

# PVR INOX | BUY



## Better Fridays ahead

PVR Inox reported a soft quarter, as anticipated. General Elections and a Cricket-heavy season pushed out blockbuster movies to Q1-end. Absence of tent-pole content impacted admits (-10% YoY), Occupancy (-3 ppt) and ATP (-5%). Rise in Opex/Screen (+4% YoY) pulled down core margins further. That shouldn't deter investors though. Kalki's strong performance (GBOC: INR 10bn+ till date) suggests movie going remain solely content driven. A strong line-up of movies across languages means Q2/Q3 should be sequentially stronger. Notwithstanding a weak start, management believes FY25 admits could be similar to FY24's, underscoring its confidence in content pipeline. Receding impact of Hollywood strike should help normalise release calendar next year, translating into a more consistent financial performance. That should help realise revenue synergies of the merger. Management's calibrated approach on screen addition, gradual pivot to asset-light model and planned divestment of non-core properties (INR 3.5bn) should aid free cash flow. Sporadic instances of screen closures by single-screen theatres highlight the pressure on sub-scale players. PVR Inox's scale and financial discipline could facilitate further consolidation in the space, driving market share gains, in our view. We remain constructive. Reiterate BUY with INR 2,040 TP.

- 1QFY25 – expectedly soft:** Consol. revenues declined 9% YoY (-5% QoQ) to INR 12bn (JMFe: INR 11.6bn). General Elections, IPL and T20 CWC impacted volume as well as BOC of movies. Number of movies released was down 13% YoY. Movies with INR 1bn+ GBOC was down from 7 to 3 (YoY). This not only impacted admits (-10% YoY) and occupancy (20.3%, -270bps YoY) but lowered PVR Inox's ability to flex pricing. ATP declined 5% YoY, highest drop since COVID. Consequently, Movie ticketing declined 15%. 3% rise in SPH restricted F&B revenue decline to 6% YoY. Ad revenues saw 5% YoY increase. Pre-Ind AS EBITDA margin of -3% missed our estimates of -2%. Net losses of INR 1.8bn were more than JMFe: -1.2bn. Net debt reduced marginally to INR 16.95bn (D/E: 0.23).
- Outlook - Positive:** 2Q has started on a good note. Kalki, which pulled in 16% of 1Q BOC in just 4 days, has continued its box office run in 2Q (has grossed INR 1,000cr+ globally till date). Hollywood lineup is looking up. Advanced bookings of "Deadpool & Wolverine" has been encouraging. Elections-led disruption in 1Q and lingering impact of Hollywood strikes mean movie release calendar will likely return to normalcy only by CY25/FY26. It however means many blockbuster movies are now bunched up in Q2/Q3. Such is the strength of the pipeline that Management expects FY25 admits to reach FY24's. This is despite a slow start and lower number of net new screen additions (50; +3% YoY).
- Lower capex intensity a positive; Maintain BUY:** A likely strong Q2-Q3 limits cuts to FY25E revenue (-1%). We however lower our FY25-27E core margin estimates by 30-70bps on marginally higher cost/screen (higher CAM/rental/other expenses). 1Q losses, higher depreciation charges (of RTU assets) and operating leverage however drive 4-30% cut to our FY25-27E EPS. Lower capex (less screen addition) and asset sale (INR 3.5bn capital release) supports DCF, restricting cuts to our DCF-based valuation. Our TP moves to INR 2,040 (from INR 2,070). Maintain BUY.

### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	2,040
Upside/(Downside)	42.7%
Previous Price Target	2,070
Change	-1.4%

### Key Data – PVRINOX IN

Current Market Price	INR1,430
Market cap (bn)	INR140.3/US\$1.7
Free Float	88%
Shares in issue (mn)	98.0
Diluted share (mn)	97.4
3-mon avg daily val (mn)	INR920.3/US\$11.0
52-week range	1,880/1,204
Sensex/Nifty	80,502/24,509
INR/US\$	83.7

### Price Performance

%	1M	6M	12M
Absolute	-0.5	-6.1	-5.0
Relative*	-4.6	-17.9	-21.3

\* To the BSE Sensex

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary					(INR mn)
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	36,092	60,540	68,575	76,244	84,883
Sales Growth (%)	173.3	67.7	13.3	11.2	11.3
EBITDA*	5,442	7,121	12,450	14,984	17,819
EBITDA Margin* (%)	10.2	11.7	17.8	19.3	20.7
Adjusted Net Profit	-3,177	-320	4,359	8,138	9,935
Diluted EPS (INR)	-32.6	-3.3	44.7	83.5	102.0
Diluted EPS Growth (%)	0.0	0.0	0.0	86.7	22.1
ROIC (%)	8.7	5.1	10.3	13.3	16.2
ROE (%)	-7.3	-0.4	5.8	10.0	11.1
P/E (x)	-43.9	-435.3	32.0	17.1	14.0
P/B (x)	1.9	1.9	1.8	1.6	1.5
EV/EBITDA (x)	28.4	21.5	11.7	9.3	7.4
Dividend Yield (%)	0.0	0.0	0.4	0.9	1.2

Note:\* EBITDA Adjusted for Ind AS 116 Impact; Source: Company data, JM Financial. Note: Valuations as of 22/Jul/2024

