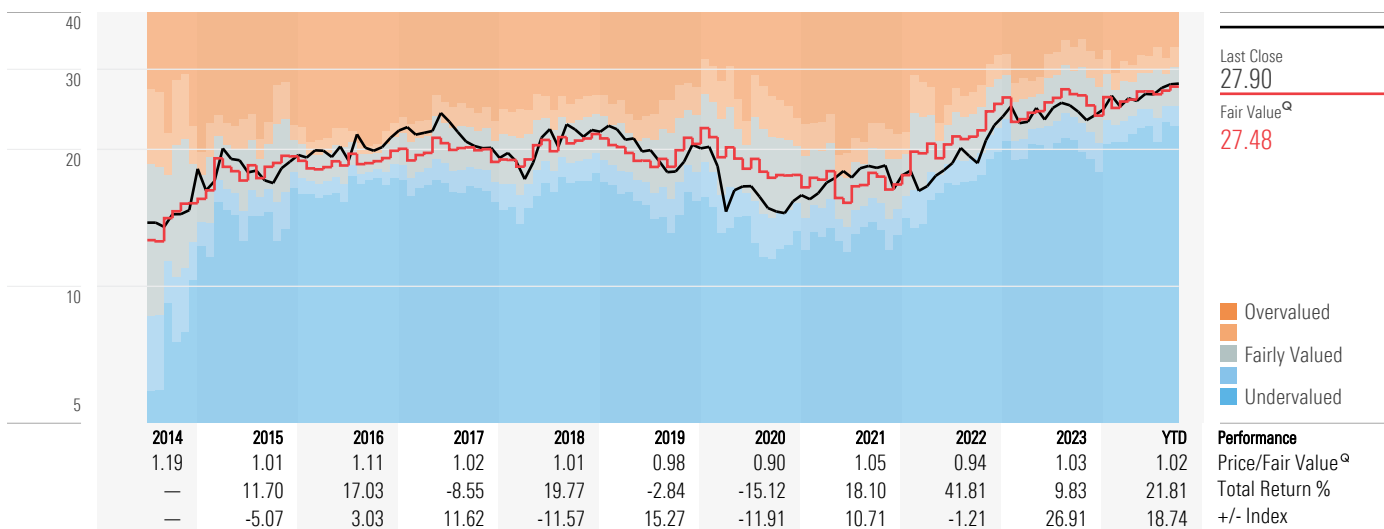


Compania de Distribucion Integral Logista Holdings SA

LOG ★★★ Q 17 Sep 2024 22:35, UTC

Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	ESG Risk Rating Assessment ¹	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.02	7 Aug 2024 05:00, UTC	6.88	—	Mid Value	Industrials	Integrated Freight & Logistics



As of 17 Sep 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 17 Sep 2024 00:00, UTC.

¹The ESG Risk Rating Assessment is a representation of Sustainalytics' ESG Risk Rating. Lee Davidson, Chief Analytics Officer for Morningstar, Inc, oversees the methodology that supports Quantitative Fair Value Estimates and Quantitative Star Ratings. Mr. Davidson is guided by the Morningstar, Inc. Code of Ethics in carrying out his responsibilities. For information regarding Conflicts of Interests, visit <http://global.morningstar.com/equitydisclosures>.

Key Metrics as of 16 Sep 2024

Metrics	Value	Percentile in Sector
Earnings Yield (%)	8.6	79.0
Sales Yield (%)	346.1	87.0
Book Value Yield (%)	17.5	16.0
Return on Assets (%)*	3.9	55.0
Revenue(Bil)*	14.2	91.0
Market Value (Bil)	4.1	79.0
Enterprise Value (Bil)	1.8	68.0
EV/MV Ratio	0.4	5.0
Volatility TTM (%)	11.4	4.0
Drawdown TTM (%)	6.0	4.0
Volume (K)	174.1	46.0

*30 Jun 2024

Business Description

Compania de Distribucion Integral Logista Holdings SA is a distributor and logistics operator. The company provides distribution channels for products and services including tobacco and related tobacco products, convenience goods, and lottery tickets. The firm organises itself into below segments: tobacco and related products, transport, pharmaceutical distribution and other businesses. The Tobacco and related products segment contributes the vast majority of revenue. The company primarily operates in France, Italy, and Iberia (Spain and Portugal).

Valuation ^Q as of 17 Sep 2024

Morningstar maintains a 3-star quantitative star rating for Compania de Distribucion, derived from the firm's valuation and uncertainty scores. The company's shares last closed at 27.94, in-line with our quantitative fair value estimate of 26.69. These shares have traded between a 13.69% discount and 8.82% premium to their fair value estimate over the past year. In Morningstar's equity coverage universe for this methodology, the company's valuation rating lands at the 93rd percentile; in the industrials sector, the firm's score lies at the 90th percentile.

Furthermore, Compania de Distribucion maintains a quantitative valuation uncertainty rating of High. The company has held this star rating over the past year. The uncertainty rating for Compania de Distribucion has remained High since the previous rating of Medium, which was last assigned on 05/28/2024.

