

Loblaws Company Limited-One Page Profile



Loblaws Companies Limited, headquartered in Brampton, Canada, is a leading food and pharmacy company offering groceries, pharmacy services, health and beauty products, apparel, general merchandise, financial services, and wireless solutions. It operates through two segments: Retail, including grocery and drug stores, and Financial Services, providing banking, credit cards, loyalty programs, and insurance. Founded in 1919, it is a subsidiary of George Weston Limited.

Key-Financial Metrics	Dec-20	Dec-21	Dec-22	Dec-23	Share Price - 5 Year
Total Sales	\$ 52,714,000,000.00	\$ 53,170,000,000.00	\$ 56,504,000,000.00	\$ 59,529,000,000.00	
Sales Growth y-o-y(%)		0.87%	6.27%	5.35%	
Gross Profit Margin(%)	30.33%	31.47%	31.81%	31.98%	
EBITDA(%)	9.43%	10.90%	10.92%	11.16%	
EBIT Margin(%)	4.51%	5.89%	5.97%	6.28%	
Net Profit Margin(%)	2.26%	3.72%	3.53%	3.67%	
Earnings Per Share in CAD	3.06	5.45	5.76	6.53	
EPS Growth (y-o-y)		0.78	0.06	0.13	
Dividend Per Share	1.62	1.38	1.56	1.72	
DPS Growth (y-o-y)		-14.72%	12.87%	10.27%	

Key Financial Ratios	Dec-20	Dec-21	Dec-22	Dec-23	Volume - 5 Year
EV/EBITDA	4.33	3.64	3.78	3.52	
EV/SALES	0.41	0.40	0.41	0.39	
Price to Book Value	1.57	1.52	1.60	1.56	
Return On Equity (%)	10.72%	16.84%	17.41%	18.82%	
Return on Capital (%)	11.95%	14.97%	15.66%	16.64%	

Top 10 Shareholders	Shares Held	Holding %	Valuation	Capital Structure
George Weston Ltd.	159,586,256	52.54%	\$ 20,194,000,000.00	Share Price as on 11/23/2024 178.29 Number of Shares OS 305,391,638.00 Market Capitalization \$ 54,448,275,139.02 Enterprise Value \$ 71,668,275,139.02
AllianceBernstein Australia Ltd.	1,584,600	0.52%	\$ 201,000,000.00	
Manulife Investment Management Ltd.	1,419,570	0.47%	\$ 180,000,000.00	
Nordea Investment Management AB	1,291,683	0.43%	\$ 163,000,000.00	
Guardians of New Zealand Superannuation	690,629	0.23%	\$ 87,000,000.00	
Galen Weston	473,636	0.16%	\$ 60,000,000.00	
Franklin Bissett Investment Management	424,535	0.14%	\$ 54,000,000.00	
Storebrand Asset Management AS	304,731	0.10%	\$ 39,000,000.00	
I. G. Investment Management Ltd.	258,101	0.09%	\$ 33,000,000.00	
Quadravest Capital Management, Inc.	226,205	0.07%	\$ 29,000,000.00	

Recent Updates
1. Loblaw has entered into an ASPP with a broker to facilitate repurchases of its common shares under its previously announced normal course issuer bid (NCIB)
2. Loblaw received approval from the TSX to repurchase up to 15,336,875 common shares (approximately 5% of its total outstanding shares) between May 6, 2024, and May 5, 2025
3. The ASPP allows shares to be repurchased during periods when Loblaw is restricted from trading, such as during insider trading blackout periods, based on set parameters
4. Loblaw's revenue reached \$18.538 billion, a 1.5% increase compared to the previous year
5. Adjusted net earnings increased by 6.7%, totaling \$767 million. Adjusted diluted earnings per share grew by 10.6%