## 1QFY25 result review

## Exhibit 1. Key Financials

	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25
Sale of movie tickets	27,514	6,945	11,193	8,308	6,353	32,799	5,935
Foods & Beverages	16,180	4,277	6,412	4,763	4,132	19,584	4,018
Advertisement	3,818	893	1,176	1,405	1,045	4,519	934
Others	2,470	532	685	527	437	2,181	438
<b>Revenue (INR mn)</b>	<b>37,506</b>	<b>13,049</b>	<b>19,999</b>	<b>15,459</b>	<b>12,564</b>	<b>61,071</b>	<b>11,907</b>
Film exhibition cost	8,184	2,980	4,954	3,710	2,469	14,113	2,451
Cost of F&B	3,102	1,071	1,544	1,248	1,131	4,994	1,005
<b>Gross Profit</b>	<b>26,220</b>	<b>8,998</b>	<b>13,501</b>	<b>10,501</b>	<b>8,964</b>	<b>41,964</b>	<b>8,451</b>
Staff Cost	4,389	1,559	1,679	1,629	1,706	6,573	1,643
Other Expenditure	11,355	3,914	4,754	4,148	4,474	17,290	4,293
<b>EBITDA</b>	<b>10,476</b>	<b>3,525</b>	<b>7,068</b>	<b>4,724</b>	<b>2,784</b>	<b>18,101</b>	<b>2,515</b>
- Margin	27.9%	27.0%	35.3%	30.6%	22.2%	29.6%	21.1%
<b>Pre IND AS 116 EBITDA</b>	<b>3,202</b>	<b>808</b>	<b>4,726</b>	<b>2,025</b>	<b>12</b>	<b>7,121</b>	<b>-378</b>
- Margin	8.5%	6.2%	23.6%	13.1%	0.1%	11.7%	-3.2%
PAT	-3,351	-816	1,663	128	-1,295	-320	-1,787
<b>EPS</b>	<b>-55.2</b>	<b>-8.3</b>	<b>17.0</b>	<b>1.3</b>	<b>-13.2</b>	<b>-3.3</b>	<b>-18.2</b>

Source: Company, JM Financial

## Exhibit 2. 1QFY25 Result Summary

INR mn	1QFY25A	4QFY24A	QoQ	1QFY24A	YoY	JMFe	Vs JMFe
<b>Key Financials</b>							
<b>Consol. Revenue</b>	<b>11,907</b>	<b>12,564</b>	<b>-5.2%</b>	<b>13,049</b>	<b>-8.8%</b>	<b>11,587</b>	<b>2.8%</b>
Reported EBITDA	2,517	2,784	-9.6%	3,525	-28.6%	2,575	-2.3%
- margin	21%	22%	-102 bps	27%	-587 bps	22%	-108 bps
Adjusted EBITDA	-376	12	-3233.3%	808	nm	-262	43.5%
- margin	<b>-3.2%</b>	<b>0.1%</b>	<b>-325 bps</b>	<b>6%</b>	<b>nm</b>	<b>-2%</b>	<b>-90 bps</b>
PAT	-1,790	-1,297	38.0%	-816	119.4%	-1,220	46.7%
EPS	-18.4	-13.3	38.0%	-8.3	nm	-12.5	46.7%
<b>Operating Metrics - Ticketing</b>							
Screens	1754	1718	2.1%	1697	3.4%	1723.0	1.8%
Admits (Mn)	30.4	32.6	-6.7%	33.9	-10.3%	30.2	0.7%
Occupancy	20.3%	22.6%	-230 bps	23.0%	-270 bps	22.0%	-170 bps
ATP (INR)	235	233	0.9%	246	-4.5%	230	2.2%
<b>Income from ticketing</b>	<b>5,935</b>	<b>6,353</b>	<b>-6.6%</b>	<b>6,945</b>	<b>-14.5%</b>	<b>5,887</b>	<b>0.8%</b>
<b>Operating Metrics - F&amp;B</b>							
SPH (INR)	134	129	3.9%	130	3.1%	131	2.3%
<b>Income from F&amp;B</b>	<b>4,018</b>	<b>4,132</b>	<b>-2.8%</b>	<b>4,277</b>	<b>-6.1%</b>	<b>4,068</b>	<b>-1.2%</b>

Source: Company, JM Financial estimates

## Exhibit 3. Top 5 Movies in 1QFY25 – Box office collection and PVR Inox share

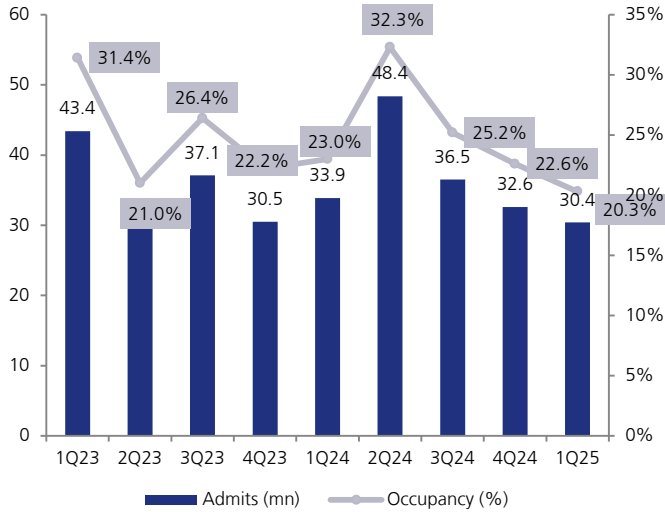
Movie	India GBOC (INR mn)	PVR Inox GBOC (INR mn)	PVR Inox share
<b>Hindi</b>			
Munjya	1,114	457	41%
Kalki	1,309	447	34%
Crew	610	347	57%
Chandu Champion	676	323	48%
Maidaan	614	301	49%
<b>English</b>			
Godzilla x Kong	789	384	49%
Inside out	249	200	80%
Kingdom of the planet of the APES	288	130	45%
Furiosa	195	109	56%
Kung Fu Panda	119	94	79%
<b>Regional</b>			
Kalki (Telugu)	2,228	395	18%
Maharja (Tamil)	780	150	19%
Aavesham (Malayalam)	1,011	133	13%
Aranmai 4 (Tamil)	749	118	16%
Tilu Square (Telugu)	564	108	19%