The key factors behind these ratings are the company's return on assets and volatility. The return on assets is 3.86, and its maximum annualized trailing 12-month volatility is 13.91%. The return on assets falls at the 55th percentile in the industrials sector

while the volatility is at the 5th percentile. Over the past year, the company's return on assets has been between 3.08 and 4.08; its volatility has ranged between 11.21% and 13.91%.

Economic Moat ^Q as of 17 Sep 2024

Quantitatively, we believe Compania de Distribucion has a Narrow economic moat. Its moat score of 0.93 corresponds to the 86th percentile in the industrials sector. Furthermore, this rating last differed from its previous rating of None on 12/12/2023, although the company's moat score is in-line with its maximum of 0.94 (score of 1 indicates greatest economic moat).


The company also maintains a quantitative financial health rating of Strong. Its score sits at the 95th percentile in both the universe and sector. Examining the company's financials and market statistics, we find these ratings are principally driven by its book value yield and annualized trailing 12-month volatility. The book value yield is 17.47%, sitting at the 16th percentile in the industrials sector. The company's annualized trailing 12-month volatility is 11.38%, corresponding to below the 5th percentile in both the equity coverage universe and sector.

Fundamentals as of 17 Sep 2024

Compania de Distribucion reports earnings per share of 2.4. Its return on invested capital is 33.49%. The company maintains a dividend yield of 6.91%, paying out 77.24% of earnings. These values are calculated over a trailing 12-month period. As of last market close, Compania de Distribucion has a price-to-earnings ratio of 11.67, falling at the 29th percentile in its sector (where a lower percentile means a lower ratio) and ranging between 10.94 and 13.21 over the past year. The company's

Compania de Distribucion Integral Logista Holdings SA

LOG ★★★ Q 17 Sep 2024 22:35, UTC

Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	ESG Risk Rating Assessment ¹	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
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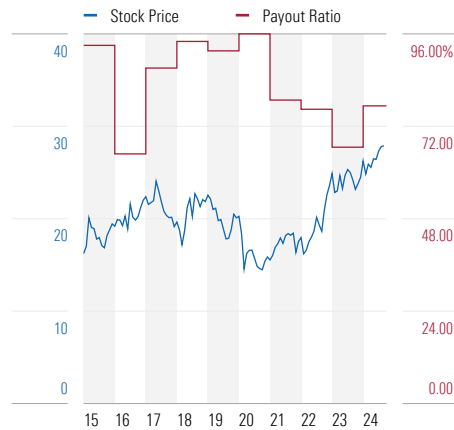
Earnings as of 16 Sep 2024

Earnings	%	Percentile in Sector
Dividend Yield*	6.9	92.0
Payout Ratio*	77.2	85.0
Price to Earnings	11.7	29.0
Price to Cash Flow	87.1	93.0
ROIC**	33.5	98.0

*30 Aug 2024

**30 Jun 2024

Dividends as of 17 Sep 2024



Valuation^Q as of 17 Sep 2024



Last Close
27.90
Fair Value^Q
27.48
Uncertainty^Q :
High

LOG is trading within a range we consider fairly valued..

Economic Moat^Q
Narrow
1-Star Price^Q
> 33.53
5-Star Price^Q
< 22.52

price-to-free cash flow ratio is 87.07, falling at the 93rd percentile in its sector and ranging between 11.39 and 87.26 over the past year.

Contact

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<https://www.logista.com>

Financials (Fiscal Year End 30 Sep 2023)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	06/2024	Fiscal
Revenue (Bil)	9.51	9.47	9.63	9.49	9.48	10.15	10.56	10.82	11.46	—	12.76	Revenue (Bil)
Operating Income (Bil)	0.16	0.16	0.18	0.16	0.19	0.20	0.19	0.24	0.25	—	0.31	Operating Income (Bil)
Operating Margin (%)	1.64	1.67	1.83	1.66	2.00	1.95	1.83	2.18	2.18	—	2.34	Operating Margin (%)
Net Income (Bil)	0.10	0.11	0.13	0.15	0.16	0.16	0.16	0.17	0.20	—	0.32	Net Income (Bil)
Diluted Earnings/Share	0.77	0.82	1.00	1.16	1.18	1.23	1.19	1.32	1.51	—	2.39	Diluted Earnings/Share
Operating Cash Flow (Bil)	0.18	0.23	0.39	0.00	0.35	0.35	0.83	-0.30	0.64	—	0.07	Operating Cash Flow (Bil)
Capital Spending (Bil)	0.04	0.03	0.02	0.03	0.06	0.05	0.04	0.04	0.04	—	—	Capital Spending (Bil)
Free Cash Flow (Bil)	0.15	0.17	0.22	0.13	0.16	0.26	0.18	0.27	0.33	—	—	Free Cash Flow (Bil)
Avg Shares Outstand(Bil)	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	—	0.13	Avg Shares Outstand(Bil)

