributable profit

In accordance with the Stock Corporations Act, the utilisation of profit, including the distribution of dividends to the shareholders, is measured on the basis of the distributable profit presented in the separate financial statements of Berentzen-Gruppe Aktiengesellschaft prepared in accordance with German commercial law.

A resolution was adopted at the annual general meeting on May 22, 2019 to utilise the distributable profit of EUR 10,422 thousand for the 2018 financial year 2018 presented in the separate financial statements of Berentzen-Gruppe Aktiengesellschaft to pay a dividend of EUR 0.28 per share of common stock qualifying for dividends for the 2018 financial year and to carry forward the remaining amount to new account. In consideration of the treasury shares held by the Company at the date of the annual general meeting, which do not qualify for dividends in accordance with Section 71b AktG, this amount corresponded to a total distribution of approximately EUR 2,630 thousand and a carry-forward to new account of approximately EUR 7,791 thousand.

The Statement of Financial Position was prepared taking into account the partial utilisation of the distributable profit.

The following table shows the changes in distributable profit:

	2019	2018
	EUR	EUR
Net profit for the year	5,379,127.43	6,310,685.17
Distributable profit of the previous year	10,421,712.00	6,177,638.85
Dividend pay-out	-2,630,233.48	-2,066,612.02
Distributable profit	13,170,605.95	10,421,712.00

(2.10) Proposal for the utilisation of distributable profit

The Executive Board of Berentzen-Gruppe Aktiengesellschaft proposes to the annual general meeting that the distributable profit for financial year 2019 in the amount of EUR 13,171 thousand presented in the annual financial statements of Berentzen-Gruppe Aktiengesellschaft prepared in accordance with German Commercial Code regulations be utilised to pay a dividend of EUR 0.28 per common share qualifying for dividends for the 2019 financial year and to carry forward the remaining amount to new account. In consideration of the treasury shares held by the Company at the date

of the annual general meeting, which do not qualify for dividends in accordance with Section 71b AktG, this amount corresponds to a total expected distribution of approximately EUR 2,630 thousand and a carry-forward to new account of approximately EUR 10,540 thousand. Payment of this dividend is dependent on the approval of the Company's annual general meeting of May 13, 2020. The number of shares eligible for dividends may change in the time leading up to the annual general meeting. In this case, given an unchanged dividend of EUR 0.28 per common share qualifying for dividends, a correspondingly adjusted recommended resolution for the utilisation of distributable profit will be proposed to the annual general meeting.

(2.11) Provisions for pensions and similar obligations

As of the 2016 financial year, pension provisions are discounted to present value by application of the average market interest rate for the past 10 financial years, in

accordance with the new provisions of Section 253 (2) HGB (new version). The resulting difference between the value of pension provisions measured by application of the 10-year average interest rate (2.82%) and that measured by application of the 7-year average interest rate (2.05%) is subject to a payout block and is presented in the table below:

	12/31/2019 EUR'000	12/31/2018 EUR'000
Pension provision		
Measured at the 10-year average interest rate	2,375	2,361
Pension provision		
Measured at the 7-year average interest rate	2,527	2,541
Difference	-152	-180

(2.12) Tax provisions

The tax provisions of EUR 1,059 thousand relate to trade and corporate income tax payable for the 2014 through 2019 financial years as a consequence of a tax field audit that has already been completed, among other factors.

(2.13) Other provisions

The other provisions comprise the following items:

	12/31/2019 EUR'000	12/31/2018 EUR'000
Bonuses/ advertising subsidies	8,851	7,257
Personnel provisions	1,283	1,169
Outstanding invoices	777	678
Legal, consulting and auditing costs	345	190
Supervisory Board compensation	208	241
Retroactive payment interest, external tax audit	8	0
	11,472	9,535

(2.14) Liabilities

The following table shows the breakdown of liabilities by residual maturity:

	12/31/2019 EUR'000	up to 1 year EUR'000	of which due in more than 1 year EUR'000	more than 5 years EUR'000
Liabilities for alcohol tax	43,601	43,601	0	0
Amounts payable to affiliated companies	7,989	7,989	0	0
Liabilities to banks	7,500	0	7,500	0
Other liabilities	6,062	6,062	0	0
Trade payables	4,852	4,852	0	0
	70,004	62,504	7,500	0

	12/31/2018 EUR'000	up to 1 year EUR'000	of which due in more than 1 year EUR'000	more than 5 years EUR'000
Liabilities for alcohol tax	42,277	42,277	0	0
Liabilities to banks	7,500	0	7,500	0
Trade payables	4,641	4,641	0	0
Amounts payable to affiliated companies	8,119	8,119	0	0
Other liabilities	4,977	4,977	0	0
	67,514	60,014	7,500	0

Of the total amounts payable to affiliated companies, EUR 7,841 thousand (PY: EUR 7,970 thousand) relates to current clearing and settlement transactions and EUR 148 thousand (PY: EUR 148 thousand) to current loan liabilities to subsidiaries.

The following table shows the breakdown of other liabilities:

	12/31/2019 EUR'000	12/31/2018 EUR'000
Taxes		
Sales tax	5,738	4,702
Payroll and church tax	204	161
	5,942	4,863
Debtors with credit balances	87	80
Miscellaneous other liabilities	33	34
	6,062	4,977

There were liabilities denominated in foreign currency **(2.15) Deferred tax liabilities** with a value of EUR 122 thousand (PY: EUR 175 thousand) at the reporting date.