Source: Company, JM Financial

## Key Highlights from the call

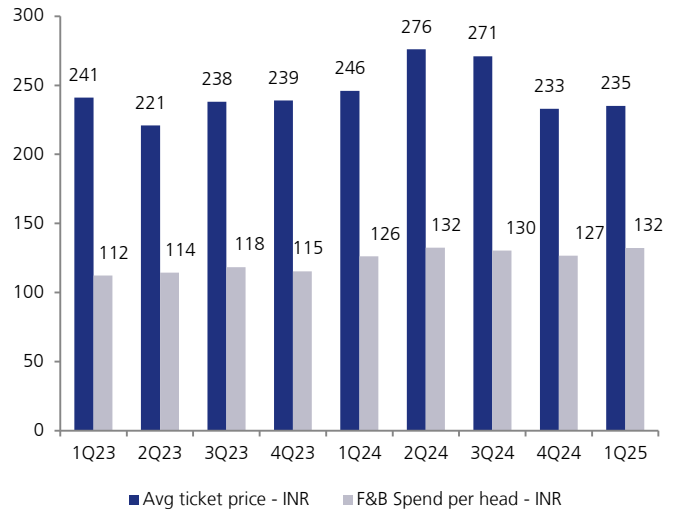
- **Outlook:** Management reported a strong start to Q2 with Kalki's spillover and promising upcoming releases across languages. They foresee no major disruptions ahead, and they anticipate a rebound in Hollywood as strikes fade. Growth is also expected in the passport program as content visibility improves. The company expects 50 net new screens, 120 new and 70 exits in FY25. Q2, Q3, and Q4 are anticipated to be robust with postponed Q1 films releasing in these quarters. Expect content pipeline recovery by CY25/FY25 to pre-Covid levels, Ad revenues are also expected to improve with larger releases.
- **Election & T20 impact:** The quarter was impacted by the 44-day-long general elections and concurrent T20 World Cup. This led to producers postponing movie release to subsequent quarter. Only three blockbusters - Munjhya, Chandu Champion and Kalki were released during the quarter, compared to 7 in 1QFY24. Kalki managed to pull nearly 16% of quarters total box office collection in four days.
- **Karnataka Government Cess:** The Company addressed concerns regarding Karnataka government's 2% cess on movie tickets, expressing confidence in addressing the issue through appropriate measures. They also emphasized that such a move would contradict the uniform taxation principle of GST.
- **Devyani International JV:** The Company expressed that they have set up the JV company with Devyani International, registered as Devyani PVR INOX Food court Ltd. with 'Street Junction' as the brand for all food courts. They plan to open at least 2 food courts within the next 2-3 months, with locations already identified, and aim to have 5-6 operational by fiscal year-end. These food courts will be located outside cinema premises, allowing entry without a ticket purchase; it will be pre-ticketed F&B revenue.
- **Costs Structure:** The company highlighted a 7% year-on-year fixed cost increase, with 4.5% attributed to new screens and 2.5% to existing screens. They noted that new locations, situated in premium areas, incurred relatively higher fixed expenses. Average rental increases were reported at 3.7% YoY. The company expressed that new locations achieve EBITDA profitability within 6 to 9 months of opening with varying payback periods. They stated that a majority of screens opened a year ago are now profitable. Management reiterated their commitment to deleveraging the balance sheet by monetizing office properties, targeting 300-350 crores, to be completed within 3-4 months.
- **Trends:** Management attributed the success of mid and small budget films to a growing audience preference for quality content over star power. They announced a cautious approach to new screen openings and a shift towards capital-light model through partnerships with developers. They intend to use this model in lease renegotiations at underperforming locations. The quarter saw ATP coming down, lack of blockbusters led to a tweak in the price to improve demand. Management maintained that ticket price would be a function of demand. The success of re-releases, contributing 12 lakh admissions, prompted plans for wider exploration of this strategy.
- **PVR Passport:** PVR passport program saw good response with 2.5 lakh passports sold.

