

29 January 2024

Price as of 26/01/24: €11.50

Company / Sector

CropEnergies

Energy: Biofuels

Fair Value

€18.0

(unchanged)

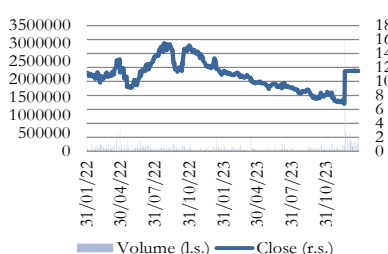
Recommendation

Neutral

(unchanged)

Entering a new era with experienced management

Share price performance



Share data

Reuters	CE2G.DE
No. of shares (m)	87.25
Daily volume (3m)	189.454
Free float	26.0%
Market cap. (m)	1,003.4
EV (m)	672.4
Sales 20-24e	9.4%

Valuation	23/24e	24/25e
EV/Sales	0.5	0.6
EV/EBITDA	6.4	6.6
EV/EBIT	10.9	11.4
PER	19.7	18.0
Div. yield	4.3%	4.8%
RoCE	10.7%	9.6%
RoE	6.5%	7.0%

Analysts

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Investment case

Südzucker's offer to buy the outstanding CropEnergies shares for EUR11.50 runs until February, 16th. Now, the succession of Dr. Stephan Meeder has been decided. Dr. Fritz Georg von Graevenitz will become CEO and Heike Baumbach will join the board as CFO. In addition, CropEnergies' management and supervisory board endorse the Südzucker offer in a joined reasoned statement. Until the end of the offer, CropEnergies share price should continue to trade at the offer price.

➤ OFFER PERIOD ENDS FEBRUARY 16TH

Mid-January, Südzucker's has published its offer documents for the outstanding shares of CropEnergies. The offer period ends on February, 16th. There are no conditions to the offer and Südzucker had already announced that there will be no extension to the offer period. Following the offer, a delisting of the shares is planned.

➤ MANAGEMENT BOARD SUCCESSION DECIDED

CropEnergies' CEO and CFO, Dr. Stephan Meeder, has already become a member of the Südzucker board. On March 1st, he will pass on his responsibilities at CropEnergies to Dr. Fritz Georg von Graevenitz, who will become CEO and Heike Baumbach, who will join the board as CFO. They have served CropEnergies so far as CSO and Head of Investor Relations, respectively. Jürgen Böttcher will remain in the board and assume the COO function.

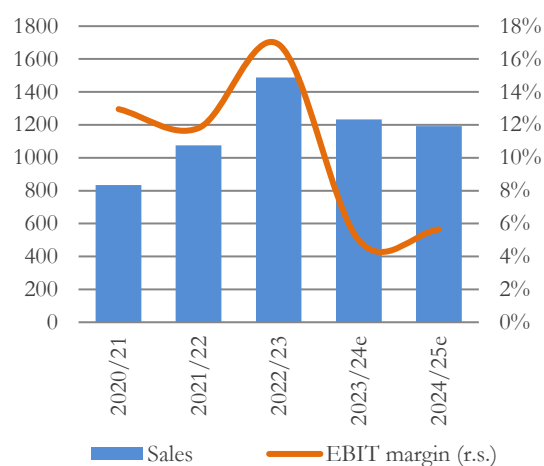
➤ REASONED STATEMENT SUPPORTS OFFER

In a joined reasoned statement, the management and the supervisory board of CropEnergies published that they have evaluated Südzucker's offer independently and concluded that the offer is in the best interest of CropEnergies.

