BUY Recommendation

Current Share Price: 29.74 PLN

Target Share Price: 48.36 PLN

Upside: 62.2%

Date: 2026-05-12

By: Anna-Brita Hunter Nilsson & Viktor Gautvik

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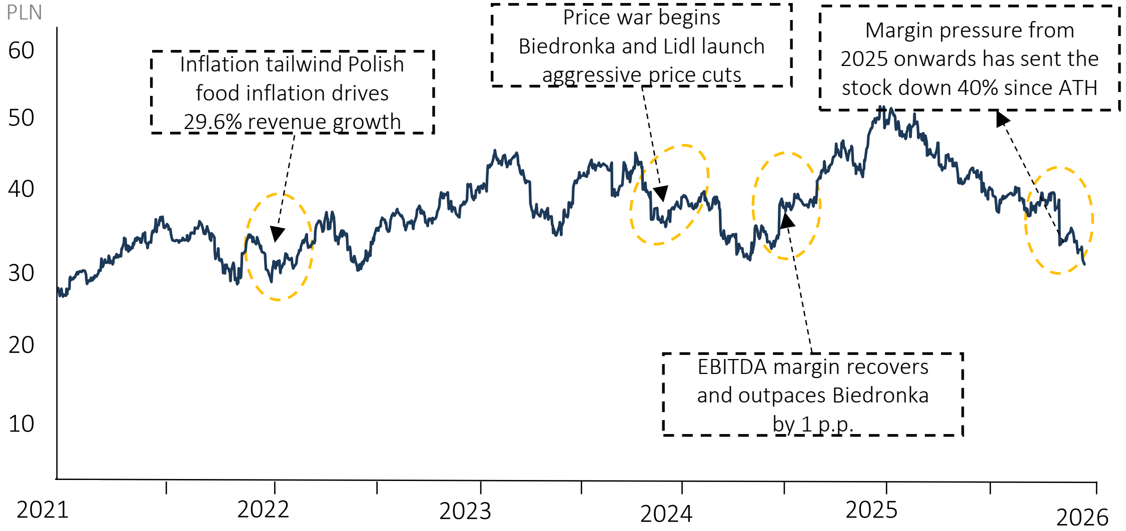
LUND UNIVERSITY FINANCE SOCIETY EST 1991

The Neighborhood Grocer of Small-town Poland

Share Price Performance



Investment Thesis

1 — **Like-for-like Growth with Structural Tailwinds:** Four compounding drivers underpin Dino's same-store growth: rising rural wages, food inflation normalizing from its recent trough, a bigger product offering is increasing basket size and a large share of stores still ramping toward maturity. Together they lock in durable LFL growth independent of pricing or new openings, making Dino's trajectory structurally more resilient than peers.

2 — **New Store Rollout with Self-Funded Compounding**: The Company is over halfway through the long-term target rollout of 5000 stores, opening over 350 net stores annually with capex fully covered by operating cash flow. Each unit delivers 26% cash-on-cash return and a 4-year payback. As the share of mature stores rises, EBITDA margins expand automatically. From first year operating to a fully mature store revenue grow from 3.5 PLNm to 11.66 PLNm. An uplift of 3.3x.

3 — **Vertical Integration as a Structural Moat:** DINO owns its full value chain, Krot-Invest builds every store, Agro-Rydzyna supplies fresh meat, and Dino Oil fuels the in-house fleet. Together, they deliver lower capex per store, a fresh-food advantage that discounters cannot replicate, and structurally lower OPEX. With a distribution capacity of roughly 67% of maximum, the store network can increase by 50% without new distribution centers.

Business Overview

- DINO Polska is a founder-led, vertically integrated supermarket chain in Poland, operating 3,094 stores and 13 distribution centres. The company targets smaller towns and suburban areas with limited large-format competition. Sales are driven by everyday groceries, with 42% from fresh food supported by in-house meat production. The Company benefits from resilient demand, significant expansion runway, and a self-funded growth model with 4-year store payback.

Financials

Share Price:	29.6 PLN
MCAP:	29,020 PLNm
EV:	28,836 PLNm
LTM EV/EBITDA:	11.3x
LTM ROIC:	19.1%
LTM ND/EBITDA	(0,08)
FTM Cash-on-Cash Return	26%
FTM LFL Growth	6.5%

Insider Ownership & Main Shareholders

Insider Ownership

Tomas Biernacki	51.16%

Other Shareholders

NN hroup NV	2.97%
Vanguard Group INC	2.22%
Allianz SE	2.13%

Why Does the Opportunity Exist?

2024 Margin Compression Misread As Structural: Investors extrapolate the 2024 EBITDA margin compression to 7.6% as a new baseline, missing that it was driven by cyclical food deflation and one-off wage hikes that are now reversing. Margins inflected in H2 2025 and should normalise toward the 8-9% range delivered in 2022-2023.

Growth Runway Underestimated: Markets focus on slowing LFL and read it as maturity, overlooking that The Company is only 60% through its long-term rollout at 3,100 stores today versus the 5,000+ store ambition. 2026 guidance of 350+ more openings indicates expansion is accelerating, not winding down.

Vertical Integration Moat Not Priced In: Investors benchmark DINO against discounters like Biedronka and Lidl, missing the cost structure built by Krot-Invest, Agro-Rydzyna and Dino Oil. The result is structural EBITDA edge and a fresh-food format that drives visit frequency in a way pure discounters cannot match.

Compressed Multiple Despite Compounding Profile The Company trades below its historical EV/EBITDA range despite a guided mid-teens EBITDA CAGR, best-in-class ROIIC, and a long runway of store-led growth. Margin recovery and continued execution should re-rate the multiple toward levels its compounding profile warrants.

Sources: The Company, Analyst Estimates & Bloomberg

Business Overview

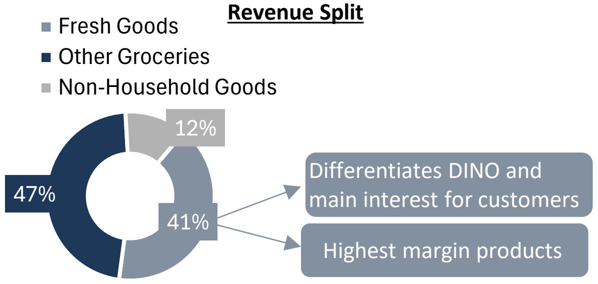
Rural Poland's Vertically Integrated Grocer

dino najbliżej Ciebie

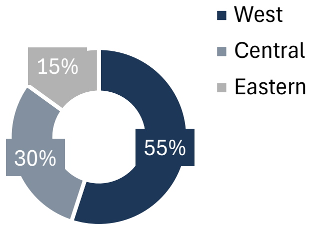
Company Overview

- DINO Polska is a Polish proximity supermarket chain with 3094 owned stores (2026 Q1) across rural and suburban Poland, targeting white space areas with no competition, generating 33 PLN bn in revenue in FY2025 through a vertically integrated, lean store model
- Vertically integrated store model, DINO designs its store format in-house and sells through fully owned stores, supporting an above-average gross margin 25% for the grocery sector. Fresh meat food is handled by its own subsidiary Agro-Rydzyna, with tight quality and cost control embedded across the supply chain.