**Exhibit 4. Admits and Occupancy trends**



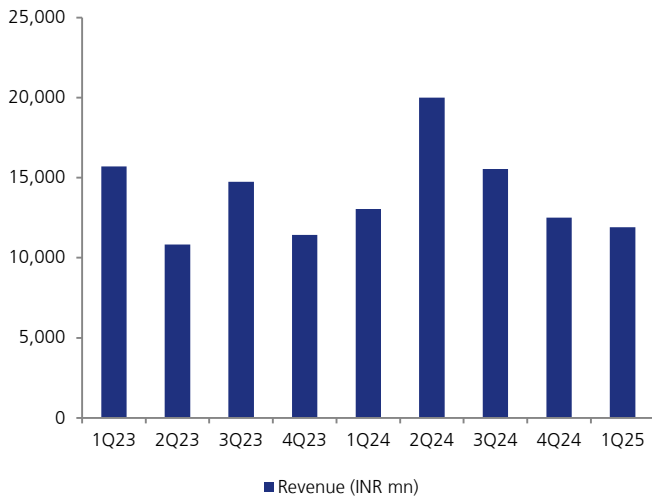
Source: Company, JM Financial

**Exhibit 5. ATP & SPH trends**



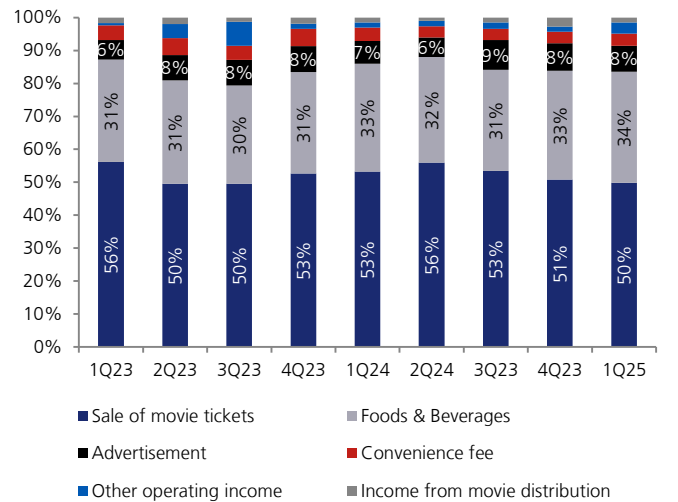
Source: Company, JM Financial

**Exhibit 6. Revenue trends**



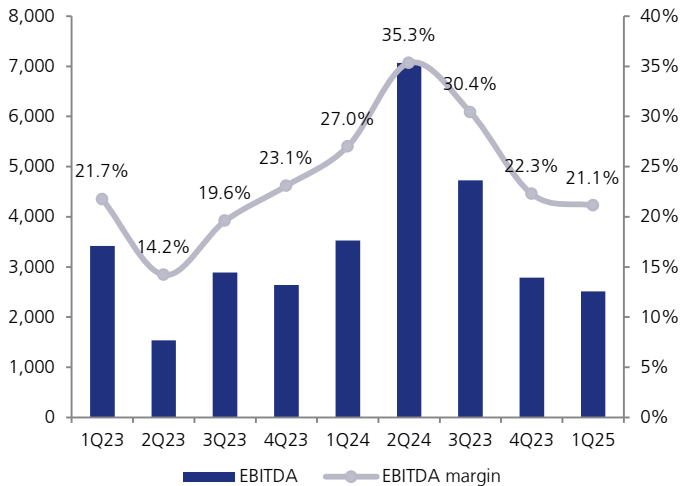
Source: Company, JM Financial

**Exhibit 7. Revenue mix**



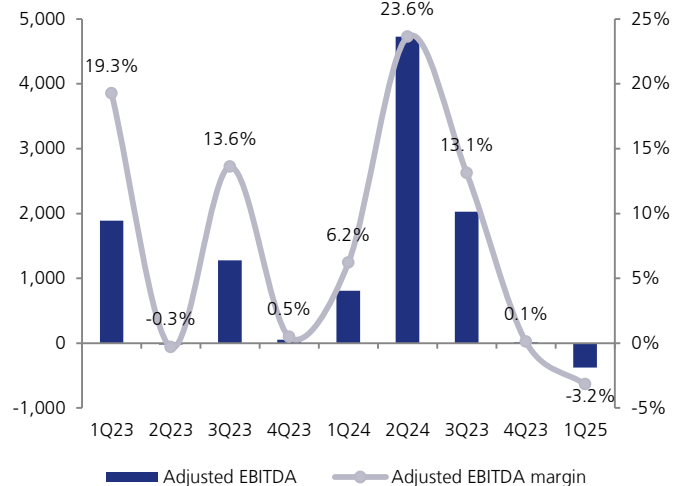
Source: Company, JM Financial

**Exhibit 8. EBITDA and margin trend**



Source: Company, JM Financial

**Exhibit 9. EBITDA – pre IND AS116 and margins trend**



Source: Company, JM Financial

## Maintain BUY, TP Revised to INR 2,040.

PVR-Inox's performance in 1QFY25 was impacted by the IPL and general elections, resulting in a loss of INR 1.8 billion for the quarter. Despite this, a robust movie pipeline for Q2 and Q3 has only marginally adjusted revenue estimates downwards by 1%. However, unexpectedly high rental and CAM charges, alongside increased operating expenses, have dragged down our core EBITDA margin estimates by 30-70 basis points. The company's high operating leverage, coupled with accelerated depreciation of RTU assets, has led to lower EPS forecasts for FY25, FY26, and FY27 by 30%, 15%, and 4%, respectively. Nevertheless, improvements in FY25 cash flow are expected as the company plans to sell non-core assets valued at around INR 350 crore, which we factor into our DCF model. Additionally, a revised assumption of fewer new screen openings will result in reduced capital expenditure and strengthen our DCF valuation. Consequently, our DCF-based target price sees a modest adjustment from INR 2,070 to INR 2,040. We maintain a BUY rating.

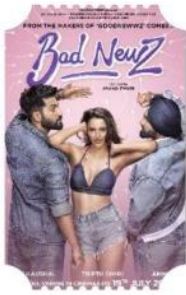
### Exhibit 10. What has Changed

	Old			New			Change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
Sale of tickets	37,635	41,542	45,973	37,044	41,389	46,141	-1.6%	-0.4%	0.4%
Sale of food and beverages	22,703	25,331	28,350	21,879	24,150	26,860	-3.6%	-4.7%	-5.3%
Income from advertisement	5,318	6,060	6,820	5,338	5,998	6,681	0.4%	-1.0%	-2.0%
Other	4,995	5,580	5,810	5,736	6,010	6,447	14.8%	7.7%	11.0%
<b>Consol Revenue</b>	<b>70,651</b>	<b>78,513</b>	<b>86,953</b>	<b>69,997</b>	<b>77,547</b>	<b>86,127</b>	<b>-0.9%</b>	<b>-1.2%</b>	<b>-0.9%</b>
Gross Profit	48,836	54,237	60,033	49,185	54,083	59,781	0.7%	-0.3%	-0.4%
Gross Profit margin	69%	69%	69%	70%	70%	69%	114bp	66bp	37bp
EBITDA	24,398	27,914	31,619	24,030	27,311	31,227	-1.5%	-2.2%	-1.2%
<b>EBITDA margin</b>	<b>34.5%</b>	<b>35.6%</b>	<b>36.4%</b>	<b>34.3%</b>	<b>35.2%</b>	<b>36.3%</b>	<b>-20bp</b>	<b>-34bp</b>	<b>-11bp</b>
Pre Ind As EBITDA	13,065	15,677	18,229	12,450	14,984	17,819	-4.7%	-4.4%	-2.2%
<b>Pre Ind As EBITDA margin</b>	<b>18.5%</b>	<b>20.0%</b>	<b>21.0%</b>	<b>17.8%</b>	<b>19.3%</b>	<b>20.7%</b>	<b>-71bp</b>	<b>-65bp</b>	<b>-27bp</b>
PAT	6,273	9,606	10,373	4,359	8,138	9,935	-30.5%	-15.3%	-4.2%
EPS	64	99	106	45	84	102	-30.5%	-15.3%	-4.2%

Source: JM Financial estimates



Exhibit 11. Content Pipeline July –August- September



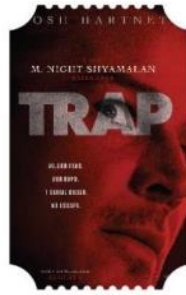
**BAD NEWZ**  
**CAST**  
 VICKY KAUSHAL,  
 TRIPTI DIMRI,  
 AMMY VIRK  
**DIRECTOR**  
 ANAND TIWARI  
**HINDI**  
**19<sup>TH</sup> JUL'2024**