	12/31/2019 EUR'000	12/31/2018 EUR'000
Deferred tax liabilities	1,047	1,005
	1,047	1,005

The table below shows the breakdown of deferred tax liabilities by line item and circumstances:

	12/31/2019		12/31/2018	
	Deferred tax assets EUR'000	Deferred tax liabilities EUR'000	Deferred tax assets EUR'000	Deferred tax liabilities EUR'000
ASSETS				
Property, plant and equipment	0	734	0	786
Non-current financial assets	0	932	0	791
Inventories	0	0	3	0
Receivables and other assets	5	0	0	0
SHAREHOLDERS' EQUITY AND LIABILITIES				
Provisions for pensions and similar obligations	593	0	554	0
Other provisions	21	0	15	0
Subtotal for temporary differences	619	1,666	572	1,577
Capitalisation of tax loss carry-forwards	0		0	
Netting	-619	-619	-572	-572
Deferred taxes presented in the Statement of Financial Position	0	1,047	0	1,005

Deferred taxes are measured on the basis of a tax rate of 29.3% (PY: 29.3%).

(2.16) Contingent liabilities

Berentzen-Gruppe Aktiengesellschaft has issued an absolute maximum-liability guarantee of EUR 864 thousand (PY: EUR 864) for the branch of a subsidiary in the federal state of Brandenburg in favour of InvestitionsBank

des Landes Brandenburg to secure receivables arising from the subsidy relationship, especially possible future claims to repayment. In both 2007 and 2010, the subsidiary had submitted an ongoing request for the granting of state aid to industry under the regional economic promotion programme over an investment period of three years. The amounts requested by calling down funds were disbursed starting in 2011 and 2012, and were secured by a guarantee. According to the current assessment of

the situation, there are no indications to suggest that any utilisation is likely to be made of the guarantee within the scope of any potential assertion of claims under the subsidy relationship (none have been made to date), specifically a demand for repayment of state aid.

Furthermore, Berentzen-Gruppe Aktiengesellschaft issued a letter of indemnity for a bank guarantee of EUR 8 thousand for a foreign subsidiary in the 2012 financial year. The letter of indemnity is not expected to be utilised, as it only covers current liabilities.

There are letters of indemnity related to maximum-liability customs bonds in the amount of EUR 776 thousand (PY: EUR 776 thousand). The current alcohol tax liabilities

secured by such guarantees amounted to EUR 43,601 thousand at year-end (PY: EUR 42,277 thousand).

(2.17) Other financial commitments and information on off-balance sheet transactions

Berentzen-Gruppe Aktiengesellschaft has total commitments of EUR 540 thousand (PY: EUR 719) arising from rental and lease contracts, of which EUR 3 thousand relates to affiliated companies (PY: 3 thousand).

The following table shows the breakdown of rental and lease commitments by the due date of the agreed rental or lease payments:

	12/31/2019 EUR'000	of which payable in		
		up to 1 year EUR'000	1 to 5 years EUR'000	more than 5 years EUR'000
Rental payments for property	45	45	0	0
of which to affiliated companies	3	3	0	0
Lease payments for office equipment	113	43	70	0
Lease payments for vehicle fleet	341	200	141	0
Lease payments for Company bicycles	41	27	14	0
	540	315	225	0

	12/31/2018 EUR'000	of which payable in		
		up to 1 year EUR'000	1 to 5 years EUR'000	more than 5 years EUR'000
Rental payments for property	45	45	0	0
of which to affiliated companies	3	3	0	0
Lease payments for office equipment	144	42	102	0
Lease payments for vehicle fleet	467	233	234	0
Lease payments for Company bicycles	63	37	26	0
	719	357	362	0

The rental and lease agreements serve the purpose of flexibly managing investments on the basis of liquidity and innovation considerations and lead to an improvement in the financial position and cash flows in the respective

financial years. The risk of future cash outflows is made calculable by the fixed amounts payable and terms of the contracts.

At the reporting date, Berentzen-Gruppe Aktiengesellschaft has two ongoing services contracts governing the provision of distribution services. One of these contracts has a term until June 30, 2020 and the other until December 31, 2020. These contracts give rise to a total commitment of EUR 790 thousand (PY: EUR 856 thousand) at December 31, 2019.

Moreover, there is one further services contract for the provision of market research services with a term until December 31, 2022. This contract gives rise to a total commitment of EUR 690 thousand at December 31, 2019.

The following table shows the breakdown of the commitments arising from the aforementioned services and advertising contracts broken down by the due dates of the payments to be made:

	12/31/2019 EUR'000	of which payable in		
		up to 1 year EUR'000	1 to 5 years EUR'000	more than 5 years EUR'000
Commitments for distribution services	790	790	0	0
Commitment for market research services	690	230	460	0
	1,480	1,020	460	0

	12/31/2018 EUR'000	of which payable in		
		up to 1 year EUR'000	1 to 5 years EUR'000	more than 5 years EUR'000
Commitments for distribution services	856	856	0	0
Commitments for advertising services	2	2	0	0
	858	858	0	0

Trade receivables of EUR 23,870 thousand (PY: EUR 17,385 thousand) had been sold at the reporting date under the terms of two factoring agreements. Following the deduction of the relevant haircuts of EUR 5,651 thousand (PY: EUR 5,316 thousand), there was cash inflow of EUR 18,219 thousand (PY: EUR 12,069 thousand).