Historical Financial Data - Loblaws Limited Company					
Years	Dec-20	Dec-21	Dec-22	Dec-23	TTM
# Income Statement					
Total Revenue	\$ 52,714,000,000.00	\$ 53,170,000,000.00	\$ 56,504,000,000.00	\$ 59,529,000,000.00	\$ 60,324,000,000.00
Revenue Growth		0.87%	6.27%	5.35%	1.34%
COGS	\$ 36,725,000,000.00	\$ 36,436,000,000.00	\$ 38,528,000,000.00	\$ 40,492,000,000.00	\$ 40,844,000,000.00
COGS % Sales	69.67%	68.53%	68.19%	68.02%	67.71%
Gross Profit	\$ 15,989,000,000.00	\$ 16,734,000,000.00	\$ 17,976,000,000.00	\$ 19,037,000,000.00	\$ 19,480,000,000.00
Gross Margin	30.33%	31.47%	31.81%	31.98%	32.29%
Selling & General Expenses	\$ 13,624,000,000.00	\$ 13,797,000,000.00	\$ 14,634,000,000.00	\$ 15,333,000,000.00	\$ 15,743,000,000.00
S&G Expenses % Sales	25.85%	25.95%	25.90%	25.76%	26.10%
Operating Income	\$ 2,365,000,000.00	\$ 2,937,000,000.00	\$ 3,342,000,000.00	\$ 3,704,000,000.00	\$ 3,737,000,000.00
Operating Income % Sales	6.44%	8.06%	8.67%	9.15%	9.15%
Interest Income	\$ 10,000,000.00	\$ 196,000,000.00	\$ 33,000,000.00	\$ 34,000,000.00	\$ 36,000,000.00
EBIT	\$ 2,375,000,000.00	\$ 3,133,000,000.00	\$ 3,375,000,000.00	\$ 3,738,000,000.00	\$ 3,773,000,000.00
EBIT% Sales	4.51%	5.89%	5.97%	6.28%	6.25%
Interest Expense	\$ 752,000,000.00	\$ 691,000,000.00	\$ 716,000,000.00	\$ 837,000,000.00	\$ 854,000,000.00
Interest % Sales	1.43%	1.30%	1.27%	1.41%	1.42%
Depreciation	\$ 2,596,000,000.00	\$ 2,664,000,000.00	\$ 2,795,000,000.00	\$ 2,906,000,000.00	\$ 2,929,000,000.00
Depreciation%Sales	4.92%	5.01%	4.95%	4.88%	4.86%
EBITDA	\$ 4,971,000,000.00	\$ 5,797,000,000.00	\$ 6,170,000,000.00	\$ 6,644,000,000.00	\$ 6,702,000,000.00
EBITDA Margin	9.43%	10.90%	10.92%	11.16%	11.11%
Earnings Before Tax(EBT)	\$ 1,623,000,000.00	\$ 2,442,000,000.00	\$ 2,659,000,000.00	\$ 2,901,000,000.00	\$ 2,919,000,000.00
EBT % Sales	3.08%	4.59%	4.71%	4.87%	4.84%
Tax	\$ 431,000,000.00	\$ 466,000,000.00	\$ 665,000,000.00	\$ 714,000,000.00	\$ 728,000,000.00

<i>Effective Tax Rate</i>		26.56%		19.08%		25.01%		24.61%		24.94%
Net Profit	\$	1,192,000,000.00	\$	1,976,000,000.00	\$	1,994,000,000.00	\$	2,187,000,000.00	\$	2,191,000,000.00
<i>Net Margin</i>		2.26%		3.72%		3.53%		3.67%		3.63%
<i>Minority Interest</i>	\$	84,000,000.00	\$	101,000,000.00	\$	73,000,000.00	\$	87,000,000.00	\$	106,000,000.00
<i>Preferred Dividend</i>	\$	12,000,000.00	\$	12,000,000.00	\$	12,000,000.00	\$	12,000,000.00	\$	12,000,000.00
Net Income for Common Stockholders	\$	1,096,000,000.00	\$	1,863,000,000.00	\$	1,909,000,000.00	\$	2,088,000,000.00	\$	2,073,000,000.00
No of Equity Shares		358200000		341800000		331700000		320000000		318400000
EPS	\$	3.06	\$	5.45	\$	5.76	\$	6.53	\$	6.51
<i>Earnings Growth</i>	-			78.14%		5.59%		13.38%		-0.22%
Dividend per share	\$	1.62	\$	1.38	\$	1.56	\$	1.72	\$	1.79
<i>Dividend payout ratio</i>		52.92%		25.34%		27.08%		26.34%		27.45%
Retained Ratio		47.08%		74.66%		72.92%		73.66%		72.55%

# Balance Sheet					
Equity Share Capital	\$ 7,176,000,000.00	\$ 7,016,000,000.00	\$ 6,843,000,000.00	\$ 6,632,000,000.00	\$ 6,657,000,000.00
Reserves	\$ 3,943,000,000.00	\$ 4,721,000,000.00	\$ 4,613,000,000.00	\$ 4,987,000,000.00	\$ 4,741,000,000.00
Current Liabilities	\$ 8,763,000,000.00	\$ 9,196,000,000.00	\$ 10,098,000,000.00	\$ 10,847,000,000.00	\$ 9,785,000,000.00
Non-Current Liabilities	\$ 15,991,000,000.00	\$ 15,681,000,000.00	\$ 16,593,000,000.00	\$ 16,513,000,000.00	\$ 17,429,000,000.00
Total Liabilities	\$ 35,873,000,000.00	\$ 36,614,000,000.00	\$ 38,147,000,000.00	\$ 38,979,000,000.00	\$ 38,612,000,000.00
Fixed Assets	\$ 12,747,000,000.00	\$ 12,626,000,000.00	\$ 13,175,000,000.00	\$ 14,041,000,000.00	\$ 14,297,000,000.00
Goodwill and Intangible Assets	\$ 10,818,000,000.00	\$ 10,351,000,000.00	\$ 10,828,000,000.00	\$ 10,343,000,000.00	\$ 10,080,000,000.00
Non-Current Receivables	\$ 93,000,000.00	\$ 78,000,000.00	\$ 77,000,000.00	\$ 68,000,000.00	\$ -
Investments	\$ 264,000,000.00	\$ 333,000,000.00	\$ 459,000,000.00	\$ 449,000,000.00	\$ 85,000,000.00
Other Assets	\$ 409,000,000.00	\$ 589,000,000.00	\$ 232,000,000.00	\$ 500,000,000.00	\$ 886,000,000.00
Total Non-Current Assets	\$ 24,331,000,000.00	\$ 23,977,000,000.00	\$ 24,771,000,000.00	\$ 25,401,000,000.00	\$ 25,348,000,000.00
Receivables	\$ 4,086,000,000.00	\$ 4,691,000,000.00	\$ 5,153,000,000.00	\$ 5,430,000,000.00	\$ 5,144,000,000.00
Inventory	\$ 5,195,000,000.00	\$ 5,166,000,000.00	\$ 5,855,000,000.00	\$ 5,820,000,000.00	\$ 5,772,000,000.00
Asset for Sale	\$ 108,000,000.00	\$ 91,000,000.00	\$ 81,000,000.00	\$ 52,000,000.00	\$ 33,000,000.00
Other Current Asset	\$ 216,000,000.00	\$ 249,000,000.00	\$ 353,000,000.00	\$ 324,000,000.00	\$ 371,000,000.00
Prepaid Asset	\$ -	\$ -	\$ -	\$ -	\$ 250,000,000.00
Cash	\$ 1,937,000,000.00	\$ 2,440,000,000.00	\$ 1,934,000,000.00	\$ 1,952,000,000.00	\$ 1,694,000,000.00
Total Current Assets	\$ 11,542,000,000.00	\$ 12,637,000,000.00	\$ 13,376,000,000.00	\$ 13,578,000,000.00	\$ 13,264,000,000.00
Total Assets	\$ 35,873,000,000.00	\$ 36,614,000,000.00	\$ 38,147,000,000.00	\$ 38,979,000,000.00	\$ 38,612,000,000.00