**DEADPOOL & WOLVERINE - IMAX, 4DX, SCREEN-X, ICE**  
**CAST**  
 RYAN REYNOLDS,  
 HUGH JACKMAN,  
 LESLIE UGGAMS  
**DIRECTOR**  
 SHAWN LEVY  
**ENGLISH**  
**26<sup>TH</sup> JUL'2024**



**RAAYAN**  
**CAST**  
 DHANUSH,  
 SUNDEEP KISHAN,  
 KALIDAS JAYA RAM,  
 SJ SURYAH  
**DIRECTOR**  
 DHANUSH  
**TAMIL**  
**26<sup>TH</sup> JUL'2024**



**TRAP**  
**CAST**  
 ROLANDO  
 DAVILA BELTRAN  
**DIRECTOR**  
 M.NIGHT  
 SHYAMALAN  
**ENGLISH**  
**2<sup>ND</sup> AUG'2024**



**AURON MEIN KAHAN DUM THA**  
**CAST**  
 AJAY DEVGN, TABU,  
 JIMMY SHEIRGILL,  
 SAIEE MANJREKAR  
**DIRECTOR**  
 NEERAJ PANDEY  
**HINDI**  
**2<sup>ND</sup> AUG'2024**



**ULAJH**  
**CAST**  
 JANHVI KAPOOR,  
 ROSHAN MATHEW,  
 GULSHAN DEVAIAH  
**DIRECTOR**  
 SUDHANSHU SARIA  
**HINDI**  
**2<sup>ND</sup> AUG'2024**



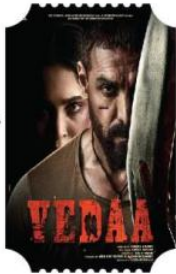
**BORDERLANDS-IMAX**  
**CAST**  
 CATE BLANCHETT,  
 KEVIN HART,  
 JACK BLACK,  
 JAMIE LEE CURTIS,  
 EDGAR RAMIREZ  
**DIRECTOR**  
 ELI ROTH  
**ENGLISH**  
**9<sup>TH</sup> AUG'2024**



**ALIEN ROMULUS IMAX, ICE, 4DX, SCREEN-X**  
**CAST**  
 CAILEE SPANEY,  
 ISABELA,  
 ARCHIE RENALUX,  
 DAVID JONSSON,  
 SPIKE FEARN  
**DIRECTOR**  
 FEDE ALVAREZ  
**ENGLISH**  
**15<sup>TH</sup> AUG'2024**



**STREE 2**  
**CAST**  
 SHRADDHA KAPOOR,  
 RAJKUMMAR RAO,  
 PANKAJ TRIPATHI,  
 ABHISHEK BANERJEE,  
 APARSHAKTI  
 KHURANA  
**DIRECTOR**  
 AMAR KAUSHIK  
**HINDI**  
**15<sup>TH</sup> AUG'2024**



**VEDAA**  
**CAST**  
 JOHN ABRAHAM,  
 SHARVARI WAGH  
**DIRECTOR**  
 NIKKHIL ADVANI  
**HINDI**  
**15<sup>TH</sup> AUG'2024**



**KHEL KHEL MEIN (ICE)**  
**CAST**  
 AKSHAY KUMAR,  
 TAAPSE PANNU,  
 VANNI KAPOOR, AMMY  
 VIRK, ADITYA SEAL,  
 FARDEEN KHAN  
**DIRECTOR**  
 MUDASSAR AZIZ  
**HINDI**  
**15<sup>TH</sup> AUG'2024**



**DOUBLE ISMART**  
**CAST**  
 RAM POTHINENI  
**DIRECTOR**  
 PURI JAGANNADH  
**TELUGU, HINDI,  
 TAMIL,  
 MALAYALAM,  
 KANNADA**  
**15<sup>TH</sup> AUG'2024**



**THE GOAT (GREATEST OF ALL TIME) - IMAX**  
**CAST**  
 THALAPATHY VIJAY,  
 MEENAKSHI  
 CHAUDHARY,  
 PRABHU DEVA  
**DIRECTOR**  
 VENKAT PRABHU  
**TAMIL, TELUGU,  
 HINDI**  
**5<sup>TH</sup> SEP'2024**



**BETLEJUICE BETLEJUICE 2024 A.D. - IMAX**  
**CAST**  
 JENNA ORTEGA,  
 MICHAEL KEATON,  
 MONICA BELLUCCI  
**DIRECTOR**  
 TIM BURTON  
**ENGLISH**  
**6<sup>TH</sup> SEP'2024**












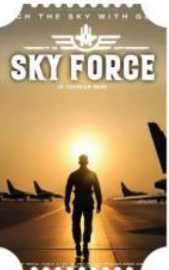



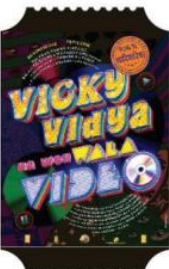


**EMERGENCY**  
**CAST**  
 KANGANA RANAUT,  
 ANUPAM KHER,  
 SHREYAS TALPADE  
**DIRECTOR**  
 KANGANA RANAUT  
**HINDI**  
**6<sup>TH</sup> SEP'2024**



**LUCKY BASKHAR**  
**CAST**  
 DULQUER SALMAAN  
**DIRECTOR**  
 VENKY ATLURI  
**MALAYALAM,  
 TELUGU, TAMIL,  
 HINDI**  
**7<sup>TH</sup> SEP'2024**

