

# Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

## BUY – Sapphire Foods (SAPPHIRE)

CMP: **Rs- 1119** (Upside Potential: 27.3%) as on 20<sup>th</sup> July 2022

Fair Value (FV): **Rs-1425** | Time Period: **12 months**

### Why Invest?

- SAPPHIRE is a franchise of Yum! Brands in India, Sri Lanka & Maldives.
- We expect SAPPHIRE to be one of fastest growing QSR chains in India.
- Sapphire can add 179 KFC stores taking the total count to 442.
- Add 160 Pizza Hut stores in South/West to 379 over FY22 to 25E.
- We expect 340 bps operating margin expansion to 13.9% over FY22 to FY25E.
- We value SAPPHIRE using Discounted Cash Flow (DCF) methodology.

Recommend BUY with **FV Rs-1425**

**Read Full Report**

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