CHECK	TRUE	TRUE	TRUE	TRUE	TRUE
-------	------	------	------	------	------

# Cashflow Statement					
Operating Activities					
Revenue from Operations	\$ 1,192,000,000.00	\$ 1,976,000,000.00	\$ 1,994,000,000.00	\$ 2,187,000,000.00	\$ 2,196,000,000.00
Depreciation,Amortization and Depletion	\$ 2,596,000,000.00	\$ 2,664,000,000.00	\$ 2,795,000,000.00	\$ 2,906,000,000.00	\$ 2,929,000,000.00
Tax Refund Paid	\$ (452,000,000.00)	\$ (643,000,000.00)	\$ (439,000,000.00)	\$ (917,000,000.00)	\$ (1,016,000,000.00)
Interest Received	\$ 11,000,000.00	\$ 8,000,000.00	\$ 38,000,000.00	\$ 24,000,000.00	\$ 28,000,000.00
Change in working capital	\$ 550,000,000.00	\$ (232,000,000.00)	\$ (1,007,000,000.00)	\$ (168,000,000.00)	\$ (79,000,000.00)
Other Non Cash items	\$ 776,000,000.00	\$ 536,000,000.00	\$ 681,000,000.00	\$ 882,000,000.00	\$ 894,000,000.00
Unrealized Gain Loss On Investment Securities	\$ -	\$ -	\$ (4,000,000.00)	\$ (3,000,000.00)	\$ -
Provisionand Write Off Assets	\$ 45,000,000.00	\$ (20,000,000.00)	\$ -	\$ -	\$ -

Asset Impairment Charge	\$ 33,000,000.00	\$ 54,000,000.00	\$ 34,000,000.00	\$ 17,000,000.00	\$ 17,000,000.00
Deferred Tax	\$ 431,000,000.00	\$ 466,000,000.00	\$ 665,000,000.00	\$ 714,000,000.00	\$ 728,000,000.00
Operating Gains Losses	\$ 9,000,000.00	\$ (2,000,000.00)	\$ (6,000,000.00)	\$ 9,000,000.00	\$ 3,000,000.00
Other Operating Activites	\$ -	\$ 20,000,000.00	\$ 4,000,000.00	\$ 3,000,000.00	\$ 7,000,000.00
Operating Cash Flow	\$ 5,191,000,000.00	\$ 4,827,000,000.00	\$ 4,755,000,000.00	\$ 5,654,000,000.00	\$ 5,707,000,000.00

Investing Activities

Net PPE Sale and Purchase	\$ (820,000,000.00)	\$ (803,000,000.00)	\$ (1,152,000,000.00)	\$ (1,665,000,000.00)	\$ (1,831,000,000.00)
Net Intangibles Purchase And Sale	\$ (338,000,000.00)	\$ (379,000,000.00)	\$ (419,000,000.00)	\$ (407,000,000.00)	\$ (385,000,000.00)
Net Business Purchase And Sale	\$ 14,000,000.00	\$ -	\$ (813,000,000.00)	\$ -	\$ -
Net Investment Properties Purchase And Sale					\$ 78,000,000.00
Net Investment Purchase And Sale	\$ (212,000,000.00)	\$ (164,000,000.00)	\$ (42,000,000.00)	\$ (93,000,000.00)	\$ 227,000,000.00
Net Other Investing Changes	\$ (20,000,000.00)	\$ 75,000,000.00	\$ 58,000,000.00	\$ 320,000,000.00	\$ 324,000,000.00
Unrecorded Investing Activities					\$ (139,000,000.00)
Investing Cash Flow	\$ (1,376,000,000.00)	\$ (1,271,000,000.00)	\$ (2,368,000,000.00)	\$ (1,845,000,000.00)	\$ (1,726,000,000.00)