Source: Company, JM Financial

Exhibit 12. Content Pipeline September- October

	<p><b>BARROZ - 3D</b></p> <p>CAST MOHANLAL, PAZ VEGA</p> <p>DIRECTOR MOHANLAL</p> <p>MALAYALAM</p> <p>12<sup>TH</sup> SEP'2024</p>		<p><b>SPEAK NO EVIL</b></p> <p>CAST MORTEN BURIAN, SIDESEL SIEM KOCH</p> <p>DIRECTOR CHRISTIAN TAFDRUP</p> <p>ENGLISH</p> <p>13<sup>TH</sup> SEP'2024</p>		<p><b>THE BUCKINGHAM MURDER</b></p> <p>CAST KAREENA KAPOOR, KEITH ALLEN, CHRIS WILSON</p> <p>DIRECTOR HANSAL MEHTA</p> <p>HINDI</p> <p>13<sup>TH</sup> SEP'2024</p>		<p><b>TRANSFORMERS ONE - IMAX</b></p> <p>CAST SCARLETT JOHANSSON, CHRIS HEMSWORTH, JON HAMM</p> <p>DIRECTOR JOSH COOLEY</p> <p>ENGLISH</p> <p>20<sup>TH</sup> SEP'2024</p>
	<p><b>WOLFS - IMAX</b></p> <p>CAST BRAD PITT, GEORGE GLOONEY, AMY RYAN, AUSIN ABRAMS</p> <p>DIRECTOR JON WATTS</p> <p>ENGLISH</p> <p>20<sup>TH</sup> SEP'2024</p>		<p><b>NEVER LET GO</b></p> <p>CAST HALLE BERRY, MATTHEW KEVIN ANDERSON, CHRISTIN PARK</p> <p>DIRECTOR ALEXANDRE AJA</p> <p>ENGLISH</p> <p>27<sup>TH</sup> SEP'2024</p>		<p><b>NIKAA ZAILDAR 4</b></p> <p>CAST AMMY VIRK, SONAM BAJWA</p> <p>DIRECTOR SIMERJIT SINGH</p> <p>PUNJABI</p> <p>27<sup>TH</sup> SEP'2024</p>		<p><b>OG - ORIGINAL GANGSTERS</b></p> <p>CAST PAWAN KALYAN</p> <p>DIRECTOR SUJEETH</p> <p>TELUUGU</p> <p>27<sup>TH</sup> SEP'2024</p>
	<p><b>DEVARA PART 1 - IMAX, ICE</b></p> <p>CAST JR NTR, JANHVI KAPOOR, SAIF ALI KHAN</p> <p>DIRECTOR KORATALA SIVA</p> <p>TELUUGU, TAMIL, HINDI</p> <p>27<sup>TH</sup> SEP'2024</p>		<p><b>SKY FORCE</b></p> <p>CAST AKSHAY KUMAR, VEER PAHARIYA</p> <p>DIRECTOR SANDEEP KEWLANI AND ABHISHEK ANIL KAPUR</p> <p>HINDI</p> <p>2<sup>ND</sup> OCT'2024</p>		<p><b>JOKER FOLIE A DEUX - IMAX, ICE</b></p> <p>CAST JAOQUIN PHOENIX, ZAZIE BEETZ, BRENDAN GLEESON</p> <p>DIRECTOR TODD PHILIPS</p> <p>ENGLISH</p> <p>4<sup>TH</sup> OCT'2024</p>		<p><b>VETTAIYAN</b></p> <p>CAST RAJINIKANTH, AMITABH BACHCHAN, FAHADH FAASIL</p> <p>DIRECTOR TJ GNANAVEL</p> <p>TAMIL</p> <p>10<sup>TH</sup> OCT'2024</p>
	<p><b>KANGUVA</b></p> <p>CAST SURIYA, DISHA PATANI</p> <p>DIRECTOR SIVA</p> <p>TAMIL</p> <p>10<sup>TH</sup> OCT'2024</p>		<p><b>VICKY VIDYA KA WOH WALA VIDEO</b></p> <p>CAST RAJKUMAR RAO, TRIFTI DIMRI</p> <p>DIRECTOR RAAJ SHAANDILYAA</p> <p>HINDI</p> <p>11<sup>TH</sup> OCT'2024</p>		<p><b>DEVA</b></p> <p>CAST SHAHID KAPOOR, POOJA HEGDE</p> <p>DIRECTOR ROSSHAN ANDREWS</p> <p>HINDI</p> <p>11<sup>TH</sup> OCT'2024</p>		<p><b>JIGRA</b></p> <p>CAST ALIA BHATT</p> <p>DIRECTOR VASAN BALA</p> <p>HINDI</p> <p>11<sup>TH</sup> OCT'2024</p>

Source: Company, JM Financial

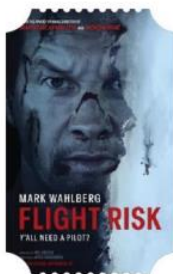


Exhibit 13. Content Pipeline October-November- December



**THANDEL**  
 CAST  
 NAGA CHAITANYA,  
 SAI PALLAVI  
 DIRECTOR  
 CHANDOO  
 MONDETI  
 TELUGU

11<sup>TH</sup> OCT'2024



**FLIGHT RISK**  
 CAST  
 MARK WAHLBERG,  
 MICHELLE  
 DOCKERY,  
 TOPHER GRACE  
 DIRECTOR  
 MEL GIBSON  
 ENGLISH

18<sup>TH</sup> OCT'2024



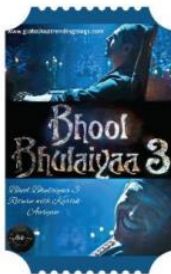
**SMILE 2 -  
 ICE**  
 CAST  
 NAOMI SCOTT,  
 ROSEMARIE DEWITT,  
 KYLE GALLNER,  
 LUKAS GAGE  
 DIRECTOR  
 PARKER FINN  
 ENGLISH

18<sup>TH</sup> OCT'2024



**VENOM: THE  
 LAST DANCE -  
 IMAX**  
 CAST  
 TOM HARDY  
 DIRECTOR  
 KELLY MARCEL  
 ENGLISH

25<sup>TH</sup> OCT'2024



**BHOOL  
 BHULAIYAA 3**  
 CAST  
 KARTIK ARYAN  
 DIRECTOR  
 ANEES BAZMEE  
 HINDI

1<sup>ST</sup> NOV'2024



**SINGHAM AGAIN -  
 IMAX**  
 CAST  
 AJAY DEVGN  
 DIRECTOR  
 ROHIT SHETTY  
 HINDI

1<sup>ST</sup> NOV'2024



**GLADIATOR 2 -  
 IMAX, ICE**  
 CAST  
 PAUL MESCAL,  
 DENZEL  
 WASHINGTON,  
 CONNIE NIELSEN,  
 DEREK JACOBI  
 DIRECTOR  
 RIDLEY SCOTT  
 ENGLISH