Revenue Split

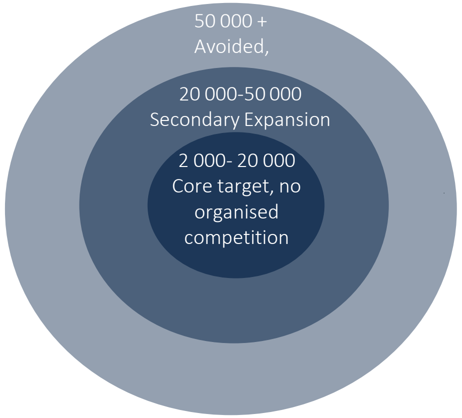


Geographical Split Poland



Store Model

- Owns their own stores and land
- No leasing, PLNm 4.5 capex per store



Targets rural areas with white space, where no competitor is active, little population

1. **Site selection Rural towns**
   Proprietary screening for towns with no organised retailer within 10-15km radius
2. **Land Purchase & Standard Build**
   DINO owns the land, no leasing. Standardised 400m² format
3. **Staffing & Supply Setup**
   18 employees hired locally. Own logistics centre supplies
4. **Opening Store**
   Captures local spend directly with no direct organized competition in catchment

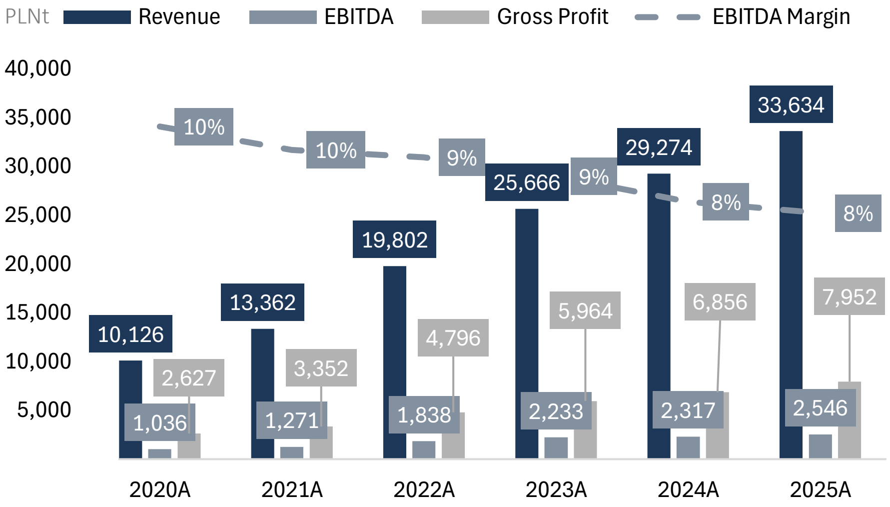
Value Chain

Production: Agro Rydzana (owned subsidiary) produces and processes fresh meat, giving DINO direct control over quality, cost and supply consistency without relying on external suppliers, giving DINO full value chain control.

Distribution: The Company operates 13 distribution centres running its own fleet to deliver to stores. Full ownership of logistics removes third-party dependency and supports the rapid store rollout pace.

End Customers and Store Operations: DINO´s core customer is the rural and small-town Polish household typically in towns of under 20,000 people where large chains like Biedronka or Lidl have limited or no presence.

Financial Summary



Financial Summary:

Revenue
- FY2025: PLN 33.6 bn
- 6-year CAGR 19%

EBITDA margin
- FY 2025 7.65
- 6-year average 8%

Sources: The Company, Statista, Aldi, Biedronka & Lidl

Market/ Industry Overview Poland

Rural Poland: Large, Fragmented, and Underserved

dino najbliżej Ciebie

Industry Overview

Polish Food Retail Industry: Highly fragmented with a TAM of approximately PLN 420 billion, growing at a CAGR of 5-6% through 2029 supported by rising real wages and resilient consumer spending.

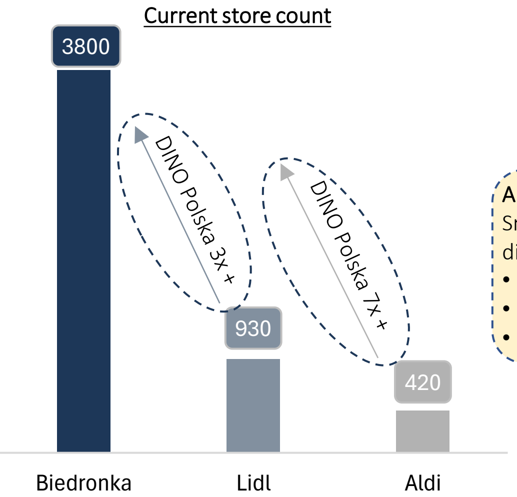
Market still fragmented: 65% controlled by smaller players, opportunity for continues consolidation of the market

Change in Store Structure: Store space is shifting from small shops to mid-sized formats, benefiting DINO's 400 sqm store model

Future Market Outlook 2026-2035

- **Health Trend**: Locally organically sourced products demand increase by 17%
- **E-Grocery Boom**: CAGR of 13.5% through 2029
- **Growing Economy**: 1 of 20 strongest economies worldwide

Competition in the Market

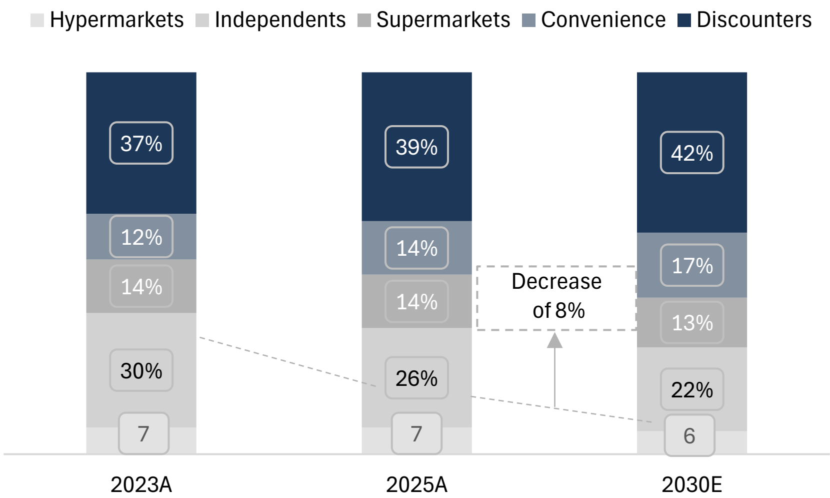


Lidl
A hard discount grocery chain with strong price positioning and broad private label
- Core product pricing: low-price/discount-basket
- ~5.2% gross profit margin
- 41.3PLNb revenue

Aldi
Small but expanding hard discount chain
- Low price
- Loss making
- 4.1PLNb revenue

Biedronka
Poland's largest discount grocery retailer
- Core product pricing: lowest price
- EBITDA margin 7.7%
- 101.6 PLNb revenue

Change in Consumer Demand



Hypermarkets and independents are losing ground, ~9% decrease

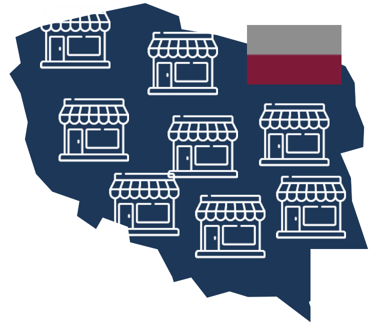
Ricing price sensitivity shifting consumer demand toward discounters

Discounters capturing over 42% of all grocery sales by 2030

Market Fragmentation

Biedronka · ALDI · LIDL → dino

Goal 2030 with a fragmented market



27% of market share belongs to bigger players → 8% market share belongs to DINO Polska = 65% market independents & fragmented players