Financing Activities

Net Other Financing Charges	\$ 46,000,000.00	\$ 72,000,000.00	\$ (24,000,000.00)	\$ 6,000,000.00	\$ (84,000,000.00)
Interest Paid	\$ (705,000,000.00)	\$ (679,000,000.00)	\$ (677,000,000.00)	\$ (791,000,000.00)	\$ (808,000,000.00)
Cash Dividends Paid	\$ (580,000,000.00)	\$ (484,000,000.00)	\$ (529,000,000.00)	\$ (562,000,000.00)	\$ (569,000,000.00)
Net Common Stock Issuance	\$ (868,000,000.00)	\$ (1,148,000,000.00)	\$ (1,308,000,000.00)	\$ (1,740,000,000.00)	\$ (1,702,000,000.00)
Net Issuance Payments Of Debt	\$ (1,175,000,000.00)	\$ (1,010,000,000.00)	\$ (213,000,000.00)	\$ (845,000,000.00)	\$ (750,000,000.00)
Financing Cash Flow	\$ (3,282,000,000.00)	\$ (3,249,000,000.00)	\$ (2,751,000,000.00)	\$ (3,932,000,000.00)	\$ (3,913,000,000.00)

Net Cash Flow	\$ 533,000,000.00	\$ 307,000,000.00	\$ (364,000,000.00)	\$ (123,000,000.00)	\$ 68,000,000.00
----------------------	--------------------------	--------------------------	----------------------------	----------------------------	-------------------------

Common Size Statements - Loblaws Limited Company

Income Statement

Particulars	Dec-20	Dec-21	Dec-22	Dec-23
Total Revenue	100%	100%	100%	100%
COGS	69.67%	68.53%	68.19%	68.02%
Selling & General Expenses	25.85%	25.95%	25.90%	25.76%
Interest Income	0.02%	0.37%	0.06%	0.06%
Interest Expense	1.43%	1.30%	1.27%	1.41%
Depreciation	4.92%	5.01%	4.95%	4.88%
EBITDA	9.43%	10.90%	10.92%	11.16%
Earnings Before Tax(EBT)	3.08%	4.59%	4.71%	4.87%
Tax	0.82%	0.88%	1.18%	1.20%
Effective Tax Rate	0.00%	0.00%	0.00%	0.00%
Net Profit	2.26%	3.72%	3.53%	3.67%

Balance Sheet

Particulars	Dec-20	Dec-21	Dec-22	Dec-23
Total Liabilities	100.00%	100.00%	100.00%	100.00%
Equity Share Capital	20.00%	19.16%	17.94%	17.01%
Reserves	10.99%	12.89%	12.09%	12.79%
Current Liabilities	24.43%	25.12%	26.47%	27.83%
Non-Current Liabilities	44.58%	42.83%	43.50%	42.36%
Total Assets	100.00%	100.00%	100.00%	100.00%
Fixed Assets	35.53%	34.48%	34.54%	36.02%
Goodwill and Intangible Asse	30.16%	28.27%	28.38%	26.53%
Non-Current Receivables	0.26%	0.21%	0.20%	0.17%
Investments	0.74%	0.91%	1.20%	1.15%
Other Assets	1.14%	1.61%	0.61%	1.28%
Receivables	11.39%	12.81%	13.51%	13.93%
Inventory	14.48%	14.11%	15.35%	14.93%
Asset for Sale	0.30%	0.25%	0.21%	0.13%
Other Current Asset	0.60%	0.68%	0.93%	0.83%
Prepaid Asset	0.00%	0.00%	0.00%	0.00%
Cash	5.40%	6.66%	5.07%	5.01%

Historical Financial Data - Loblaws Limited Company							
Years	Dec-20	Dec-21	Dec-22	Dec-23	Trend	Mean	Median
SalesGrowth		0.87%	6.27%	5.35%		4.16%	5.35%
EBITDA Growth		16.62%	6.43%	7.68%		10.24%	7.68%
EBIT Growth		50.46%	8.89%	9.10%		22.82%	9.10%
Net Profit Growth		65.77%	0.91%	9.68%		25.45%	9.68%
Dividend Growth		-14.72%	12.87%	10.27%		2.81%	10.27%
Gross Margin	30.33%	31.47%	31.81%	31.98%		31.76%	31.81%
EBITDA Margin	9.43%	10.90%	10.92%	11.16%		10.99%	10.92%
EBIT Margin	4.51%	5.89%	5.97%	6.28%		6.05%	5.97%
EBT Margin	3.08%	4.59%	4.71%	4.87%		4.72%	4.71%
Net Profit Margin	2.26%	3.72%	3.53%	3.67%		3.64%	3.67%
SalesExpenses%Sales	25.85%	25.95%	25.90%	25.76%		25.87%	25.90%
Depreciation%Sales	4.92%	5.01%	4.95%	4.88%		4.95%	4.95%
OperatingIncome%Sales	6.44%	8.06%	8.67%	9.15%		8.63%	8.67%
Return on Capital Employed	11.95%	14.97%	15.66%	16.64%		15.75%	15.66%
Retained Earnings%	47.08%	74.66%	72.92%	73.66%		73.75%	73.66%
Return on Equity%	10.72%	16.84%	17.41%	18.82%		17.69%	17.41%
Self Sustained Growth Rate	5.05%	12.57%	12.69%	13.86%		13.04%	12.69%
Interest Coverage Ratio	3.16x	4.53x	4.71x	4.47x		4.57x	4.53x
Debtor Turnover Ratio	12.90x	11.33x	10.97x	10.96x		11.09x	10.97x
Creditor Turnover Ratio	9.05x	8.83x	8.25x	8.59x		8.56x	8.59x
Inventory Turnover	10.15x	10.29x	9.65x	10.23x		10.06x	10.23x
Fixed Asset Turnover	4.14x	4.21x	4.29x	4.24x		4.25x	4.24x
Capital Turnover Ratio	4.74x	4.53x	4.93x	5.12x		4.86x	4.93x
Debtor Days	28 days	32 days	33 days	33 days		33 days	33 days
Payable Days	40 days	41 days	44 days	43 days		43 days	43 days
Inventory Days	36 days	35 days	38 days	36 days		36 days	36 days
Cash Conversion Cycle	24 days	26 days	27 days	26 days		27 days	26 days
CFO/Sales	9.85%	9.08%	8.42%	9.50%		9.00%	9.08%
CFO/Total Assets	14.47%	13.18%	12.46%	14.51%		13.38%	13.18%
CFO/Total Debt	59.24%	52.49%	47.09%	52.13%		50.57%	52.13%

