



Pick of the week

PVR

Recommendation: **BUY**

Date: 12th December 2022

Current Price: ₹1,883

Time Period: 12 Months

Potential Upside: 16.8%

Target Price: ₹2,200

Why Invest

- 🔪 PVR's screen count rose to 864 as of Sep 2022 from 858 as of Jun 2022.
- 🔪 QoQ decline in rental costs in Q2FY23 is due to revenue share agreement in some properties.
- 🔪 PVR's 2QFY23 was a washout quarter with a 28% qoq decline in footfalls. We expect the business to gradually recover with improvement in Bollywood content.
- 🔪 PVR-INOX merger is on track & synergies can potentially drive a 15% EBITDA upside.
- 🔪 We expect earnings (EPS) to grow 173.7% in FY23 and 16.8% in FY24.