Factoring serves to enhance the Company's capital structure and reduce its financing costs. The latent default risks in the stock of receivables have been transferred to the buyer; a default risk is thus excluded. A lasting, constant improvement in liquidity is ensured by the continuous stream of revenues during the course of the year.

(2.18) Litigation

In connection with its ordinary business activities, Berentzen-Gruppe Aktiengesellschaft is involved in legal disputes in different jurisdictions; moreover, existing legal disputes may be broadened or additional legal disputes may be initiated. Such legal disputes may arise particularly in relation to suppliers and service providers, customers, consumers, employees, investors or government authorities, but also in relation to competitors and other third parties, e.g. in trademark and patent matters. These legal disputes could result in payment obligations for Berentzen-Gruppe Aktiengesellschaft in the form of damages, punitive damages, or obligations to satisfy other

claims, as well as penalties, fines, or disgorgements under criminal law or civil law. In isolated cases, moreover, legal disputes could lead to formal or informal exclusions from public tenders or the withdrawal or loss of government permits or approvals. Claims asserted in legal disputes bear interest, as a general rule.

At the present time, Berentzen-Gruppe Aktiengesellschaft does not expect any material adverse effects on its financial position, cash flows and financial performance to result from individual legal disputes. Appropriate risk provisions have been formed for these proceedings insofar as the corresponding obligation is sufficiently concretised. However, because the risks of legal disputes can be estimated only to a limited extent, the occurrence of adverse effects not covered by the respective risk provisions cannot be ruled out, as a general rule.

(2.19) Derivative financial instruments

Berentzen-Gruppe Aktiengesellschaft is exposed to currency and interest rate risks as part of its commercial activities; derivatives are employed exclusively to hedge such risk.

Contracts for currency hedging instruments are concluded to hedge currency and interest rate risk arising from ongoing commercial activities, and each is recognised individually using the market price that corresponds to their fair value at the reporting date. Any resulting negative valuation result leads to the recognition of a provision for pending losses, which is recognised in the Income Statement, whereas a positive valuation result is not recognised.

The market price of the currency options is determined using the net present value method, under which valuation is based on the daily closing prices or the end-of-month ECB reference prices. under which valuation is based on the daily closing prices or the end-of-month ECB reference prices.

There were no outstanding currency options at December 31, 2019.

(3) Notes to the income statement

(3.1) Revenues

Berentzen-Gruppe Aktiengesellschaft generated the following non-consolidated revenues in the 2019 financial year, adjusted for alcohol tax, mainly from sales of spirits:

	2019 EUR'000	2018 EUR'000
Sales of goods	71,276	78,031
Services affiliated companies	2,224	2,276
Waste recycling	51	62
Rental income	53	55
Other revenues	24	24
Domestic revenues excluding alcohol tax	73,628	80,448
Sales of goods	25,631	21,211
Foreign revenues excluding alcohol tax	25,631	21,211
	99,259	101,659

(3.2) Other operating income

The other operating income breaks down as follows:

	2019 EUR'000	2018 EUR'000
Reversal of provisions	557	532
Income from compensation of loss or damage	100	40
Cost reimbursements	93	55
Marketing reimbursement licencing partners	89	68
Currency translation	44	194
Income relating to other periods	40	155
Income from disposal of non-current assets	15	3
Derecognition of liabilities	9	31
Miscellaneous other operating income	357	326
	1,304	1,404

(3.3) Personnel expenses

Personnel expenses include expenses for pension plans of EUR 193 thousand (PY: EUR - 41 thousand).

(3.4) Other operating expenses

The following table shows the breakdown of other operating expenses:

	2019 EUR'000	2018 EUR'000
Marketing, advertising / trade	6,561	10,825
Transport and selling costs	9,134	8,900
Legal, consulting and auditing costs	1,485	587
Maintenance	1,413	1,231
Charges, contributions and insurance premiums	710	687
Other personnel expenses	703	822
Packaging recycling	628	802
Rents and office costs	564	538
Supervisory Board compensation	216	250
Losses from write-downs on inventories	123	89
Intragroup cost allocations	92	119
Currency translation	50	68
Expenses from increases in specific and general valuation allowances	28	1
Expenses relating to other reporting periods	19	143
Receivables defaults	0	1
Miscellaneous other operating expenses	75	32
	21,801	25,095

(3.5) Financial result and result from participating interests

The income from participating interests of EUR 1,250 thousand (PY: EUR 1,000 thousand) resulted from dividend payments by or the allotment of profit shares of the following affiliated companies:

	2019 EUR'000	2018 EUR'000
Citrocasa GmbH (formerly: T M P Technic-Marketing-Products GmbH), Linz	1,250	1,000
	1,250	1,000

The income of EUR 49 thousand from profit-and-loss transfer agreements (PY: EUR 48 thousand) mainly stems from profit-and-loss transfer agreements with the following Group companies:

	2019 EUR'000	2018 EUR'000
Pabst & Richarz Vertriebs GmbH, Minden	49	48
	49	48

EUR 149 thousand (PY: EUR 149 thousand) of the income from other securities and loans of non-current financial assets, and EUR 4 thousand (PY: EUR 5 thousand) of the other interest and similar income results from affiliated companies.

thousand in the book value of a German affiliated company, by reason of an impairment that is expected to be permanent.