SALES FORECASTING			
Year Weight	Year	Revenue	Sales Growth
1	2020A	\$ 52,714,000,000.00	
2	2021A	\$ 53,170,000,000.00	0.87%
3	2022A	\$ 56,504,000,000.00	6.27%
4	2023A	\$ 59,529,000,000.00	5.35%
5	2024E	\$ 61,424,000,000.00	3.18%
6	2025E	\$ 63,801,900,000.00	3.87%
7	2026E	\$ 66,179,800,000.00	3.73%
8	2027E	\$ 68,557,700,000.00	3.59%
9	2028E	\$ 70,935,600,000.00	3.47%

EBITDA FORECASTING			
Year Weight	Year	EBITDA	EBITDA Growth
1	2020A	\$ 4,971,000,000.00	
2	2021A	\$ 5,797,000,000.00	16.62%
3	2022A	\$ 6,170,000,000.00	6.43%
4	2023A	\$ 6,644,000,000.00	7.68%
5	2024E	\$ 7,243,500,000.00	9.02%
6	2025E	\$ 7,782,700,000.00	7.44%
7	2026E	\$ 8,321,900,000.00	6.93%
8	2027E	\$ 8,861,100,000.00	6.48%
9	2028E	\$ 9,400,300,000.00	6.09%

EARNINGS PER SHARE FORECASTING			
Year Weight	Year	Earnings Per Share	EPS Growth
1	2020A	3.06	
2	2021A	5.45	78.14%
3	2022A	5.76	5.59%
4	2023A	6.53	13.38%
5	2024A	7.87	20.65%
6	2025A	8.41	6.82%
7	2026A	9.47	12.59%
8	2027A	10.41	9.95%
9	2028A	11.21	7.66%



Calculation of PV of FCFF	Dec-23A		Dec-24F		Dec-25F		Dec-26F		Dec-27F		Dec-28F	
EBIT	\$	3,738,000,000.00	\$	3,738,000,001.05	\$	3,738,000,002.05	\$	3,738,000,003.05	\$	3,738,000,004.05	\$	3,738,000,005.05
Tax Rate		26.56%		26.56%		26.56%		26.56%		26.56%		26.56%
EBIT(1-Tax)	\$	2,745,345,656.19	\$	2,745,345,656.96	\$	2,745,345,657.70	\$	2,745,345,658.43	\$	2,745,345,659.17	\$	2,745,345,659.90
Less:Reinvestment Rate		55.51%		55.82%		56.13%		56.45%		56.76%		56.76%
Free Cash Flow to Firm(FCFF)	\$	1,221,502,600.79	\$	1,212,899,577.24	\$	1,204,296,553.66	\$	1,195,693,530.08	\$	1,187,090,506.49	\$	1,187,090,506.81
Mid Year Convention				0.5		1.5		2.5		3.5		4.5
Discounting Factor				0.976		0.929		0.884		0.842		0.802
PV of FCFF			\$	1,183,480,016.97	\$	1,118,772,280.20	\$	1,057,548,521.13	\$	999,623,423.27	\$	951,718,679.43

Expected Growth	7.38%
Terminal Growth	4.9%
WACC	5.03%

Calculation of Terminal Value	
FCFF(n+1)	\$ 1,270,765,661.90
WACC	5.03%
Terminal Growth Rate	4.9%
Terminal Value	\$ 951,896,094,617.95