Sources: The Company, Statista, Aldi, Biedronka & Lidl

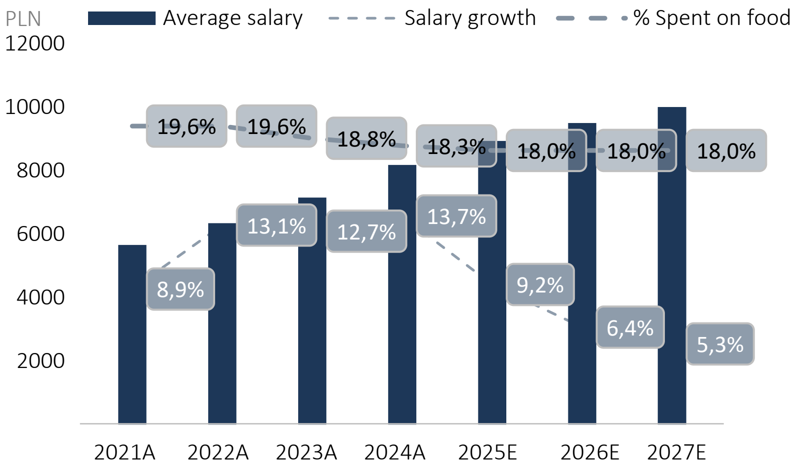
Thesis 1– Like-for-like Growth

Four Structural Drivers Stack to 6-7 p.p. of Sustained Annual LFL

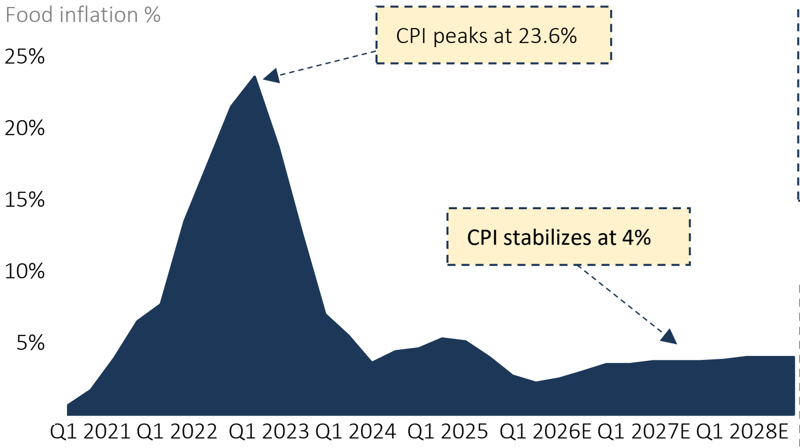
1.1 Salary Increase

- Rural wages outpace national average by 2 p.p
- 70% of DINO´s stores serve rural areas

+ 2.0 p.p. annual LFL from real wage tailwind



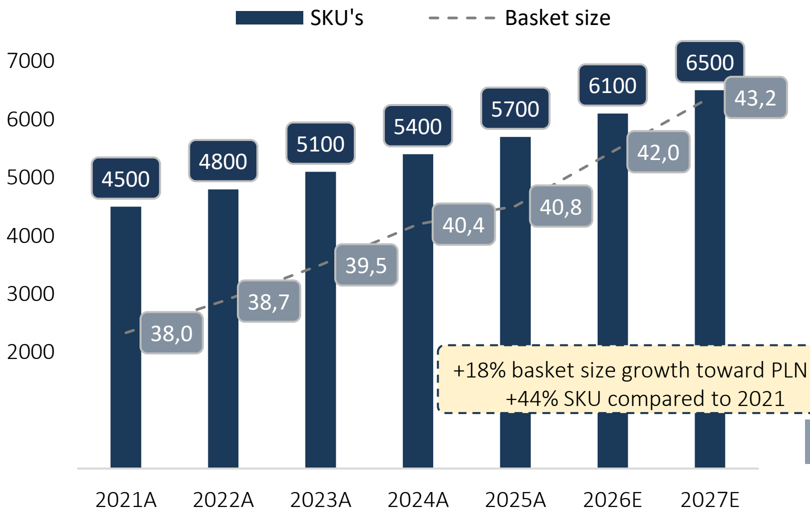
1.2 Food Inflation



Polish food CPI peaked at 23.6% in Q1 2023, driven by Russia's invasion of Ukraine, energy shock and supply-chain disruption. DINO's LFL hit 22% almost entirely from price.

Food CPI bottoms at 2.2% in Q1 2026 and gradually recovers toward 4% by 2028, restoring price contribution to LFL by 2.5-3.0 p.p. annually.

1.3 Increase in Product Offering



+18% basket size growth toward PLN 47
+44% SKU compared to 2021

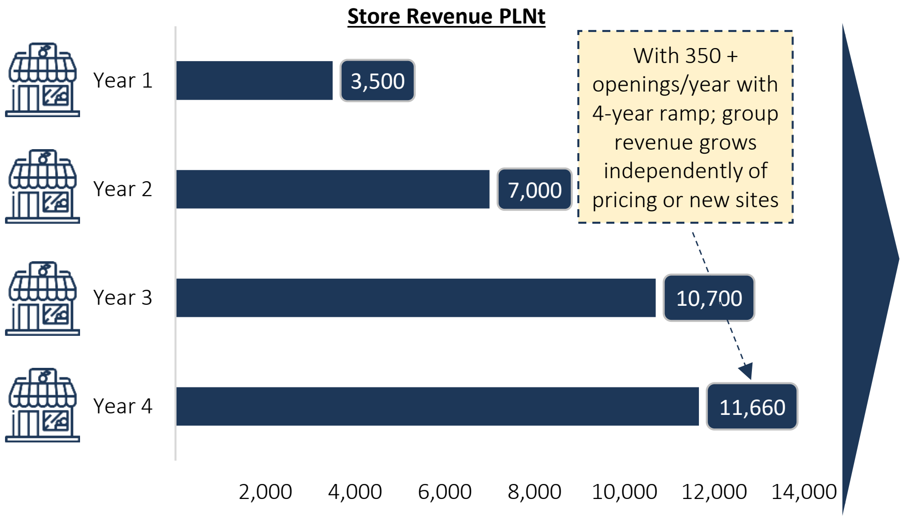
Dino's broadening SKU shifts shoppers from top-up trips to weekly shops.

Mix effect + 0.30 p.p.

Basket trade-up + 0.45 p.p.

+ 0.75 p.p. annual LFL growth

1.4 Store Growth Maturity



With 350 + openings/year with 4-year ramp; group revenue grows independently of pricing or new sites

3.3x revenue uplift year 1 – year 4

Sources: Polish government, EU, The Company & Analyst Estimates

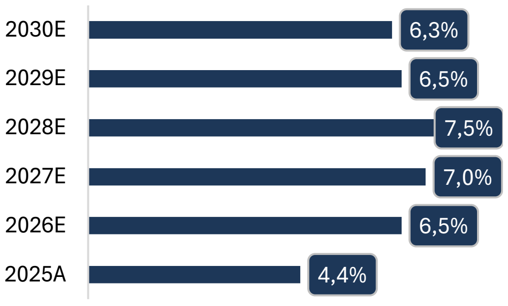
Rolling Out New Stores With Force

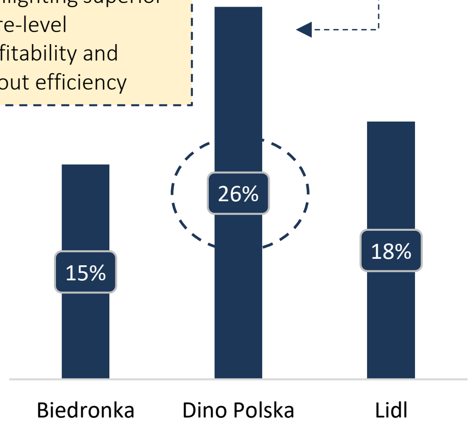
dino najbliżej Ciebie

2.1 Unit Economics

- **Like-for-like sales growth** reflects improving store productivity as the network matures. LFL is forecast to accelerate from 4.4% in 2025A to 7.5% by 2028E, driven by rising real wages, increasing customer loyalty, and the growing share of fully mature stores in the base.