In the previous year, the write-downs on non-current financial assets included impairment losses of EUR 410

The expenses from losses absorbed result from profit-and-loss transfer agreements with the following Group companies:

	2019 EUR'000	2018 EUR'000
Der Berentzen Hof GmbH, Haselünne	207	437
DLS Spirituosen GmbH, Flensburg	335	327
Doornkaat Aktiengesellschaft, Norden	101	50
	643	814

Interest and similar expenses include interest expenses and fees in connection with factoring in the amount of EUR 893 thousand (PY: EUR 849 thousand) as well as for a long-term loan in the amount of EUR 144 thousand (PY: EUR 144 thousand). In addition, expenses in the amount of EUR 79 thousand (PY: EUR 100 thousand) from the compounding of pension provisions and other provisions

as well as interest expenses to affiliated companies in the amount of EUR 42 thousand (PY: EUR 42 thousand) are included.

Income of EUR 44 thousand (PY: EUR 194 thousand) and expenses of EUR 66 thousand (PY: EUR 81 thousand) were recognised from currency translation.

(3.6) Income taxes

The income tax expense of EUR 1,888 thousand shown in the Income Statement (PY: EUR 2,321 thousand) includes income from reimbursements for previous years in the amount of EUR 76 thousand (PY: income from reimbursements of EUR 247 thousand).

Income taxes of EUR 4 thousand (PY: EUR 4 thousand) arose from the liability of a foreign subsidiary to recognise withholding tax for the payment of loan interest payments to Berentzen-Gruppe Aktiengesellschaft.

The increase in deferred tax liabilities increased tax expenses by an amount of EUR 42 thousand (PY: EUR 103 thousand).

(3.7) Other taxes

Other taxes include property taxes of EUR 31 thousand (PY: EUR 41 thousand) and motor vehicle taxes of EUR 10 thousand (PY: EUR 10 thousand). In addition, back sales taxes of EUR 12 thousand were payable in the 2019 financial year for the financial years 2014 to 2017.

(4) Additional information on the annual financial statements**(4.1) Management bodies of Berentzen-Gruppe Aktiengesellschaft****Executive Board of Berentzen-Gruppe Aktiengesellschaft**

The following persons served as members of the Executive Board of Berentzen-Gruppe Aktiengesellschaft in the 2019 financial year:

Name	Term of Board membership	Position held Responsibilities	Supervisory Board mandates
Ralf Brühöfner Lingen, Germany	since June 18, 2007	Member of the Executive Board of Berentzen-Gruppe Aktiengesellschaft Finance, Controlling, Human Resources, Information Technology, Legal Affairs, Corporate Communications, Investor Relations, Corporate Social Responsibility	Doornkaat Aktiengesellschaft, Norden, Germany (Deputy Chairman of the Supervisory Board)
Oliver Schwegmann Timmendorfer Strand, Germany	since June 1, 2017	Member of the Executive Board of Berentzen-Gruppe Aktiengesellschaft Marketing, Sales, Production and Logistics, Purchasing, Research and Development	Doornkaat Aktiengesellschaft, Norden, Germany (Chairman of the Supervisory Board)

The following total compensation within the meaning of Section 285 No. 9 letter a) sentences 1 to 4 HGB or compensation commitments were granted to the members of the Executive Board:

Type of compensation	2019 EUR'000	2018 EUR'000
Non-performance-based components	729	719
Performance-based components	262	218
Total compensation	991	937
Committed performance-based components with a long-term incentive effect	227	129

In addition to the total compensation granted in the respective financial year, commitments of performance-based, non-share-based compensation components were granted to the members of the Executive Board for the respective financial year. The amounts to be paid depend on the level of consolidated EBIT in the respectively following financial year and in the two respectively following financial years. The total amounts so committed amounted to EUR 227 thousand (PY: EUR 129 thousand).

At the present time, Berentzen-Gruppe Aktiengesellschaft refrains from disclosing the compensation of the Executive Board on an individualised basis, meaning separately for each member of the Executive Board, as the Annual General Meeting of the Company voted against such individualised disclosure on May 12, 2016, by adopting a resolution to the effect that, in accordance with Section 314 (3) sentence 1 HGB in conjunction with Section 286 (5) sentence 1, the information required by Section 314 (1) No. 6 a) sentences 5–8 HGB and Section 285 No. 9 a) sentences 5–8 HGB will not be disclosed.

Neither Berentzen-Gruppe Aktiengesellschaft nor any subsidiary granted the members of the Executive Board subscription rights or any other share-based compensation in the 2019 financial year, nor do they hold any such compensation instruments. Furthermore, the members of the Executive Board were not granted any

compensation in the 2019 financial year for positions held with subsidiaries. Furthermore, the total compensation of the Executive Board in the 2019 financial year does not include any benefits payable to former members of the Executive Board in connection with the cessation of their activity.

Furthermore, neither Berentzen-Gruppe Aktiengesellschaft nor a subsidiary granted loans or advances to members of the Executive Board, nor did they assume contingent liabilities in favour of them in financial year 2019.

No compensation was paid to former members of the Executive Board or their surviving dependants in the 2019 financial year.