For additional disclosures please refer to the appendix

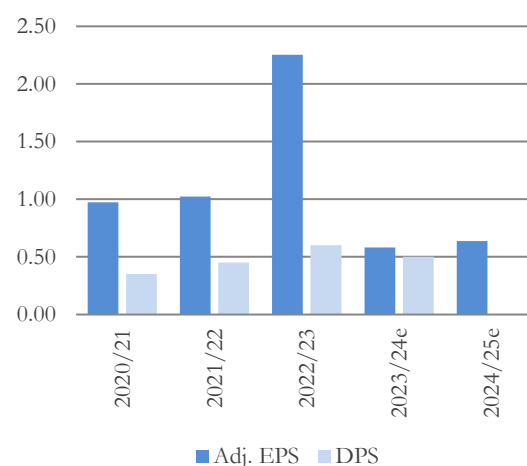
Forecasts	20/21	21/22	22/23	23/24e	24/25e
Sales (€m)	833.1	1075.3	1488.3	1232.5	1192.2
EBITDA (€m)	149.3	168.8	294.3	105.4	116.3
EBIT (€m)	107.9	127.0	251.3	61.5	67.3
Adj. EPS (€)	0.97	1.02	2.25	0.58	0.64
Dividend (€)	0.35	0.45	0.60	0.50	0.55
Oper. CF (€m)	105.9	147.0	187.7	104.3	83.7
Free CF (€m)	77.0	111.2	140.9	24.3	-81.8