- Generates highest Cash-on-Cash at 26%, highlighting superior store-level profitability and rollout efficiency



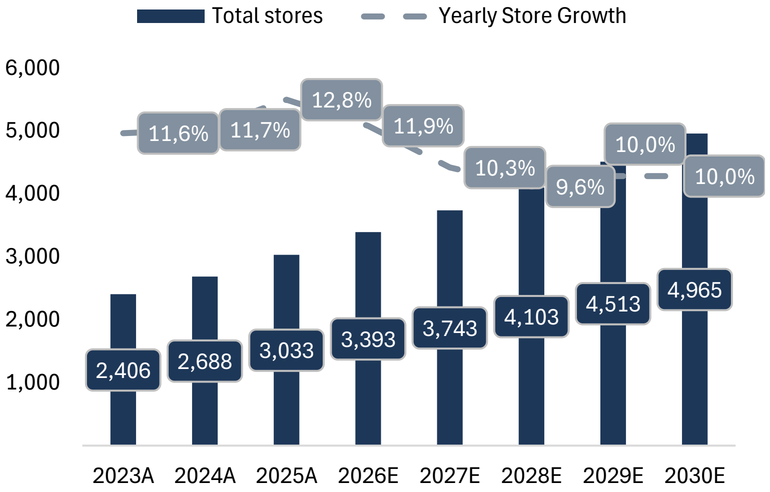


2.2 Store Rollouts

Estimated to open 350-410 net new openings annually

Growing to 4965 stores fully funded by operating cash flow, with yearly capex of 1.6-2 PLN bn

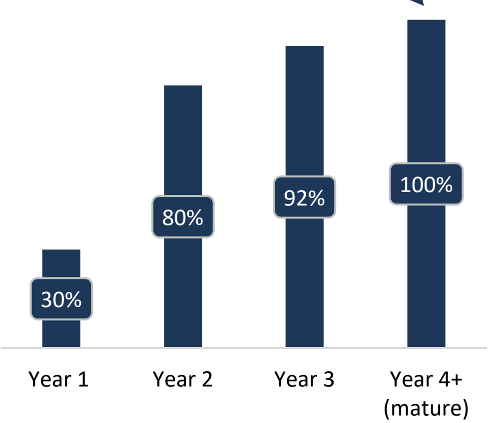
Representing less than half of the 11,000-store TAM.

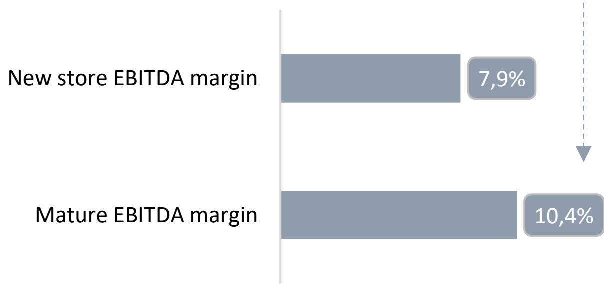


2.3 Maturity Curve

- Pre-2023 base of 2 156 stores are already mature

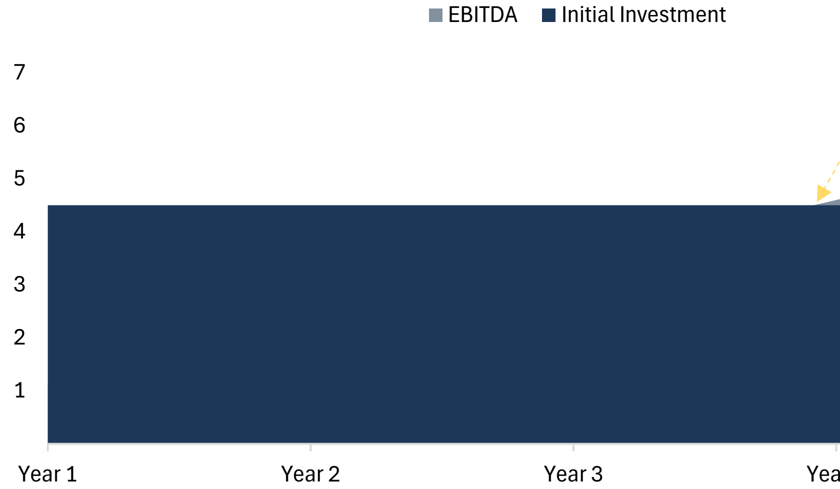
- New stores structurally suppress reported margins as the network matures, EBITDA margin expands automatically by 2.5% with no operational change required.