Post-employment benefits or total compensation within the meaning of Section 285 No. 9 letter b) HGB were granted to former managing directors – and their survivors – of Group companies to which Berentzen-Gruppe Aktiengesellschaft is the legal successor in the amount of EUR 104 thousand in the 2019 financial year (PY: EUR 105 thousand).

As calculated in accordance with Section 253 HGB, the present value of accrued pension obligations for this group of persons amounted to EUR 657 thousand at December 31, 2019 (PY: EUR 666 thousand).

Supervisory Board of Berentzen-Gruppe

Aktiengesellschaft

The following persons served as members of the Supervisory Board of Berentzen-Gruppe Aktiengesellschaft in the 2019 financial year:

Name	Term of Supervisory Board membership	Position held	Other Supervisory Board mandates
Uwe Bergheim Dusseldorf, Germany Chairman of the Supervisory Board	since May 3, 2018	Self-employed corporate consultant, Dusseldorf, Germany	
Frank Schübel Gräfelfing, Germany Deputy Chairman of the Supervisory Board	since May 19, 2017	Managing Director of TEEKANNE Holding GmbH, Dusseldorf, Germany, as general partner of TEEKANNE GmbH & Co. KG, Dusseldorf, Germany	
Johannes C.G. Boot London, United Kingdom	from June 3, 2009 to May 22, 2019	Chief Investment Officer of Lotus Aktiengesellschaft, Grünwald, Germany	Deutsche Konsum REIT-AG, Broderstorf, Germany (Member of the Supervisory Board) Gerlin NV, Maarsbergen, The Netherlands (Member of the Supervisory Board, since February 14, 2019)
Heike Brandt Minden, Germany	since May 22, 2014	Commercial employee at Berentzen-Gruppe Aktiengesellschaft, Haselünne, Germany	
Bernhard Düing Herzlake, Germany	since June 24, 1999	Production Shift Manager at Vivaris Getränke GmbH & Co. KG, Haselünne, Germany	
Adolf Fischer Lähden, Germany	from June 3, 2009 to May 22, 2019	Production employee at Vivaris Getränke GmbH & Co. KG, Haselünne, Germany	
Prof Dr Roland Klose Würzburg, Germany	from May 19, 2017 to May 22, 2019	Professor of Business Administration at FOM University of Economics & Management, Essen / Nuremberg, Germany	

Name	Term of Supervisory Board membership	Position held	Other Supervisory Board mandates
Hendrik H. van der Lof Almelo, The Netherlands	since May 19, 2017	Managing Director of Via Finis Invest B.V., Almelo, The Netherlands	Monolith N.V., Amsterdam, The Netherlands (Member of the Supervisory Board) TIIN Buy Out and Growth fund B.V., Naarden, The Netherlands (Chairman of the Supervisory Board)
Daniël M.G. van Vlaardingen Hilversum, The Netherlands	since September 1, 2016	Managing Director of Monolith Investment Management B.V., Amsterdam, The Netherlands	

Total compensation in the amount of EUR 208 thousand (PY: EUR 241 thousand) within the meaning of Section 285 No. 9 letter a) sentences 1–4 HGB was granted to the members of the Supervisory Board in their function as members of the Supervisory Board.

Neither Berentzen-Gruppe Aktiengesellschaft nor any subsidiary granted the members of the Supervisory Board subscription rights or other share-based compensation in the 2019 financial year, neither do they hold any such compensation instruments. Similarly, the members of the Supervisory Board were not granted any compensation in the 2019 financial year for positions held with subsidiaries. Furthermore, the total compensation of the Supervisory Board in the 2019 financial year does not include any benefits payable to former members of the Supervisory

Board in connection with the cessation of their activity.

Furthermore, neither Berentzen-Gruppe Aktiengesellschaft nor any subsidiary granted loans or advances to members of the Supervisory Board, nor did they assume contingent liabilities in favour of them in financial year 2019.

No compensation was paid to former members of the Supervisory Board or their surviving dependants in the 2019 financial year.

(4.2) Employees

Alongside the members of the Executive Board, Berentzen-Gruppe Aktiengesellschaft employed the following average number of people during the year:

	Annual Average	
	2019	2018
Salaried staff	134	130
Wage-earning staff	74	72
Apprentices	16	14
	224	216

(4.3) Announcements and notifications of changes in voting rights in Berentzen-Gruppe Aktiengesellschaft pursuant to the German Securities Trading Act

The following persons have notified Berentzen-Gruppe Aktiengesellschaft pursuant to the pertinent provisions of the German Securities Trading Act (WpHG) that the share of voting rights of Berentzen-Gruppe Aktiengesellschaft held by the notifying party has reached, exceeded or fallen below certain thresholds specified in the WpHG:

Person subject to notification obligation	Names of shareholders ¹⁾	Date when a reporting threshold was reached, exceeded, or fallen below	Attribution per WpHG	Attribution via	Voting rights	
					%	No.
Stichting Administratiekantoor Monolith Amsterdam, The Netherlands		April 5, 2019	Section 34	Monolith N.V.	9.93	952,997
MainFirst SICAV Senningerberg, Luxembourg		February 2, 2019 ²⁾	Section 34	Monolith N.V.	10.04	964,022
Lazard Frères Gestion S.A.S. Paris, France		March 2, 2016			8.50	815,500
Lazard Frères Gestion S.A.S. Paris, France		June 22, 2017			5.07	486,598
Intrepid Capital Management Funds Trust ³⁾ Jacksonville Beach / Florida, United States of America		August 1, 2019	Section 34	Intrepid Capital Management Funds Trust Intrepid Capital Fund	2.91	279,689
Intrepid Capital Corp. ³⁾ Jacksonville Beach / Florida, United States of America		August 13, 2019	Section 34	Intrepid Capital Corp. Intrepid Capital Management, Inc. The Intrepid Capital, LP	2.83	271,347
Intrepid Capital Corp. ³⁾ Jacksonville Beach / Florida, United States of America	Intrepid Capital Fund	July 24, 2019	Section 34	Intrepid Capital Corp. Intrepid Capital Management, Inc. The Intrepid Capital, LP	4.77	458,097

¹⁾ Names of shareholders with 3% or more of voting rights, where different from the person subject to the notification obligation.

²⁾ Voluntary Group announcement relating to the reaching of a threshold only at the level of the subsidiary. The notification threshold of 10% was reached or exceeded for the first time on April 25, 2016 with allocation via a different subsidiary.

³⁾ According to the information available to Berentzen-Gruppe Aktiengesellschaft, the share of voting rights of the companies attributable to the Intrepid investors group is less than 3% based on the notifications received.

(4.4) Declaration regarding the German Corporate Governance Code

The annual Declaration of Conformity by the Executive Board and Supervisory Board of Berentzen-Gruppe Aktiengesellschaft on the German Corporate Governance Code pursuant to Sec. 161 AktG was issued in November 2019. The Declaration of Conformity has been

made permanently available on Berentzen-Gruppe Aktiengesellschaft's corporate website at www.berentzen-gruppe.de/en.

(4.5) List of Shareholdings of Berentzen-Gruppe Aktiengesellschaft

Direct subsidiaries ^{1) 4)}

Name, registered office	Share-holding in %	Equity capital 12/31/2019 EUR'000	Net profit/loss 2019 EUR'000
Berentzen Distillers International GmbH, Haselünne	100.0	380	-19
Der Berentzen Hof GmbH, Haselünne ^{2) 3)}	100.0	26	0
DLS Spirituosen GmbH, Flensburg ^{2) 3)}	100.0	2,482	0
Doornkaat Aktiengesellschaft, Norden ^{2) 3)}	100.0	56	0
Pabst & Richarz Vertriebs GmbH, Minden ^{2) 3)}	100.0	33	0
Citrocasa GmbH (formerly: T M P Technic-Marketing-Products GmbH), Linz	100.0	5,112	1,515
Vivaris Getränke GmbH & Co. KG, Haselünne ³⁾	100.0	809	-775

Indirect subsidiaries ^{1) 4)}

Name, registered office	Share-holding in %	Equity capital 12/31/2019 EUR'000	Net profit/loss 2019 EUR'000
Domestic companies			
Berentzen Distillers Asia GmbH, Haselünne	100.0	19	-1
Berentzen Distillers Turkey GmbH, Haselünne	100.0	1,068	0
Berentzen North America GmbH, Haselünne	100.0	373	2
Foreign companies			
Berentzen Alkollü İckiler Ticaret Limited Sirketi, Istanbul, Republic of Turkey	100.0	1,596	167

¹⁾ With regard to Section 286 (3) 1 No 1 HGB, affiliated companies and participating interests together with those companies for which the shareholder with unlimited liability is Berentzen-Gruppe Aktiengesellschaft are not disclosed to the extent that they, individually and as a whole, are immaterial for the financial position, cash flows and financial performance of the Company.

²⁾ A profit-and-loss transfer agreement is in place with this company.

³⁾ Pursuant to Section 264 (3) HGB or Section 264b HGB, the joint stock companies or commercial partnerships marked with ³⁾ are exempted from the obligation to prepare, have audited and publish annual financial statements and a management report in accordance with the regulations applicable to incorporated firms.

⁴⁾ The companies listed are included in the consolidated financial statements of Berentzen-Gruppe Aktiengesellschaft, Haselünne, by way of full consolidation.

(4.6) Total fees paid to the independent auditor

At the annual general meeting of Berentzen-Gruppe Aktiengesellschaft on May 22, 2019, Warth & Klein Grant Thornton AG Wirtschaftsprüfungsgesellschaft, Düsseldorf,

was elected as the independent auditor of the separate and consolidated financial statements of Berentzen-Gruppe Aktiengesellschaft.

The following table shows the breakdown of total expenses and fees recognised for the services provided by the independent auditor in the 2018 and 2019 financial years:

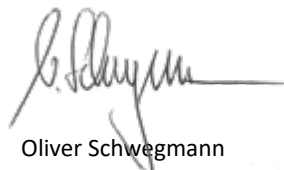
	2019 EUR'000	2018 EUR'000
Auditing of financial statements	150	145
Other audit-related services	0	0
Tax advisory services	0	0
Other services	0	0
	150	145

The services rendered by the independent auditor relate to the statutory audit of the separate and consolidated financial statements of Berentzen-Gruppe Aktiengesellschaft. In addition, the independent auditor performed a statutory audit of the financial statements of a subsidiary.