Sales and EBIT' margin



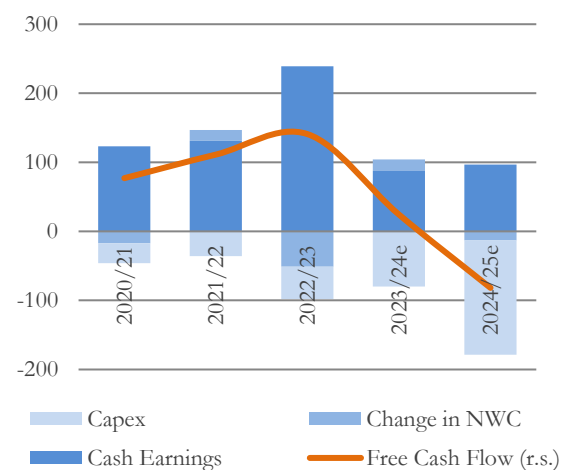
In EURm

Adj. EPS and DPS



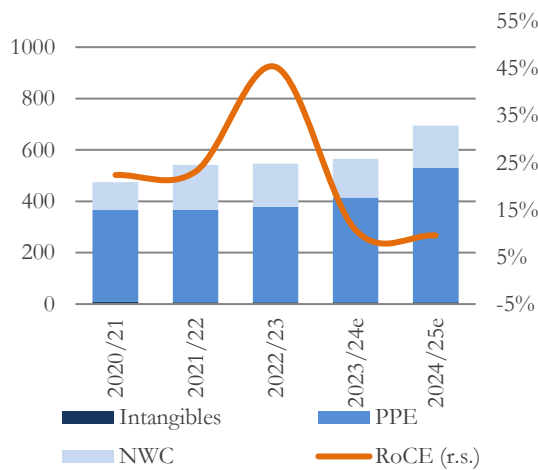
In EUR

Cash Flow



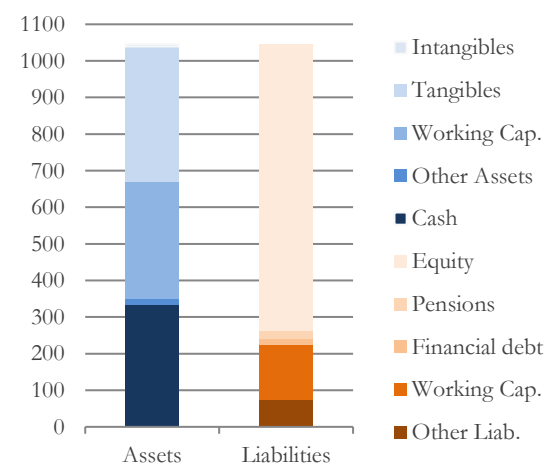
In EURm

RoCE



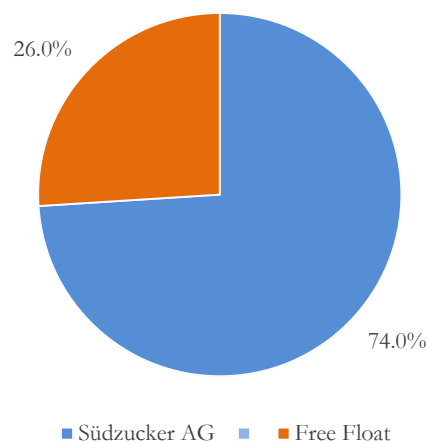
In EURm

Balance Sheet



EURm

Shareholder structure



P & L

EURm	2020/21	2021/22	2022/23	2023/24e	2024/25e
Sales	833.1	1,075.3	1,488.3	1,223.4	1,192.2
<i>Growth</i>		29.1%	38.4%	-17.8%	-2.6%
Material costs	-594.2	-816.2	-1,097.2	-1,000.1	-963.6
Gross profit	238.9	259.2	391.0	223.3	228.6
<i>Gross margin</i>	28.7%	24.1%	26.3%	18.3%	19.2%
Other operating costs	-89.6	-90.4	-96.7	-117.5	-112.3
EBITDA	149.3	168.8	294.3	105.8	116.3
<i>Margin</i>	17.9%	15.7%	19.8%	8.7%	9.8%
Depreciation	-41.4	-41.8	-43.0	-44.0	-49.0
EBIT	107.9	127.0	251.3	61.8	67.3
<i>Margin</i>	13.0%	11.8%	16.9%	5.1%	5.6%
Financial result	-0.5	-2.7	4.1	7.2	8.0
EBT	107.4	124.2	255.4	69.0	75.3
Taxes	-22.5	-34.8	-58.9	-18.0	-19.6
Net profit	84.9	89.4	196.6	51.1	55.7
Minorities	0.0	0.0	0.0	0.0	0.0
Net profit a.m.	84.9	89.4	196.6	51.1	55.7
<i>Growth</i>		5.3%	119.9%	-74.0%	9.1%
No of shares	87.3	87.3	87.3	87.3	87.3
EPS	0.97	1.02	2.25	0.59	0.64
Adj. EPS	0.97	1.02	2.25	0.59	0.64
<i>Growth</i>		5.3%	119.9%	-74.0%	9.1%
Dividend	0.35	0.45	0.60	0.50	0.55

Balance Sheet

EURm	2020/21	2021/22	2022/23	2023/24e	2024/25e
Intangible assets	7.9	7.5	7.0	7.0	7.0
Tangible assets	358.7	359.7	371.1	407.1	523.6
Participations	2.5	2.8	7.5	7.5	7.5
Other non-current assets	7.3	7.9	8.2	8.5	8.7
Non-current assets	376.4	377.9	393.8	430.1	546.8
Inventories	73.2	108.0	133.6	109.9	125.1
Receivables	126.5	251.5	184.3	195.0	190.0
Cash	164.7	241.5	333.1	365.0	270.0
Other current assets	1.7	3.9	2.0	3.0	3.5
Current Assets	366.1	604.9	653.1	672.9	588.6
Total assets	742.4	982.7	1,046.9	1,103.0	1,134.9
Equity	566.1	696.4	783.8	782.5	794.6
Minorities	0.0	0.0	0.0	0.0	0.0
Total equity	566.1	696.4	783.8	782.5	794.6
LT financial liabilities	5.9	7.0	9.8	9.8	9.8
Pension provisions	30.7	32.4	22.7	23.5	24.0
Other LT liabilities	24.7	30.8	23.7	13.0	14.0
Non-current liabilities	61.4	70.1	56.1	46.3	47.8
ST financial liabilities	4.2	4.6	5.9	8.2	8.5
Payables	91.8	185.5	150.0	154.5	150.5
Other ST liabilities	18.9	26.2	51.1	111.5	133.4
Current liabilities	114.9	216.2	207.0	274.2	292.5
Total liabilities	742.4	982.7	1,046.9	1,103.0	1,134.9

Cash Flow

EURm	2020/21	2021/22	2022/23	2023/24e	2024/25e
EBIT	107.9	127.0	251.3	61.8	67.3
Depreciation	41.4	41.8	43.0	44.0	49.0
Other non-cash items	-3.8	-2.8	3.4	0.0	0.0
Cash taxes	-22.5	-34.8	-58.9	-18.0	-19.6
Cash earnings	123.0	131.2	238.8	87.9	96.7
Change in NWC	-17.1	15.8	-51.2	17.6	-14.2
CF from operations	105.9	147.0	187.7	105.5	82.6
Capex	-28.8	-35.8	-46.8	-80.0	-165.5
Other investm./divestm.	1.3	0.8	-3.5	0.0	0.0
CF from investing	-27.5	-34.9	-50.3	-80.0	-165.5
CF from fin. and other	-30.5	-35.3	-45.7	6.4	-12.0
Change in cash	47.9	76.8	91.7	31.9	-95.0