2.4 Pay-back Time

- Payback period of 4 years

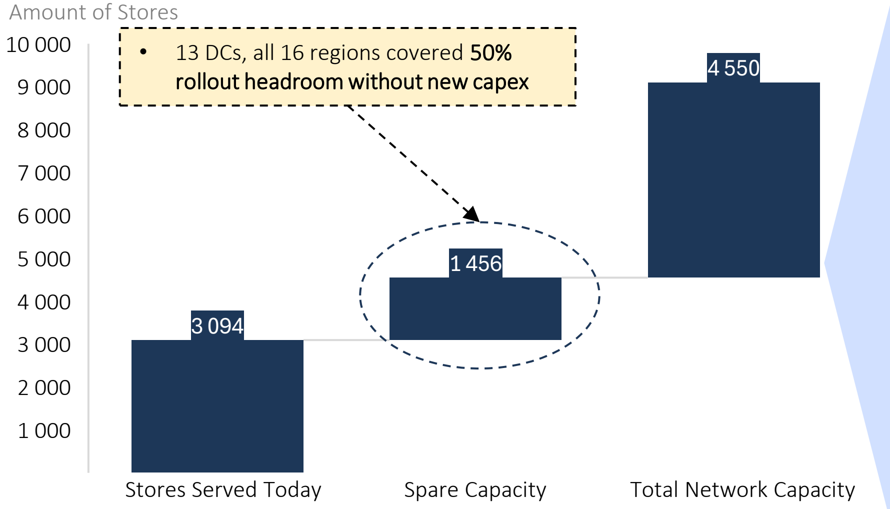


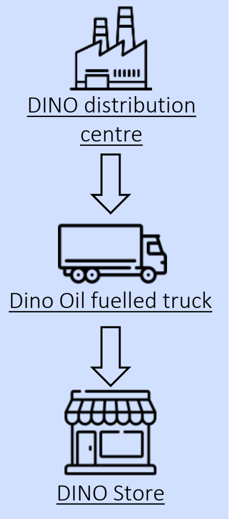
Sources: The Company, Analyst Estimates

Thesis 3 – Structural Moat Defends Margins Through the Cycle

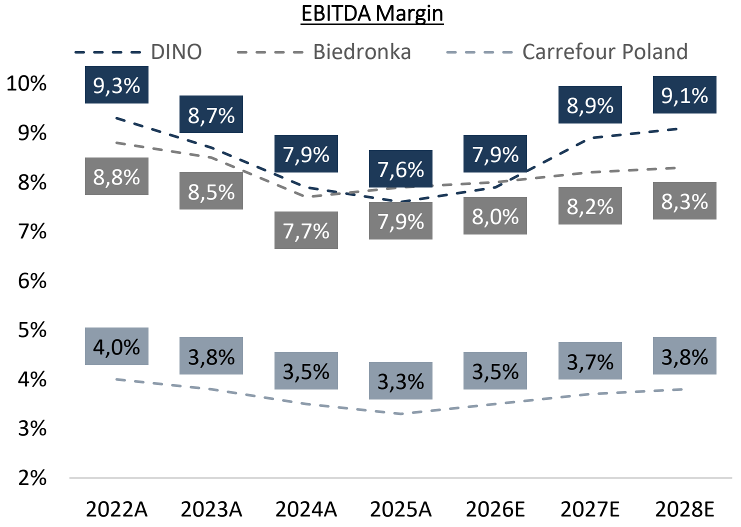
Owning the Value Chain From Meat Plant to Fuel Pump

3.1 Distribution centres





3.3 Higher Margins than Competitors



- DINO owns 95% of its stores via Krot-Invest, eliminating the rent inflation peers absorb at 10-17% of gross profit. With in-house construction, meat processing, and fuel, four major cost lines are fixed internally rather than exposed to market-rate increases.

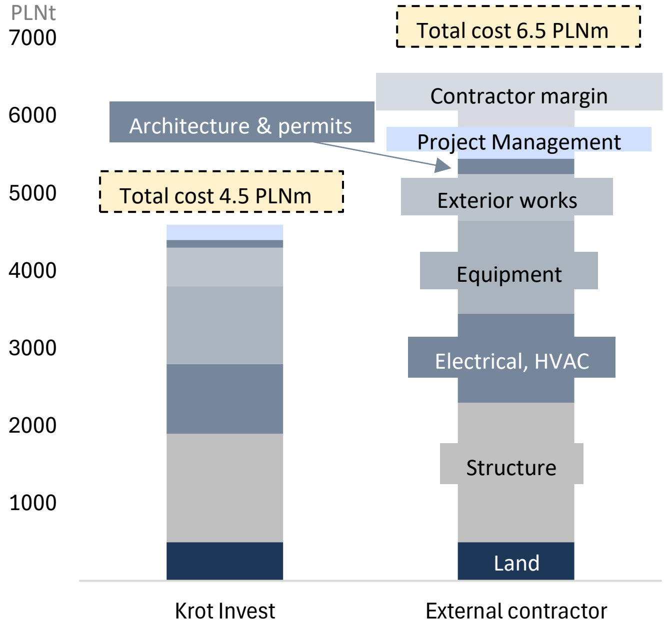
- Owned cost base lets DINO re-rate toward 9%+ EBITDA margin while peers plateau or compress.

3.2 Krot-subsidiaries

KROT INVEST inwestycje budowlane KR INŻYNIERIA

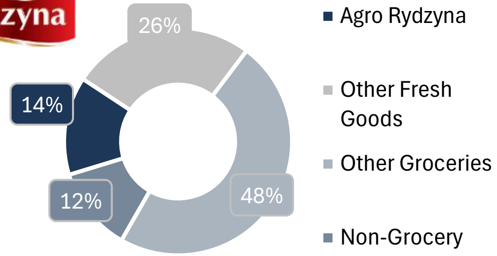
- Krot-Invest builds every store in-house. Over 350 new store openings per year with no general contractor margins.

- 2.0PLNm saved per store (30%) equivalent to 700 PLNm in CapEx savings annually at current opening pace



- Dino Oil closes the final externalized cost line in DINO's logistics chain. Every station is located at a distribution centre and adds a margin layer competitors must continue paying externally.

AGRO Rydzyna



- Agro-Rydzyna drives a dual effect: daily-supplied fresh-meat counters anchor DINO as the fresh destination which drive topline, while in-house processing captures the supplier margin on 14% of revenue. Hard discounters compete on packaged price, DINO wins on fresh.

Sources: Analyst Estimates, The Company, Krot Invest, Dino Oil & Statista

Valuation and Scenario Analysis

DCF Implies 62.6% Upside

DCF

PLNt	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
EBIT	2,630	3,335	3,789	4,390	5,042	5,917	6,269	6,518	6,647	6,779
Taxes	(500)	(634)	(720)	(834)	(958)	(1,124)	(1,191)	(1,238)	(1,263)	(1,288)
NOPAT	2,130	2,701	3,069	3,556	4,084	4,793	5,078	5,279	5,384	5,491
D&A	614	674	746	842	943	543	575	598	610	622
CapEx	(1,479)	(1,578)	(1,695)	(1,857)	(2,016)	(678)	(719)	(748)	(763)	(778)
Change in NWC	267	121	170	230	239	184	149	105	55	56
FCF	1,532	1,919	2,290	2,771	3,250	4,841	5,083	5,235	5,286	5,391
PV of FCF	1,393	1,586	1,721	1,893	2,018	2,733	2,609	2,442	2,242	2,078

DCF Breakdown	
PV of TV	**20,713**
Sum PV	**26,501**
Implied EV	**47,214**
Net Debt	**199**
Implied Equity Value	47,413
NSOH, m	980.40
Implied Share Price	**48.36**
Upside	62.20%

D&A is forecast at 1.5% of sales over 2026–2030, declining to 0.8% over 2031–2035.

CapEx is forecast at 3% of sales over 2026–2030, declining to 1% over 2031–2035.

Our DCF implies 62.2% upside versus the current share price, driven by structural revenue growth and margin expansion that we believe the market currently underprices.

Sensitivity Table

WACC (columns) / TGR (rows)

PLN	9,0%	9,5%	10,0%	10,5%	11,0%
1,0%	52	48	45	42	40
1,5%	54	50	47	44	41
2,0%	56	52	48	45	42
2,5%	59	54	50	47	44
3,0%	62	57	53	49	45

Scenario Analysis

Bear Case

Implied Share Price 35,7PLN

Bear Case include a 6% revenue CAGR to 2030 and EBIT margins decline to 6%.
Implied upside: 20.0%

Base Case

Implied Share Price 48,36PLN

Base Case include a 12% revenue CAGR to 2030 and a steady EBIT margin improvement to 8% by 2030
Implied upside: 62.6%

Bull Case

Implied Share Price 67,4PLN

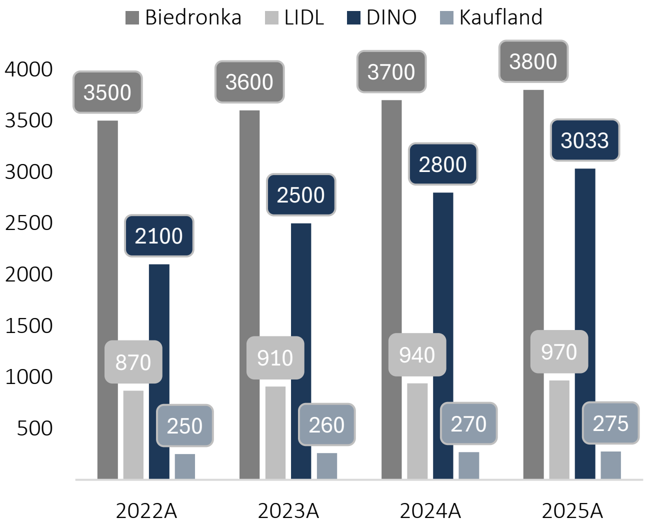
Bull case include a 15% revenue CAGR to 2030 and a steady EBIT margin improvement to 10% by 2030
Implied upside: 126.6%%

