

Mahindra Holidays & Resorts (India) Ltd (MHRIL) – ADD

Result Update

Current Market Price (CMP)

Rs. 408

Fair Value (FV)

Rs. 500

Rationale:

- Mixed Q1FY25 results; headlines numbers better than estimates; member additions was lower than estimates.
- Aggressive inventory addition plan; Aims to double room inventory to ~10,000 by FY30.
- Company is rationalizing its product, focusing more on higher AUR (realization).
- Any major surprise in performance of HCR (subsidiary co.) may lead to further re-rating.
- Maintain ADD with revised SoTP (Sum of the parts) based FV of Rs500 (from Rs475).

(EBITDA: Earnings before interest, tax depreciation & amortization, PAT: Profit Aft. tax, CAGR: Compound Annual Growth rate)

Q1FY25 Earnings Update:

👍 Positives:

- Reported 7.1%/15%/19.3% yoy growth in standalone revenue/EBITDA/PAT, respectively, which was slightly better than estimates.
- We expect revenue/adj. PAT to grow at a CAGR of 11.3%/21.7% in FY24-26E.
- MHRIL has a net cash of Rs 1437cr on standalone to support its capex plans.

👎 Negatives:

- HCR reported operating loss of Euro 29 lakh and net loss of Euro 36 lakh.

[Click here](#) For detailed report dated 29th July 2024. Note: CMP & valuation may differ due to difference in dates.



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