Segments

EURm	2020/21	2021/22	2022/23	2023/24e	2024/25e
Bioethanol	647.6	836.9	1,159.4	857.5	848.2
<i>Growth</i>		29.2%	38.5%	-26.0%	-1.1%
Food & Feed	175.5	223.8	304.9	329.0	295.0
<i>Growth</i>		27.5%	36.3%	7.9%	-10.3%
Other	10.0	14.6	24.0	37.0	49.0
<i>Growth</i>		46.0%	63.9%	54.3%	32.4%
Sales	833.1	1,075.3	1,488.3	1,223.4	1,192.2
<i>Growth</i>		29.1%	38.4%	-17.8%	-2.6%

Valuation multiples

	2020/21	2021/22	2022/23	2023/24e	2024/25e
Share price	10.82	11.18	13.01	6.81	6.81
x No of shares	87.3	87.3	87.3	87.3	87.3
Market Capitalisation	944.0	975.5	1,135.1	594.2	594.2
+ Net financial debt	-154.6	-229.9	-317.5	-347.0	-251.7
+ Pension provision	30.7	32.4	22.7	23.5	24.0
+ Minorities	0.0	0.0	0.0	0.0	0.0
- Participations	-2.5	-2.8	-7.5	-7.5	-7.5
Enterprise Value	817.6	775.1	832.8	263.2	359.0
Sales	833.1	1,075.3	1,488.3	1,223.4	1,192.2
Adj. EBITDA	149.3	168.8	294.3	105.8	116.3
Adj. EBIT	107.9	127.0	251.3	61.8	67.3
Adj. Net profit a.m.	84.9	89.4	196.6	51.1	55.7
EV / Sales	1.0	0.7	0.6	0.2	0.3
EV / EBITDA	5.5	4.6	2.8	2.5	3.1
EV / EBIT	7.6	6.1	3.3	4.3	5.3
PE	11.1	10.9	5.8	11.6	10.7

Key operational indicators

	2020/21	2021/22	2022/23	2023/24e	2024/25e
Equity ratio	76.3%	70.9%	74.9%	70.9%	70.0%
Gearing	0.0	0.0	0.0	0.0	0.0
Asset turnover	2.2	2.9	3.9	2.9	2.2
NWC / sales	12.9%	16.2%	11.3%	12.3%	13.8%
Payable days outst.	40.2	63.0	36.8	46.1	46.1
Receivable days outst.	55.4	85.4	45.2	58.2	58.2
Fix operating assets	373.8	375.1	386.3	422.6	539.3
NWC	107.8	174.0	168.0	150.4	164.5
Capital employed	481.6	549.1	554.3	573.0	703.8
RoE	15.0%	12.8%	25.1%	6.5%	7.0%
RoA	14.5%	12.9%	24.0%	5.6%	5.9%
RoCE	22.4%	23.1%	45.3%	10.8%	9.6%
Gross margin	28.7%	24.1%	26.3%	18.3%	19.2%
EBITDA margin	17.9%	15.7%	19.8%	8.7%	9.8%
EBIT margin	13.0%	11.8%	16.9%	5.1%	5.6%
Net profit margin	10.2%	8.3%	13.2%	4.2%	4.7%

ADDITIONAL DISCLOSURES

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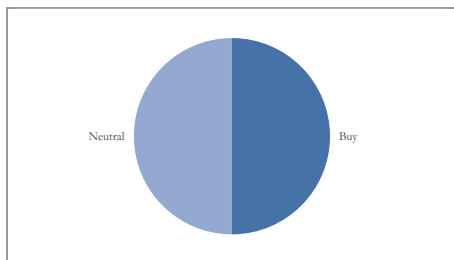
(5) Recommendation history

Stock ratings for the company covered in this report have developed as follows:

CropEnergies	
Date	Rating
20/12/23	Neutral
14/10/22	Strong Buy
18/05/22	Neutral
18/06/20	Buy
17/12/19	Neutral
27/04/16	Buy

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