Sources: The Company, Analyst Estimates

Key Risks and Mitigation

Risks the Market Overweighs With Mitigations the Market Overlooks

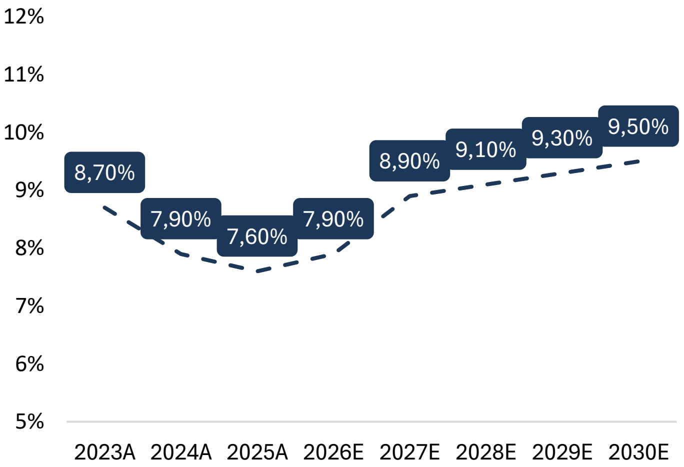
1.Competitors Amount of Stores



Major discounters such as Biedronka and Lidl have historically focused on cities and towns with over 20,000 inhabitants. As urban markets saturate, they may push into DINO's core catchment of 10,000 or less inhabitant communities, eroding pricing power and traffic

Even a 10% market share loss in core catchments would reduce DINO's group revenue by 5% and EBITDA by 200PLNm

2.Price war



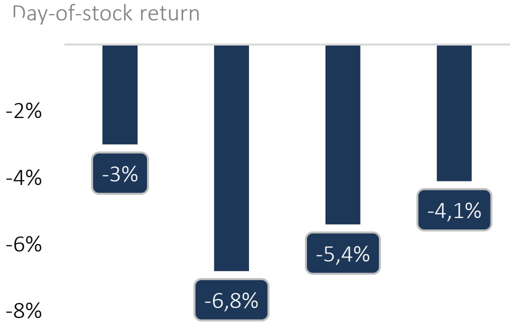
Polish food retail entered a price war in 2022, with Biedronka and Lidl absorbing input cost increases to defend market share. DINO followed suit to protect volume, leading to the first EBITDA margin contraction since 2018. Management has explicitly guided that margin will take a backseat to volume in 2026

Zero rent inflation: peers spend 10-17% of gross profit on lease costs that grow with CPI. DINO owns 96% of stores via Krot-Invest eliminating an inflationary cost line entirely

3.Key person risk

Founder Tomasz Biernacki, controls 51% and has steered the company since 1999

While his concentrated stake creates governance overhang and succession uncertainty, it also ensures long-term alignment that publicly held peers structurally lack a double-edged sword for investors



Each 5% block sale by Biernacki has historically pressured the stock 3-7% on the day. A full succession event remains The Company´s largest single-day binary risk

Mitigation

Risk	Mitigation
Discounters expanding into DINO´s core markets	Small town formats remains hard to replicate • Profitable at lower population density • Limited direct overlap with competitors
Margin pressure from volume-first strategy	Vertically integrated cost base supports margins • In-house meat processing • Owned store base • Net cash balance sheet
Founder Ownership & succession risk	Institutionalized platform reduces key- man risk • Integrated logistics & store templated • Business no longer dependent on founder

Sources: The Company, Analyst Estimates & Bloomberg

Management

Founder-led Model With Deep Ownership Alignment

Key Management

Tomasz Biernacki Founder & Chairman of the Board

- **Founded DINO Polska in 1999 with one single store**: now, built the chain to 3033 stores over 26 years
- **Owns 51.6%** and takes zero chairman compensation, alignment through ownership, not pay
- **Acquired the Agro-Rydzyna meat plant** & insisted DINO owns 95% of its store real estate

Michael Krauze CFO & Member of the Management Board

- **With DINO for over 20 years,** rose from accountant to financial controller to CFO
- **Architect of the self funded growth model-kept** Debt/EBITDA below 2.0x since 2016

Izabela Biadala Director of Logistics and Warehouse & Member of the Management Board

- **Supports DINO's core competitive advantage**: efficient in-house logistics network
- **Joined management Board 2020**, part of DINO 20 + years

Marcin Jedraszak Director of the Sales Department & Member of the Management Board

- **Brings commercial focus as DINO enters next phase of maturity** and same-store optimization
- **Over 20 years of experience at DINO**, started working at a warehouse 2004

- Founder-led model drives long-term orientation:51% insider ownership aligns with minority shareholders
- No CEO since 2021- collective three-person Management Board runs day to day operations under Biernackis strategic oversight

Alignment & Incentives

Follows the owner-operator compensation model of Costco, Berkshire, and Ryanair- low fixed pay, nno dilution, founder ownership

Cash heavy variable bonuses

- 72-93% of Management Board pay is variable, tied to net profit and budget execution

Founder alignment at the top

- Zero compensation as Chairman
- Entire wealth is tied to share price-alignment comes from ownership, not pay

Retention backed by long-tenured insiders

- Core management has stayed 20+ years without equity handcuffs
- Career compounding replaces stock-based compensation

Reinvestment over payout

- No dividends, no buybacks 100% operating cash flow reinvested into store expansion
- Capital compounds inside the business at 19% ROIC

Sources: The Company, Analyst Estimates

dino

najbliżej Ciebie

Peer Valuation

Peer Overview

Axfood

- Swedish-listed food retail group operating Willys and Hemköp across 800 stores in Sweden,
- Provides the closest benchmark for a mature, high-quality grocery operator. Like DINO, Willys competes on price while Axfood operates in a fully saturated Scandinavian market with minimal white-space, making store rollout a negligible growth driver.
- A saturated home market with flat store count growth, structurally higher labour costs, and no emerging-market growth optionality justify a valuation discount relative to DINO´s compounding Polish expansion runway.

Jerónimo Martins

- Portuguese-listed food retail group operating Biedronka, Poland's largest grocery chain with 3,800 stores, alongside chains in Portugal and Colombia.
- **Considered the closest listed peer to DINO**. Both operate Polish food discount formats targeting value-conscious consumers, though Biedronka skews urban and suburban vs. DINO´s rural catchment dominance.
- Exposure to high-risk markets including Colombia, a more saturated store network, and elevated leverage justify a valuation discount relative to DINO´s pure-play Polish growth profile.

żabka

- Polish-listed convenience store chain operating 12,750 franchise locations across Poland, listed on the Warsaw Stock Exchange
- Provides a direct read on Polish consumer health and food retail sentiment. While both Żabka and DINO operate in Polish food retail, the formats are structurally different Żabka targets urban and suburban top-up shopping occasions versus DINO´s rural, weekly main-shop dominance.
- A franchise-dependent model with limited basket size and urban concentration justify a valuation discount relative to DINO´s owner operated, high-conviction expansion model.