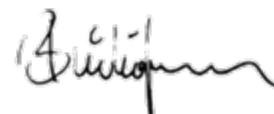
Haselünne, March 16, 2020

Berentzen-Gruppe Aktiengesellschaft

The Executive Board



Oliver Schwegmann



Ralf Brühöfner

(4.7) Report on subsequent events

No events of particular importance that were not presented in the income statement or statement of financial position occurred after the close of the financial year.

Member of the Executive Board

Members of the Executive Board

Statement of Changes in Non-current Assets

	Acquisition or Production Cost				12/31/2019 EUR
	01/01/2019 EUR	Addition EUR	Transfer EUR	Disposal EUR	
I. Intangible assets					
1. Purchased franchises, industrial property rights and similar rights, and licences to such rights	29,017,594.02	217,878.45	39,600.00	15,026.24	29,260,046.23
2. Goodwill	5,337,480.25	0.00	0.00	0.00	5,337,480.25
3. Advances to suppliers	39,600.00	93,256.50	-39,600.00	0.00	93,256.50
	34,394,674.27	311,134.95	0.00	15,026.24	34,690,782.98
II. Property, plant and equipment					
1. Land, leasehold rights and buildings, including buildings on land not owned	31,362,001.59	304,752.94	0.00	0.00	31,666,754.53
2. Technical equipment and machinery	34,330,453.64	54,234.13	72,750.00	18,471.03	34,438,966.74
3. Other equipment, plant and office equipment	4,063,580.45	295,614.77	10,714.28	176,349.79	4,193,559.71
4. Advances to suppliers and construction in progress	83,464.28	24,568.19	-83,464.28	0.00	24,568.19
	69,839,499.96	679,170.03	0.00	194,820.82	70,323,849.17
III. Non-current financial assets					
1. Shares in affiliated companies	57,617,332.30	0.00	0.00	0.00	57,617,332.30
2. Loans to affiliated companies	6,899,700.00	0.00	0.00	799,700.00	6,100,000.00
3. Participating interests	7,891.83	0.00	0.00	7,891.83	0.00
4. Other loans	1,022.58	0.00	0.00	1,022.58	0.00
	64,525,946.71	0.00	0.00	808,614.41	63,717,332.30
	168,760,120.94	990,304.98	0.00	1,018,461.47	168,731,964.45

01/01/2019 EUR	Depreciation and Amortisation			12/31/2019 EUR	Net Book Values	
	Addition EUR	Transfer EUR	Disposal EUR		12/31/2019 EUR	12/31/2018 EUR
28,643,490.23	139,915.98	0.00	14,618.81	28,768,787.40	491,258.83	374,103.79
5,337,480.25	0.00	0.00	0.00	5,337,480.25	0.00	0.00
0.00	0.00	0.00	0.00	0.00	93,256.50	39,600.00
33,980,970.48	139,915.98	0.00	14,618.81	34,106,267.65	584,515.33	413,703.79
19,882,496.72	616,752.34	0.00	0.00	20,499,249.06	11,167,505.47	11,479,504.87
26,549,220.19	877,479.30	0.00	18,471.03	27,408,228.46	7,030,738.28	7,781,233.45
3,340,404.58	236,676.27	0.00	174,316.16	3,402,764.69	790,795.02	723,175.87
0.00	0.00	0.00	0.00	0.00	24,568.19	83,464.28
49,772,121.49	1,730,907.91	0.00	192,787.19	51,310,242.21	19,013,606.96	20,067,378.47
29,089,886.18	0.00	0.00	0.00	29,089,886.18	28,527,446.12	28,527,446.12
1,499,698.00	0.00	0.00	799,698.00	700,000.00	5,400,000.00	5,400,002.00
7,890.83	0.00	0.00	7,890.83	0.00	0.00	1.00
1,021.58	0.00	0.00	1,021.58	0.00	0.00	1.00
30,598,496.59	0.00	0.00	808,610.41	29,789,886.18	33,927,446.12	33,927,450.12
114,351,588.56	1,870,823.89	0.00	1,016,016.41	115,206,396.04	53,525,568.41	54,408,532.38

C. Declarations and Other Information

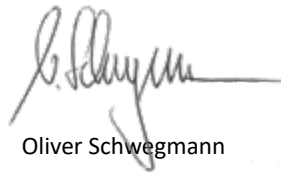
Declaration by the legal representatives

We hereby declare that, to the best of our knowledge, and in accordance with the applicable accounting principles, the annual financial statements provide a true and fair view of the Company's financial position, cash flows and financial performance, and that the Management Report, which has been combined with the Group Management Report, provides a true and fair view of the development and performance of the Company together with a description of the principal opportunities and risks associated with the probable development of the Company.

Haselünne, March 16, 2020

Berentzen-Gruppe Aktiengesellschaft

The Executive Board



Oliver Schwegmann

Member of the
Executive Board



Ralf Brühöfner

Members of the
Executive Board

Independent Auditor's Report

To Berentzen-Gruppe Aktiengesellschaft, Haselünne

Report on the Audit of the Annual Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the annual financial statements of Berentzen-Gruppe Aktiengesellschaft, Haselünne, which comprise the balance sheet as at 31 December 2019, and the statement of profit and loss for the financial year from 1 January 2019 to 31 December 2019, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report of Berentzen-Gruppe Aktiengesellschaft, Haselünne, for the financial year from 1 January 2019 to 31 December 2019. In accordance with the German legal requirements, we have not audited the content of the Corporate Governance Declaration pursuant to Section 289f and Section 315d HGB [Handelsgesetzbuch: German Commercial Code] and the Corporate Governance Report, referred to in section (8) of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019 and of its financial performance for the financial year from 1 January 2019 to 31 December 2019 in compliance with German Legally Required Accounting Principles, and

- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the above listed Corporate Governance Declaration pursuant to Section 289f and Section 315d HGB and of the Corporate Governance Report.