Valuation as of 17 Sep 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
Price/Fair Value ^Q	1.19	1.01	1.11	1.02	1.01	0.98	0.90	1.05	0.94	1.03	1.02	Price/Fair Value ^Q
Price/Sales	0.25	0.27	0.30	0.27	0.31	0.26	0.20	0.21	0.27	0.26	0.29	Price/Sales
Price/Earnings	24.20	23.64	22.07	16.52	18.53	16.28	14.02	12.89	14.94	11.87	11.66	Price/Earnings
Price/Cash Flow	13.07	13.18	12.11	16.43	13.73	8.42	9.13	7.50	9.72	7.37	7.93	Price/Cash Flow
Price/Book	5.46	5.83	5.95	5.07	5.66	5.13	4.10	4.71	5.60	5.46	5.72	Price/Book

Operating Performance (Fiscal Year End 30 Sep 2023)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	06/2024	Fiscal (%)
Return on Assets	1.57	1.68	2.00	2.32	2.34	2.36	2.11	2.25	2.60	—	3.86	Return on Assets
Return on Equity	22.75	24.73	28.33	31.07	31.01	32.01	30.44	33.52	36.63	—	51.88	Return on Equity
Rtn on Invested Capital	20.56	21.61	24.87	27.29	27.37	28.30	20.97	22.92	26.50	—	33.49	Rtn on Invested Capital

Dividends as of 17 Sep 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
Dividend Per Share	—	—	0.75	0.95	1.10	1.14	1.20	1.20	1.26	1.44	1.92	Dividend Per Share
Trailing Dividend Yield	0.00	4.12	3.41	4.96	5.03	5.67	7.57	6.85	5.34	5.88	6.88	Trailing Dividend Yield
Buyback Yield	—	0.03	0.15	0.12	0.12	0.13	—	—	—	0.08	0.07	Buyback Yield

Appendix

Economic Moat [®]History as of 17 Sep 2024 (No Moat: 0.00-0.70, Narrow Moat: 0.70-0.99, Wide Moat: 0.99-1.00)

Year	January	February	March	April	May	June	July	August	September	October	November	December
2024	0.82	0.84	0.83	0.84	0.84	0.71	0.87	0.86	0.87	—	—	—
2023	0.94	0.93	0.92	0.95	0.96	0.96	0.89	0.86	0.86	0.90	0.75	0.81
2022	0.87	0.98	0.95	0.94	0.78	0.95	0.92	0.83	0.80	0.92	0.94	0.89
2021	0.99	0.98	0.98	0.98	0.86	0.96	0.95	0.79	0.95	0.91	0.89	0.84
2020	0.96	0.96	0.96	0.94	0.88	0.92	0.97	0.97	0.98	0.98	0.98	0.99
2019	0.93	0.90	0.91	0.89	0.86	0.94	0.90	0.92	0.94	0.93	0.93	0.91

Quantitative Equity Report Overview

The quantitative report on equities consists of data, statistics and quantitative equity ratings on equity securities. Morningstar, Inc.'s quantitative equity ratings are forward looking and are generated by a statistical model that is based on Morningstar Inc.'s analyst-driven equity ratings and quantitative statistics. Given the nature of the quantitative report and the quantitative ratings, there is no one analyst in which a given report is attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative equity ratings used in this report. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities.

Quantitative Equity Ratings

Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

Narrow – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

Wide – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

None – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) < -1.5*Quantitative Uncertainty*

★★ – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-1.5*Quantitative Uncertainty, -0.75*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-0.75*Quantitative Uncertainty, 0.75*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative*

Uncertainty)

*Micro-Caps: Log (Quant FVE/Price) between (0.75*Quantitative Uncertainty, 1.5*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) > 1.5*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

Low – the interquartile range for possible fair values is less than 10%

Medium – the interquartile range for possible fair values is less than 15% but greater than 10%

High – the interquartile range for possible fair values is less than 35% but greater than 15%

Very High – the interquartile range for possible fair values is less than 80% but greater than 35%

Extreme – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

Weak – assigned when Quantitative Financial Health < 0.2

Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7

Strong – assigned when Quantitative Financial Health > 0.7

Other Definitions

i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

ii. **Quantitative Valuation** – Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

Fairly Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Fairly Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

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Sustainalytics analyzes over 1,300 data points to assess a company's exposure to and management of ESG risks. In other words, ESG Risk Ratings measures a company's unmanaged ESG Risks represented as a quantitative score. Unmanaged Risk is measured on an open-ended scale starting at zero (no risk) with lower scores representing less unmanaged risk and, for 95% of cases, the unmanaged ESG Risk score is below 50.

Based on their quantitative scores, companies are grouped into one of five Risk Categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a 'high risk' assessment reflects a comparable degree

of unmanaged ESG risk across all subindustries covered.

The ESG Risk Rating Assessment is a visual representation of Sustainalytics ESG Risk Categories on a 1 to 5 scale. Companies with Negligible Risk = 5 Globes, Low Risk = 4, Medium Risk = 3 Globes, High Risk = 2 Globes, Severe Risk = 1 Globe. For more information, please visit sustainalytics.com/esg-ratings/

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This Report **has not been made available** to the issuer of the security prior to publication.

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