Company	Market data		Financial Estimates			Growth	
	MCAP (EURm)	EV (EUR (m)	EV/EBITDA FY25	EV/EBITDA FY27	ROIIC	Revenue CAGR 26-30	LFL
Axfood	5,469	6,931	9.6x	8.7x	7.5%	4.0%	3.6%
Jerónimo Martins	11,485	15,565	6.6x	5.4x	11.0%	6.5%	3.6%
Zabka Group	5,314	7,373	7.9x	6.1x	13.4%	12.0%	5.0%
Average	**7,423**	**9,956**	**8.1x**	**6.7x**	**10.6%**	**7.5%**	**4.1%**
DINO Polska	6,811	6,612	11.0x	7.0x	26.0%	13.3%	7.0%

Key Takeaway

DINO warrants a premium to its peer group on EV/EBITDA, grounded in measurably superior fundamentals across every key metric. On growth, DINO´s expected LFL of 7.0% materially outpaces the peer average of 4.1%. Revenue CAGR through 2030 of 13.3% is similarly differentiated against a peer average of 7.5%, reflecting DINO´s continued rural store rollout into largely unexploited white-space. Capital efficiency is the most striking gap. DINO´s ROIIC of 26.0% is more than twice the peer average of 10.6%, and nearly double the closest comparable, Żabka, at 13.4%

Target Price

Target EV/EBITDA 2027E	10x
Implied Equity Value	39,893
Implied Share Price	**40.7**
Current Share Price	29.7
Implied Upside	**37%**

Higher multiple than peers due to higher growth

Sources: The Company, Analyst Estimates & Bloomberg

Appendix

Income Statement

Income Statement	2020A	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Sales	10 125 815	13 362 012	19 801 622	25 666 255	29 273 792	33 634 155	40 916 400	44 899 275	49 672 176	56 088 842	62 802 004
Revenue growth %		*32,0%*	*48,2%*	*29,6%*	*14,1%*	*14,9%*	*21,7%*	*9,7%*	*10,6%*	*12,9%*	*12,0%*
COGS	(7 499 151)	(10 010 449)	(15 005 720)	(19 702 485)	(22 417 970)	(25 682 573)	(31 096 464)	(33 674 456)	(37 154 787)	(41 842 276)	(46 724 691)
% of sales	*74,1%*	*74,9%*	*75,8%*	*76,8%*	*76,6%*	*76,4%*	*76,0%*	*75,0%*	*74,8%*	*74,6%*	*74,4%*
Gross profit	2 626 664	3 351 563	4 795 902	5 963 770	6 855 822	7 951 582	9 819 936	11 224 819	12 517 388	14 246 566	16 077 313
Gross margin	*25,9%*	*25,1%*	*24,2%*	*23,2%*	*23,4%*	*23,6%*	*24,0%*	*25,0%*	*25,2%*	*25,4%*	*25,6%*
Other operating income	7 598	14 364	16 282	13 477	24 185	29 231	35 560	39 021	43 169	48 746	54 580
% of sales	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*
OPEX	(1 598 257)	(2 094 591)	(2 974 236)	(3 744 564)	(4 562 821)	(5 434 500)	(6 611 142)	(7 254 682)	(8 025 872)	(9 062 657)	(10 147 348)
% of sales	*15,8%*	*15,7%*	*15,0%*	*14,6%*	*15,6%*	*16,2%*	*16,2%*	*16,2%*	*16,2%*	*16,2%*	*16,2%*
EBITDA	1 036 005	1 271 336	1 837 948	2 232 683	2 317 186	2 546 313	3 244 354	4 009 158	4 534 685	5 232 655	5 984 545
EBITDA margin	*10,2%*	*9,5%*	*9,3%*	*8,7%*	*7,9%*	*7,6%*	*7,9%*	*8,9%*	*9,1%*	*9,3%*	*9,5%*
D & A	(198 146)	(247 343)	(300 129)	(356 828)	(409 179)	(505 031)	(614 377)	(674 182)	(745 849)	(842 198)	(942 999)
% of sales	*2,0%*	*1,9%*	*1,5%*	*1,4%*	*1,4%*	*1,5%*	*1,5%*	*1,5%*	*1,5%*	*1,5%*	*1,5%*
EBIT	837 859	1 023 993	1 537 819	1 875 855	1 908 007	2 041 282	2 629 977	3 334 976	3 788 837	4 390 457	5 041 546
EBIT margin	*8,3%*	*7,7%*	*7,8%*	*7,3%*	*6,5%*	*6,1%*	*6,4%*	*7,4%*	*7,6%*	*7,8%*	*8,0%*
Financial income	3 237	1 119	5 092	10 442	6 657	8 316	28 644	36 788	51 432	73 414	104 981
% of sales	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*	*0,1%*	*0,1%*	*0,1%*	*0,1%*	*0,2%*
Financial expenses	(52 096)	(46 703)	(141 293)	(147 316)	(121 424)	(122 945)	(21 749)	(21 142)	(20 254)	(19 610)	(19 307)
% of sales	*0,5%*	*0,3%*	*0,7%*	*0,6%*	*0,4%*	*0,4%*	*0,1%*	*0,0%*	*0,0%*	*0,0%*	*0,0%*
EBT	789 000	978 409	1 401 618	1 738 981	1 793 240	1 926 653	2 636 873	3 350 622	3 820 015	4 444 262	5 127 221
% of sales	*7,8%*	*7,3%*	*7,1%*	*6,8%*	*6,1%*	*5,7%*	*6,4%*	*7,5%*	*7,7%*	*7,9%*	*8,2%*
Income tax	(145 083)	(173 106)	(269 531)	(333 654)	(287 834)	(367 856)	(503 458)	(639 735)	(729 356)	(848 543)	(978 941)
Effective tax rate	*18,4%*	*17,7%*	*19,2%*	*19,2%*	*16,1%*	*19,1%*	*19,1%*	*19,1%*	*19,1%*	*19,1%*	*19,1%*
Net profit	643 917	805 303	1 132 087	1 405 327	1 505 406	1 558 797	2 133 414	2 710 888	3 090 659	3 595 719	4 148 280
Net margin	*6,4%*	*6,0%*	*5,7%*	*5,5%*	*5,1%*	*4,6%*	*5,2%*	*6,0%*	*6,2%*	*6,4%*	*6,6%*