Sensitivity Analysis						
	3.00%	5.03%	8.00%	10.00%	12.00%	
2.00%	\$ 127,076,566,189.63	\$ 41,939,460,788.66	\$ 21,179,427,698.27	\$ 15,884,570,773.70	\$ 12,707,656,618.96	
3.50%	\$ (254,153,132,379.27)	\$ 83,056,579,208.91	\$ 28,239,236,931.03	\$ 19,550,240,952.25	\$ 14,950,184,257.60	
4.90%	\$ (66,882,403,257.70)	\$ 977,512,047,612.57	\$ 40,992,440,706.33	\$ 24,916,973,762.67	\$ 17,898,107,914.03	
5.00%	\$ (63,538,283,094.82)	\$ 4,235,885,539,654.52	\$ 42,358,855,396.54	\$ 25,415,313,237.93	\$ 18,153,795,169.95	
6.00%	\$ (42,358,855,396.54)	\$ (131,006,769,267.66)	\$ 63,538,283,094.82	\$ 31,769,141,547.41	\$ 21,179,427,698.27	
7.00%	\$ (31,769,141,547.41)	\$ (64,505,871,162.25)	\$ 127,076,566,189.63	\$ 42,358,855,396.54	\$ 25,415,313,237.93	

Calculation of Equity Value	
PV of FCFF	\$ 5,311,142,921.00
PV of Terminal Value	\$ 763,157,728,017.85
Value of Operating Assets	\$ 768,468,870,938.85
Add: Cash	\$ 1,488,000,000.00
Less: Advances	\$ 8,715,000,000.00
Value of Equity	\$ 761,241,870,938.85
No of Shares	\$ 310,526,379.00
Equity Value per Share	\$ 2,451.46

Share Price	177.94
Discount/Premium	7.26%

Weighted Average Cost of Capita;

All figures are in CAD unless stated

Peer Comps

Name of the Comp	Country	Total Debt ⁵	Total Equity ⁶	Tax Rate ¹	Debt/ Equity	Debt/ Capital	Levered Beta ²	Unlevered Beta ³
Loblaws Limited Company	Canada	18,173,000.0	11,619,000.0	24.94%	156.41%	61.00%	0.53	0.24
Canadian Tire	Canada	8,814,600.0	6,444,800.0	24.75%	136.77%	57.77%	0.59	0.29
Metro Inc	Canada	4,324,300.0	6,816,300.0	25.39%	63.44%	38.82%	0.44	0.30
Empire Company Limited	Canada	7,359,900.0	5,468,600.0	23.31%	134.58%	57.37%	0.55	0.27
Alimentation Couche-Tard Inc.	Canada	14,471,700.0	13,301,400.0	20.82%	108.80%	52.11%	0.76	0.41
North West Company	Canada	405,467.0	705,773.0	24.75%	57.45%	36.49%	0.68	0.47
				Average	23.80%	100.21%	0.60	0.33
				Median	24.75%	108.80%	0.59	0.30

Cost of Debt

Pre-Tax Cost of Debt	4.61%
Tax Rate	24.94%
Post Tax Cost of Debt	3.46%

Capital Structure

		Current	Target
Total Debt	18,173,000.0	61.00%	48.51%
Market Capitalization	11,619,000.0	39.00%	51.49%
Total Capital	29,792,000.0	100.00%	100.00%
Debt/Equity		156.41%	94.21%

Notes:

1. Tax Rate considered as marginal tax rate for the country
2. Levered Beta is based on 5 year monthly data
3. Unlevered Beta = Levered Beta / (1+(1-Tax Rate)*Debt/Equity)
4. levered Beta = UnLevered Beta *1+(1-Tax Rate)*Debt/Equity)
5. Total Debt value in Thousands

Cost of Equity

Risk Free Rate	3.28%
Equity Risk Premium	6.43%
Levered Beta ⁴	0.50
Cost of Equity	6.52%

Levered Beta

Comps Median Unlevered Beta	0.30
Target Debt/Equity	94.21%
Tax Rate	24.94%
Levered Beta	0.50

Weighted Average Cost of Capital

	Total Cost	Total Weight
Debt	3.46%	48.51%
Equity	6.52%	51.49%
Weighted Average Cost of Capital		5.03%

Beta Drifting- Canadian Tire

Levered Beta	0.46
Raw Beta Weight	0.75
Market Beta	1
Market Beta Weight	0.25
Adjusted Beta	0.59

Beta Drifting- Metro Inc

Levered Beta	0.25
Raw Beta Weight	0.75
Market Beta	1
Market Beta Weight	0.25
Adjusted Beta	0.44

Beta Drifting-Alimentation Couche-Tard Inc

Levered Beta	0.68
Raw Beta Weight	0.75
Market Beta	1
Market Beta Weight	0.25
Adjusted Beta	0.76

Beta Drifting-North West Company Inc

Levered Beta	0.57
Raw Beta Weight	0.75
Market Beta	1
Market Beta Weight	0.25
Adjusted Beta	0.68

Beta Drifting-Empire Limited Company

Levered Beta	0.40
Raw Beta Weight	0.75
Market Beta	1
Market Beta Weight	0.25
Adjusted Beta	0.55

SUMMARY OUTPUT- Canadian Tire Corporation									
Regression Statistics									
Multiple R	0.227837594								
R Square	0.051909969								
Adjusted R Square	0.048235202								
Standard Error	0.046368874								
Observations	260								
ANOVA									
	df	SS	MS	F	Significance F				
Regression	1	0.030372043	0.030372043	14.12605522	0.000211462				
Residual	258	0.554718699	0.002150072						
Total	259	0.585090742							
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%	
Intercept	0.001153342	0.002883673	0.399955992	0.689519864	-0.00452519	0.006831874	-0.00453	0.006831874	
X Variable 1	0.456677166	0.121506314	3.758464476	0.000211462	0.217406763	0.695947569	0.217407	0.695947569	