15<sup>TH</sup> NOV'2024



**RED ONE - IMAX**  
 CAST  
 DWANYE JOHNSON,  
 CHRIS EVANS,  
 KIERNAN SHIPKA,  
 J.K SIMMONS  
 DIRECTOR  
 JAKE KASDAN  
 ENGLISH

15<sup>TH</sup> NOV'2024



**DHADAK 2**  
 CAST  
 SIDDHANT  
 CHATURVEDI,  
 TRIPTI DIMRI  
 DIRECTOR  
 SHAZIA IQBAL  
 HINDI

22<sup>ND</sup> NOV'2024



**METRO IN DINO**  
 CAST  
 ADITYA ROY KAPOOR,  
 SARA ALI KHAN, ALI  
 FAZAL, FATIMA SANA  
 SHAIKH, KONKONA  
 SEN SHARMA,  
 ANUPAM KHER  
 DIRECTOR  
 ANURAG BASU  
 HINDI

29<sup>TH</sup> NOV'2024



**PUSHPA 2 : THE  
 RULE - IMAX**  
 CAST  
 ALLU ARJUN,  
 RASHMIKA  
 MANDANNA,  
 DIRECTOR  
 SUKUMAR  
 TELUGU, HINDI,  
 TAMIL, KANNADA,  
 MALAYALAM

6<sup>TH</sup> DEC'2024



**LORD OF THE  
 RINGS: THE WAR  
 OF ROHIRRIM -  
 IMAX, ICE**  
 CAST  
 BRIAN COX,  
 MIRANDA OTTO  
 DIRECTOR  
 KENJI KAMIYAMA  
 ENGLISH

13<sup>TH</sup> DEC'2024



**KRAVEN THE  
 HUNTER -  
 IMAX, 4DX, MX4D,  
 SCREEN X**  
 CAST  
 AARON TAYLOR -  
 JOHNSON,  
 ARIANA DEBOSE,  
 DIRECTOR  
 J.C CHANDOR  
 ENGLISH, HINDI,  
 TAMIL, TELUGU

13<sup>TH</sup> DEC'2024



**MUFASA: THE  
 LION KING -  
 IMAX, ICE**  
 CAST  
 SETH ROGEN, BILLY  
 EICHNER, KELVIN  
 HARRISON JR  
 DIRECTOR  
 BARRY JENKINS  
 ENGLISH