Pursuant to Section 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's

report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January 2019 to 31 December 2019. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon, we do not provide a separate audit opinion on these matters.

In the following we present the key audit matter in our view. Our presentation of the key audit matter has been structured as follows:

- ① Financial statement risk
- ② Audit approach
- ③ Reference to related disclosures

Assessment of the Impairment of the Shares in Vivaris Getränke GmbH & Co. KG

① Financial Statement Risk

The annual financial statements as of 31 December 2019 shows under the shares in affiliated companies item, among others, shares in the subsidiary Vivaris Getränke GmbH & Co KG, Haselünne. The shares are accounted for at acquisitions cost. Within the course of an impairment test of the shares in Vivaris Getränke

GmbH & Co KG, the executive directors of Berentzen-Gruppe Aktiengesellschaft assessed whether an write-down of the shares in Vivaris Getränke GmbH & Co KG to the lower attributed value is necessary due to permanent impairment. The impairment test was conducted based on a discounted cash flow method, whereby the future cash flows to be discounted were derived from the medium-term planning for the Berentzen-Gruppe Aktiengesellschaft as submitted by the executive directors of Berentzen-Gruppe Aktiengesellschaft and approved by the Supervisory Board. The executive directors of Berentzen-Gruppe Aktiengesellschaft concluded that no write-down of the shares in Vivaris Getränke GmbH & Co KG to the lower attributed value due to permanent impairment is necessary.

The result of the measurement of the shares is dependent on the estimation of future cash flows and the discount interest rate used within the discounted cash flow method and is therefore associated with a high degree of estimation uncertainty. Against this background and given Vivaris Getränke GmbH & Co KG's loss history, this matter was of particular importance in our audit.

② Audit Approach

As part of our audit of the impairment of shares in the subsidiary Vivaris Getränke GmbH & Co KG, among other things, we analysed the methodological approach used for performing the impairment test. Taking into account that even small changes in the discount rate may have a material impact on the result of the impairment test, we assessed the appropriateness of the cost of capital parameters used in the impairment test as at 31 December 2019 together with our internal valuation experts. In addition, we assessed the appropriateness of the cash flows used in the measurement by comparison with the medium-term planning. We discussed the planning assumptions on which the medium-term planning is based in particular with regard to their feasibility considering the strategic key topic in detail with the responsible management of Vivaris Getränke GmbH & Co. KG and

evaluated selected measures for increasing future cash flows based on additional evidence. We enquired on plan deviations during the reporting period and their reasons, asked for the Company's explanations of their reasons, and considered if the reasons have appropriately been taken into account in the current medium-term planning.

③ Reference to Related Disclosures

The Company's disclosures concerning the recognition and measurement methods are included in Section (1) of the notes to the annual financial statements. The direct subsidiaries of the Berentzen-Gruppe Aktiengesellschaft are presented in the list of shareholding under Section (4.5) of the notes to the annual financial statements. The statement of changes in non-current assets presented in an annex to the notes to the annual financial statements gives an overall presentation of the development of shares in affiliate companies in the financial year 2019.

Other Information

The executive directors or the supervisory board, as applicable, are responsible for the other information. The other information comprises:

- Corporate Governance Declaration mentioned above and the Corporate Governance Report,
- the affirmation of the legal representatives pursuant to section 264 paragraph 2 clause 3 and section 289 paragraph 1 clause 5 HGB, and
- the remaining parts of the annual report 2019, with the exception of the audited annual financial statements and our auditor's report,
- the affirmation of the legal representatives pursuant to section 297 paragraph 2 clause 4 and section 315 paragraph 1 clause 5 HGB included in the annual report 2019, and

- the remaining parts of the annual report 2019, with the exception of the consolidated financial statements audited by us and the parts of the management report their content were audited by us and our auditor's report on the audit of the consolidated financial statements.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such

internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 22 May 2019. We were engaged by the supervisory board on 2 October 2019. We have been the auditor of Berentzen-Gruppe Aktiengesellschaft, Haselünne, without interruption since the financial year 2016.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Ronald Rulfs.

Dusseldorf, 17 March 2020

Warth & Klein Grant Thornton AG

Wirtschaftsprüfungsgesellschaft

Prof. Dr. Thomas Senger	Ronald Rulfs
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

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Financial calendar 2020

January 9, 2020	ODDO BHF Forum, Lyon / France
February 4, 2020	Publication of preliminary business figures 2019
March 26, 2020	Publication of consolidated and separate financial statements and 2019 Annual Report
May 6, 2020	Publication of the Q1/2020 Interim Report
May 19/20, 2020	Equity Forum (DVFA) German Spring Conference, Frankfurt am Main / Germany
August 11, 2020	Publication of the 2020 Group Half-Yearly Financial Report
October 22, 2020	Publication of the Q3/2020 Interim Report

At March 26, 2020. 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 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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For information purposes, this report is also available in English. In the event of deviations, the German version shall be the sole definitive version and take precedence over the English version.

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