SUMMARY OUTPUT-Metro Inc								
Regression Statistics								
Multiple R	0.256028857							
R Square	0.065550776							
Adjusted R Square	0.061928879							
Standard Error	0.022786533							
Observations	260							
ANOVA								
	df	SS	MS	F	Significance F			
Regression	1	0.009397197	0.009397197	18.0984688	2.93694E-05			
Residual	258	0.133960334	0.000519226					
Total	259	0.143357531						
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	0.001752658	0.001417091	1.236799937	0.217285991	-0.001037879	0.004543195	-0.00104	0.004543195
X Variable 1	0.254022082	0.059710479	4.254229519	2.93694E-05	0.136440124	0.371604041	0.13644	0.371604041

SUMMARY OUTPUT-Alimentation Couche-Tard Inc									
Regression Statistics									
Multiple R	0.466110699								
R Square	0.217259183								
Adjusted R Square	0.214225304								
Standard Error	0.030814528								
Observations	260								
ANOVA									
	df	SS	MS	F	Significance F				
Regression	1	0.067997179	0.067997179	71.6110213	1.98662E-15				
Residual	258	0.244980057	0.000949535						
Total	259	0.312977236							
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%	
Intercept	0.002038564	0.00191635	1.063774015	0.288425699	-0.001735116	0.005812244	-0.001735116	0.005812244	
X Variable 1	0.683309949	0.080747263	8.462329543	1.98662E-15	0.524302327	0.842317572	0.524302327	0.842317572	

SUMMARY OUTPUT-Empire Company Limited									
Regression Statistics									
Multiple R	0.286472115								
R Square	0.082066273								
Adjusted R Sq.	0.07850839								
Standard Error	0.031402693								
Observations	260								
ANOVA									
	df	SS	MS	F	Significance F				
Regression	1	0.022746096	0.022746	23.06604	2.66E-06				
Residual	258	0.254421312	0.000986						
Total	259	0.277167408							
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%	
Intercept	0.000881687	0.001952928	0.451469	0.652031	-0.00296	0.004727	-0.00296	0.004727396	
X Variable 1	0.395280804	0.082288508	4.802712	2.66E-06	0.233165	0.557251	0.233165	0.557250648	

SUMMARY OUTPUT-The North West Company Inc									
Regression Statistics									
Multiple R	0.362505486								
R Square	0.131410228								
Adjusted R Square	0.128043601								
Standard Error	0.035027135								
Observations	260								
ANOVA									
	df	SS	MS	F	Significance F				
Regression	1	0.04788984	0.04788984	39.03320047	1.71031E-09				
Residual	258	0.316540244	0.0012269						
Total	259	0.364430084							
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%	
Intercept	0.00305958	0.002178332	1.404551964	0.161357297	-0.001229994	0.007349154	-0.001229994	0.007349154	
X Variable 1	0.573447933	0.091786099	6.247655598	1.71031E-09	0.392702621	0.754193246	0.392702621	0.754193246	

#	Calculation of ROIC	Dec-20	Dec-21	Dec-22	Dec-23
	Current Assets				
	Receivables	\$ 4,086,000,000.00	\$ 4,691,000,000.00	\$ 5,153,000,000.00	\$ 5,430,000,000.00
	Inventory	\$ 5,195,000,000.00	\$ 5,166,000,000.00	\$ 5,855,000,000.00	\$ 5,820,000,000.00
	Asset for Sale	\$ 108,000,000.00	\$ 91,000,000.00	\$ 81,000,000.00	\$ 52,000,000.00
	Other Current Asset	\$ 216,000,000.00	\$ 249,000,000.00	\$ 353,000,000.00	\$ 324,000,000.00
	Prepaid Asset	\$ -	\$ -	\$ -	\$ -
	Cash	\$ 1,937,000,000.00	\$ 2,440,000,000.00	\$ 1,934,000,000.00	\$ 1,952,000,000.00
	Total Current Assets	\$ 11,542,000,000.00	\$ 12,637,000,000.00	\$ 13,376,000,000.00	\$ 13,578,000,000.00
	Current Liabilities				
	Payables	\$ 5,827,000,000.00	\$ 6,019,000,000.00	\$ 6,847,000,000.00	\$ 6,934,000,000.00
	Other Current Liabilities	\$ 2,936,000,000.00	\$ 3,177,000,000.00	\$ 3,251,000,000.00	\$ 3,913,000,000.00
	Total Current Liabilities	\$ 8,763,000,000.00	\$ 9,196,000,000.00	\$ 10,098,000,000.00	\$ 10,847,000,000.00
#	Net Working Capital	\$ 2,779,000,000.00	\$ 3,441,000,000.00	\$ 3,278,000,000.00	\$ 2,731,000,000.00
	Non Current Assets				
	Fixed Assets	\$ 12,747,000,000.00	\$ 12,626,000,000.00	\$ 13,175,000,000.00	\$ 14,041,000,000.00
	Goodwill and Intangible Assets	\$ 10,818,000,000.00	\$ 10,351,000,000.00	\$ 10,828,000,000.00	\$ 10,343,000,000.00
	Non-Current Receivables	\$ 93,000,000.00	\$ 78,000,000.00	\$ 77,000,000.00	\$ 68,000,000.00
	Investments	\$ 264,000,000.00	\$ 333,000,000.00	\$ 459,000,000.00	\$ 449,000,000.00
	Other Assets	\$ 409,000,000.00	\$ 589,000,000.00	\$ 232,000,000.00	\$ 500,000,000.00
#	Total Non-Current Assets	\$ 24,331,000,000.00	\$ 23,977,000,000.00	\$ 24,771,000,000.00	\$ 25,401,000,000.00
#	Invested Capital	\$ 27,110,000,000.00	\$ 27,418,000,000.00	\$ 28,049,000,000.00	\$ 28,132,000,000.00
	EBIT	\$ 2,375,000,000.00	\$ 3,133,000,000.00	\$ 3,375,000,000.00	\$ 3,738,000,000.00