20<sup>TH</sup> DEC'2024



**SITARE ZAMEEN  
 PAR**  
 CAST  
 AAMIR KHAN,  
 GENELIA DSOUZA  
 DIRECTOR  
 AAMIR KHAN  
 HINDI

25<sup>TH</sup> DEC'2024



**BABY JOHN -  
 IMAX**  
 CAST  
 VARUN DHAWAN  
 DIRECTOR  
 KALEES  
 HINDI

25<sup>TH</sup> DEC'2024

Source: Company, JM Financial



## Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Sales	36,092	60,540	68,575	76,244	84,883	
Sales Growth	173.3%	67.7%	13.3%	11.2%	11.3%	
Other Operating Income	1,414	531	1,422	1,303	1,245	
<b>Total Revenue</b>	<b>37,507</b>	<b>61,071</b>	<b>69,997</b>	<b>77,547</b>	<b>86,127</b>	
Cost of Goods Sold/Op. Exp	11,286	19,107	20,812	23,464	26,346	
Personnel Cost	4,389	6,573	6,752	7,111	7,596	
Other Expenses	11,355	17,290	18,403	19,660	20,959	
<b>EBITDA</b>	<b>10,477</b>	<b>18,101</b>	<b>24,030</b>	<b>27,311</b>	<b>31,227</b>	
EBITDA Margin	27.9%	29.6%	34.3%	35.2%	36.3%	
EBITDA Growth	894.0%	72.8%	32.8%	13.7%	14.3%	
Depn. & Amort.	7,533	12,193	12,512	12,535	12,800	
EBIT	2,944	5,908	11,518	14,776	18,426	
Other Income	791	1,566	1,694	1,760	261	
Finance Cost	5,716	7,913	7,430	5,668	5,419	
PBT before Excep. & Forex	-1,982	-439	5,782	10,868	13,268	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	-1,982	-439	5,782	10,868	13,268	
Taxes	1,274	-112	1,416	2,717	3,317	
Extraordinary Inc./Loss(-)	-108	0	0	0	0	
Assoc. Profit/Min. Int.(-)	-13	-7	7	13	16	
Reported Net Profit	-3,351	-320	4,359	8,138	9,935	
<b>Adjusted Net Profit</b>	<b>-3,177</b>	<b>-320</b>	<b>4,359</b>	<b>8,138</b>	<b>9,935</b>	
Net Margin	-8.5%	-0.5%	6.2%	10.5%	11.5%	
Diluted Share Cap. (mn)	97.4	97.4	97.4	97.4	97.4	
<b>Diluted EPS (INR)</b>	<b>-32.6</b>	<b>-3.3</b>	<b>44.7</b>	<b>83.5</b>	<b>102.0</b>	
Diluted EPS Growth	0.0%	0.0%	0.0%	86.7%	22.1%	
Total Dividend + Tax	0	0	523	1,221	1,739	
Dividend Per Share (INR)	0.0	0.0	5.4	12.5	17.8	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Profit before Tax	-1,982	-439	5,782	10,868	13,268	
Depn. & Amort.	7,533	12,193	12,512	12,535	12,800	
Net Interest Exp. / Inc. (-)	4,925	6,347	5,736	3,908	5,158	
Inc (-) / Dec in WCap.	-1,969	890	-519	-329	-402	
Others	130	826	0	0	0	
Taxes Paid	1	-27	-2,008	-2,717	-3,317	
<b>Operating Cash Flow</b>	<b>8,639</b>	<b>19,790</b>	<b>21,503</b>	<b>24,265</b>	<b>27,508</b>	
Capex	-6,360	-6,344	-2,487	-5,419	-5,801	
Free Cash Flow	2,280	13,446	19,016	18,845	21,707	
Inc (-) / Dec in Investments	0	-161	0	0	0	
Others	601	239	1,694	1,760	261	
<b>Investing Cash Flow</b>	<b>-5,759</b>	<b>-6,266</b>	<b>-793</b>	<b>-3,659</b>	<b>-5,541</b>	
Inc / Dec (-) in Capital	305	188	0	0	0	
Dividend + Tax thereon	0	0	0	-523	-1,221	
Inc / Dec (-) in Loans	1,260	-732	-4,294	-966	-894	
Others	-8,501	-12,381	-13,083	-13,505	-14,497	
<b>Financing Cash Flow</b>	<b>-6,935</b>	<b>-12,925</b>	<b>-17,378</b>	<b>-14,994</b>	<b>-16,611</b>	
<b>Inc / Dec (-) in Cash</b>	<b>-4,055</b>	<b>599</b>	<b>3,332</b>	<b>5,611</b>	<b>5,356</b>	
Opening Cash Balance	7,374	3,331	3,930	7,262	12,874	
Closing Cash Balance	3,319	3,930	7,262	12,874	18,230	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Shareholders' Fund	73,299	73,235	77,594	85,209	93,923	
Share Capital	980	981	981	981	981	
Reserves & Surplus	72,319	72,254	76,613	84,228	92,942	
Preference Share Capital	0	0	0	0	0	
Minority Interest	-7	-3	4	17	33	
Total Loans	17,926	17,177	12,883	11,917	11,023	
Def. Tax Liab. / Assets (-)	-4,735	-4,881	-5,473	-5,473	-5,473	
<b>Total - Equity &amp; Liab.</b>	<b>86,483</b>	<b>85,528</b>	<b>85,008</b>	<b>91,670</b>	<b>99,506</b>	
Net Fixed Assets	1,44,559	1,47,245	1,43,049	1,42,350	1,42,480	
Gross Fixed Assets	1,03,201	1,09,835	1,12,322	1,17,741	1,23,543	
Intangible Assets	53,746	54,917	52,853	51,694	51,466	
Less: Depn. & Amort.	14,862	19,971	24,590	29,549	34,992	
Capital WIP	2,473	2,464	2,464	2,464	2,464	
Investments	2	161	161	161	161	
Current Assets	15,436	15,890	20,547	27,644	34,673	
Inventories	664	725	801	891	992	
Sundry Debtors	1,825	2,346	2,657	2,955	3,289	
Cash & Bank Balances	3,319	3,930	7,262	12,874	18,230	
Loans & Advances	5,386	5,578	6,166	6,855	7,632	
Other Current Assets	4,243	3,311	3,660	4,069	4,530	
Current Liab. & Prov.	73,514	77,768	78,749	78,485	77,808	
Current Liabilities	72,884	77,168	78,132	77,836	77,115	
Provisions & Others	631	600	616	649	693	
Net Current Assets	-58,078	-61,878	-58,202	-50,842	-43,135	
<b>Total - Assets</b>	<b>86,483</b>	<b>85,528</b>	<b>85,008</b>	<b>91,670</b>	<b>99,506</b>	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Margin	-8.5%	-0.5%	6.2%	10.5%	11.5%	
Asset Turnover (x)	0.3	0.4	0.4	0.5	0.5	
Leverage Factor (x)	2.5	2.1	2.1	2.0	1.8	
RoE	-7.3%	-0.4%	5.8%	10.0%	11.1%	

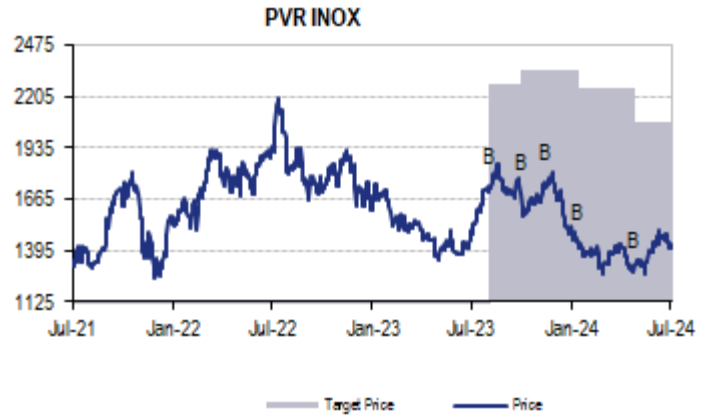
Key Ratios						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
BV/Share (INR)	752.4	751.8	796.5	874.7	964.1	
ROIC	8.7%	5.1%	10.3%	13.3%	16.2%	
ROE	-7.3%	-0.4%	5.8%	10.0%	11.1%	
Net Debt/Equity (x)	0.2	0.2	0.1	0.0	-0.1	
P/E (x)	-43.9	-435.3	32.0	17.1	14.0	
P/B (x)	1.9	1.9	1.8	1.6	1.5	
EV/EBITDA (x)	14.8	8.5	6.1	5.1	4.3	
EV/Sales (x)	4.1	2.5	2.1	1.8	1.5	
Debtor days	18	14	14	14	14	
Inventory days	6	4	4	4	4	
Creditor days	139	96	96	96	96	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
24-Aug-23	Buy	2,270	
20-Oct-23	Buy	2,340	3.1
4-Dec-23	Buy	2,340	0.0
1-Feb-24	Buy	2,250	-3.8
15-May-24	Buy	2,070	-8.0

Recommendation History



## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1073 | Email: sahil.salastekar@jmfl.com

Grievance officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1073 | Email: instcompliance@jmfl.com

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

\* REITs refers to Real Estate Investment Trusts.

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