Sources: The Company, Analyst Estimates

Appendix

Balance Sheet

Balance Sheet	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
Assets											
PPE	3,749,480	4,911,353	6,070,032	6,874,672	8,230,915	9,774,681	11,862,048	14,107,705	16,542,407	19,235,536	22,188,199
Right-of-use assets	184,538	139,931	105,116	93,499	141,350	217,006	319,297	431,545	555,726	695,948	852,953
Intangible assets	99,050	96,947	94,737	115,056	169,964	176,185	182,406	188,627	194,848	201,069	207,290
Deferred tax assets	20,738	35,116	26,468	41,323	74,149	31,376	31,376	31,376	31,376	31,376	31,376
Total non-current assets	**4,053,806**	**5,183,347**	**6,296,353**	**7,124,550**	**8,616,378**	**10,199,248**	**12,395,127**	**14,759,253**	**17,324,357**	**20,163,929**	**23,279,818**
Inventories	875,147	1,373,463	1,978,778	2,638,859	3,081,444	3,548,100	4,296,040	4,652,195	5,133,010	5,780,596	6,455,112
Trade and other receivables	86,822	144,012	274,872	330,492	376,480	372,038	452,589	496,645	549,440	620,416	694,673
Other current assets	74,317	49,094	70,338	65,425	90,470	97,080	118,099	129,595	143,371	161,892	181,269
Cash and cash equivalents	480,418	418,615	382,718	218,389	891,022	954,814	1,226,258	1,714,398	2,447,134	3,499,379	4,845,201
Total current assets	**1,516,704**	**1,985,184**	**2,706,706**	**3,253,165**	**4,439,416**	**4,972,032**	**6,092,987**	**6,992,833**	**8,272,955**	**10,062,283**	**12,176,254**
Total Assets	**5,570,510**	**7,168,531**	**9,003,059**	**10,377,715**	**13,055,794**	**15,171,280**	**18,488,114**	**21,752,086**	**25,597,311**	**30,226,212**	**35,456,072**
Equity and Liabilities											
Share capital	9,804	9,804	9,804	9,804	9,804	9,804	9,804	9,804	9,804	9,804	9,804
Supplementary capital	2,063,322	2,707,720	3,512,022	4,652,148	6,058,912	7,569,927	9,640,561	12,271,675	15,271,385	18,761,291	22,787,499
Retained earnings	185,937	345,166	674,457	935,859	1,031,871	1,077,742	1,140,522	1,220,296	1,311,246	1,417,057	1,539,130
Other equity & NCI	7,500	7,500	7,500	7,500	1,847	13,640	13,640	13,640	13,640	13,640	13,640
Total equity	**2,266,563**	**3,070,190**	**4,203,783**	**5,605,311**	**7,102,434**	**8,671,113**	**10,804,527**	**13,515,415**	**16,606,074**	**20,201,793**	**24,350,073**
Loans and borrowings (non-current)	725,851	583,014	690,862	469,629	272,219	312,861	281,686	253,518	228,166	205,349	184,815
Lease liabilities (non-current)	67,876	46,621	34,673	35,612	60,818	87,851	106,891	117,296	129,764	146,527	164,065
Bonds / securities (non-current)	419,936	450,000	370,000	370,000	170,000	-	-	-	-	-	-
Other non-current liabilities	9,593	13,169	13,614	17,870	67,474	34,260	34,260	34,260	34,260	34,260	34,260
Total non-current liabilities	**1,223,256**	**1,092,804**	**1,109,149**	**893,111**	**570,511**	**434,972**	**422,837**	**405,073**	**392,190**	**386,137**	**383,140**
Trade and other payables	1,695,163	2,454,051	2,794,077	3,274,908	4,362,006	5,194,539	6,289,549	6,810,972	7,514,901	8,462,989	9,450,503
Loans and borrowings (current)	216,868	196,169	410,157	278,588	361,034	159,926	143,822	129,440	116,496	104,846	94,361
Lease liabilities (current)	42,249	27,721	17,893	14,565	17,900	22,812	27,732	30,432	33,667	38,016	42,566
Bonds / securities (current)	930	171,642	260,947	4,784	204,845	171,882	171,882	171,882	171,882	171,882	171,882
Other current liabilities	125,481	155,954	207,053	306,448	437,064	516,036	627,765	688,872	762,101	860,550	963,547
Total current liabilities	**2,080,691**	**3,005,537**	**3,690,127**	**3,879,293**	**5,382,849**	**6,065,195**	**7,260,750**	**7,831,598**	**8,599,047**	**9,638,283**	**10,722,860**
Total liabilities	**3,303,947**	**4,098,341**	**4,799,276**	**4,772,404**	**5,953,360**	**6,500,167**	**7,683,587**	**8,236,671**	**8,991,237**	**10,024,420**	**11,105,999**
Total Equity and Liabilities	**5,570,510**	**7,168,531**	**9,003,059**	**10,377,715**	**13,055,794**	**15,171,280**	**18,488,114**	**21,752,086**	**25,597,311**	**30,226,212**	**35,456,072**

Sources: The Company, Analyst Estimates

Appendix

Balance Sheet

Cash flow statement	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Cash flow from operations										
Net profit	805,303	1,132,087	1,405,327	1,505,406	1,558,797	2,133,414	2,710,888	3,090,659	3,595,719	4,148,280
D & A	(247,343)	(300,129)	(356,828)	(409,179)	(505,031)	(614,377)	(674,182)	(745,849)	(842,198)	(942,999)
Change in deferred taxes	(14,378)	8,648	(14,855)	(32,826)	42,773	-	-	-	-	-
Change in inventories	(498,316)	(605,315)	(660,081)	(442,585)	(466,656)	(747,940)	(356,155)	(480,815)	(647,586)	(674,516)
Change in trade & other receivables	(57,190)	(130,860)	(55,620)	(45,988)	4,442	(80,551)	(44,056)	(52,795)	(70,977)	(74,256)
Change in other current assets	25,223	(21,244)	4,913	(25,045)	(6,610)	(21,019)	(11,496)	(13,776)	(18,521)	(19,377)
Change in trade & other payables	758,888	340,026	480,831	1,087,098	832,533	1,095,010	521,423	703,929	948,088	987,514
Change in other current liabilities	30,473	51,099	99,395	130,616	78,972	111,729	61,108	73,229	98,448	102,997
Change in non-current operating liabilities	3,576	445	4,256	49,604	(33,214)	-	-	-	-	-
Cash flow from operations	806,236	474,757	907,338	1,817,101	1,506,006	1,876,265	2,207,530	2,574,583	3,062,974	3,527,644
Cash flow from investing activities										
Change in PP&E (capex)	(914,530)	(858,550)	(447,812)	(947,064)	(1,038,735)	(1,472,990)	(1,571,475)	(1,688,854)	(1,850,932)	(2,009,664)
Change in intangible assets	2,103	2,210	(20,319)	(54,908)	(6,221)	(6,221)	(6,221)	(6,221)	(6,221)	(6,221)
Change in ROU assets (net of lease)	44,607	34,815	11,617	(47,851)	(75,656)	(102,291)	(112,248)	(124,180)	(140,222)	(157,005)
Cash flow from investing	(867,820)	(821,525)	(456,514)	(1,049,823)	(1,120,612)	(1,581,502)	(1,689,944)	(1,819,255)	(1,997,375)	(2,172,890)
Cash flow from financing activities										
Change in loans & borrowings (total)	(163,536)	321,836	(352,802)	(114,964)	(160,466)	(47,279)	(42,551)	(38,296)	(34,466)	(31,020)
Change in bonds / securities (total)	200,776	9,305	(256,163)	61	(202,963)	-	-	-	-	-
Change in lease liabilities (total)	(35,783)	(21,776)	(2,389)	28,541	31,945	23,960	13,104	15,704	21,112	22,088
Dividends paid	(1,676)	1,506	(3,799)	(8,283)	9,882	-	-	-	-	-
Cash flow from financing	(219)	310,871	(615,153)	(94,645)	(321,602)	(23,319)	(29,446)	(22,592)	(13,354)	(8,932)
Net change in cash	(61,803)	(35,897)	(164,329)	672,633	63,792	271,444	488,140	732,736	1,052,245	1,345,822
Cash at beginning of period	480,418	418,615	382,718	218,389	891,022	954,814	1,226,258	1,714,398	2,447,134	3,499,379
Cash at end of period	418,615	382,718	218,389	891,022	954,814	1,226,258	1,714,398	2,447,134	3,499,379	4,845,201

Sources: The Company, Analyst Estimates