# ROIC	8.76%	11.43%	12.03%	13.29%
--------	-------	--------	--------	--------

# Calculation of Reinvestment Rate	Dec-20	Dec-21	Dec-22	Dec-23
Net Capex	\$ 1,158,000,000.00	\$ 1,182,000,000.00	\$ 1,571,000,000.00	\$ 2,072,000,000.00
Change in Working Capital	\$ 662,000,000.00	\$ (163,000,000.00)	\$ (547,000,000.00)	
EBIT	\$ 2,375,000,000.00	\$ 3,133,000,000.00	\$ 3,375,000,000.00	\$ 3,738,000,000.00
Marginal Tax Rate	26.50%	26.50%	26.50%	26.50%
EBIT(1-T)	\$ 1,745,625,000.00	\$ 2,302,755,000.00	\$ 2,480,625,000.00	\$ 2,747,430,000.00
Reinvestment	\$ 1,844,000,000.00	\$ 1,408,000,000.00	\$ 1,525,000,000.00	
Reinvestment Rate	80.08%	56.76%	55.51%	

3 Year Average 64.11%
3 Year Median 56.76%

# Calculation of Growth Rate	Dec-20	Dec-21	Dec-22	Dec-23
Reinvestment Rate	80.08%	56.76%	55.51%	
ROIC	11.43%	12.03%	13.29%	
Intrinsic Growth	9.15%	6.83%	7.38%	



Comparable Company Valuation

		Market Data					Financials			Valuation		
Company	Ticker	Share Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E Ratio
George Weston	WN	\$ 21.45	246,534,694.00	\$ 5,288,169,186.30	\$ 20,070,000,000.00	\$ 25,358,169,186.30	\$ 60,930,000,000.00	\$ 6,050,000,000.00	\$ 1,250,000,000.00	0.4x	4.2x	4.2x
Loblaw Companies	L	\$ 178.29	305,391,638.00	\$ 54,448,275,139.02	\$ 17,220,000,000.00	\$ 71,668,275,139.02	\$ 60,600,000,000.00	\$ 5,520,000,000.00	\$ 2,250,000,000.00	1.2x	13.0x	24.2x
Metro Inc.	MRU	\$ 89.73	222,613,000.00	\$ 19,975,064,490.00	\$ 4,400,000,000.00	\$ 24,375,064,490.00	\$ 21,350,000,000.00	\$ 1,780,000,000.00	\$ 931,000,000.00	1.1x	13.7x	21.5x
Empire Company	EMPa	\$ 41.25	241,974,331.00	\$ 9,981,441,153.75	\$ 7,180,000,000.00	\$ 17,161,441,153.75	\$ 30,870,000,000.00	\$ 1,720,000,000.00	\$ 672,000,000.00	0.6x	10.0x	14.9x
Green Thumb	GTII	\$ 13.00	211,625,181.00	\$ 2,751,127,353.00	\$ 481,500,000.00	\$ 3,232,627,353.00	\$ 1,520,000,000.00	\$ 448,200,000.00	\$ 86,030,000.00	2.1x	7.2x	32.0x
North West	NWC	\$ 53.02	47,606,909.00	\$ 2,524,118,315.18	\$ 357,580,000.00	\$ 2,881,698,315.18	\$ 2,520,000,000.00	\$ 278,840,000.00	\$ 132,550,000.00	1.1x	10.3x	19.0x
High										2.1x	13.7x	32.0x
75th Percentile										1.2x	12.3x	23.5x
Average										1.1x	9.7x	19.3x
Median										1.1x	10.2x	20.2x
25th Percentile										0.7x	7.9x	15.9x
Low										0.4x	4.2x	4.2x

Cipla Comparable Valuation										EV/Revenue	EV/EBITDA	P/E Ratio
Implied Enterprise Value							\$ 69,242,174,506.15			\$ 56,061,607,172.08	\$ 62,780,539,287.65	
Net Debt							\$ 17,220,000,000.00			\$ 17,220,000,000.00	\$ 17,220,000,000.00	
Implied Market Value							\$ 52,022,174,506.15			\$ 38,841,607,172.08	\$ 45,560,539,287.65	
Shares Outstanding							305,391,638.00			305,391,638.00	305,391,638.00	
Implied Value per share							\$ 170.35			\$ 127.19	\$ 149.19	

Source: The Valuation School and Yahoo Finance

Overvalued Overvalued Overvalued