



Date	Coverage	Report Price (₹)	Buy Range (₹)	Target Price (₹)
06-Feb-25	Quick Insight	197.0	180 – 190	220 – 230
12-Feb-25	Q3FY25	166.8		
02-Jun-25	Q4FY25	151.0		

Q1FY26 Highlights

- Consolidated Revenues grew by 14% YoY and de-grew by 13%QoQ to ₹1,543mn led by ARR growth of 13.3% YoY to ₹7,335, also the company maintained its industry leading occupancy to 92% resulted in healthy RevPAR growth of 12% YoY to ₹6,751.
- Flurys continued to show strong growth of 43% YoY to ₹160mn. Also, the total outlets reached 102 stores. Also, management has guided to add another 40 new outlets in FY26
- EBITDA grew by 18% YoY and de-grew by 27% QoQ to ₹454mn. EBITDA margin expanded by 90 bps YoY and contracted by 567bps QoQ to 29.4%. Net Profit grew by 841% YoY and de-grew by 49% QoQ to ₹142mn.
- The company aims to add around 600 rooms in FY26, expanding from 35 hotels with 2,394 keys to 50 hotels with 2,983 keys, in line with its “50 Hotels by 2025” vision. Also, management has guided on remaining Net debt free throughout its growth journey. management reiterated **high double-digit growth** to the top-line with margins to be at 35-36%.

Concall Highlights

Industry outlook:

- The hospitality sector is well-positioned to benefit from rising domestic and international travel, supported by government investments in infrastructure, airport expansion, and tourism-focused policies.
- India's per capita income is expected to grow from ~\$2,900 to ~\$5,800 over the next five years, boosting consumer spending. With ~60% of the population being millennials and Gen Z, preferences are shifting towards coffee consumption, dining out, and socializing.

Q1FY26 performance:

- Revenue rose 14.2% YoY to ₹1,543 mn; EBITDA increased 18% YoY to ₹454 mn. ARR grew 13% YoY to ₹7,335; RevPAR rose 11.5% YoY to ₹6,751; occupancy stood at 92%.

Others:

- Vizag ₹7,858 (highest, vs industry avg. ₹6,764), followed by Delhi ₹7,819 and Kolkata ₹7,441.
- F&B revenue was ₹660 mn in Q1FY26, contributing 42% to total revenue.
- Net debt for FY25 stood at ₹10 mn (positive).
- Highest occupancy in key cities Kolkata 100%, Chennai 95%, Navi Mumbai & Bangalore 93%.

Flurys:

- Operates 102 outlets (including 51 kiosks); revenue grew 42% YoY to ₹160 mn. Operating margin at ~9% (post-interest index 2.2%) vs typical ~42%.
- Targeting 200 stores by 2027, focusing on more profitable café formats; plan to add 40 stores in FY26 and 60 in FY27.

Important Data

Nifty	24,585
Sensex	80,604

Key Stock Data

Close*	₹148
Market Cap (₹)	~₹31bn
52W High/Low	₹206//129
Shares o/s (crs)	21.3
BSE Code	544111
NSE Code	PARKHOTELS
Bloomberg Code	PARKHOTE:IN

Close* as on 11th August 2025

Shareholding Pattern (%) – Jun'25

Promoter	68.14
FII's	04.79
DII's	09.82
Public	17.24

Financials

Particulars	FY23	FY24	FY25	FY26E	FY27E
Revenue	5,105	5,790	6,315	7,572	8,423
EBITDA	1,631	1,925	2,045	2,808	3,136
EBITDA Margin (%)	32.0	33.2	32.4	37.1	37.2
Adj.PAT	480	688	836	1,585	1,743
EPS (₹)	2.7	3.2	3.9	7.4	8.2
PE(x)	54.0	46.0	37.9	20	18
EV/EBITDA (x)	18.9	16.2	15.1	10.6	9.1
RoE (%)	9.0	7.8	6.8	11.8	11.5
RoCE (%)	10.1	11.1	10.2	13.9	13.9

Source: Company Data, Way2Wealth

Relative Performance

Absolute Return (%)	1Yr	3Yr	5Yr
ASPHL	-20.1	-	-
Nifty50	0.9	-	-
Sensex	1.1	-	-

Source: Company, Way2Wealth

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Management contracts:

- Revenue of ₹40 mn in Q1; expected to exceed ₹200 mn in FY26, potentially reaching ₹250 mn with new additions.

Acquisitions:

- 90% stake in Mumbai property (₹2,060 mn) to be converted from 60 service apartments to an 80-room luxury boutique hotel; ₹600 mn planned for refurbishment; opening in H2FY27 with expected revenue of ₹800 mn and 40–50% EBITDA margin.
- Malabar House & Purity at Lake Vembanad (31 rooms) to be acquired for ₹620 mn; expected to deliver peak revenue of ₹200 mn by FY27 with 40–50% EBITDA margins.

Expansion plans:

- New projects in EM Bypass Kolkata, Visakhapatnam, and Pune are progressing well, with key permissions obtained and design work nearly complete.
- The company aims to add ~600 rooms in FY26, growing from 35 hotels (2,394 keys) to 50 hotels (2,983 keys) under the “Vision of 50 Hotels by 2025.”

Capex:

- ₹3,000 mn for acquisitions, Flurys development, and IT in FY26; total 5-year capex estimated at ~₹17,000 mn. The funding of capex will be through internal accruals.

Guidance:

- Management re-iterated high double-digit growth in revenue and EBITDA growth in FY26

Key Operating Parameters

Particulars	Q1FY26	Q4FY25	QoQ	Q1FY25	YoY
ARR (₹)	7,335	8,758	-16%	6,473	13%
Occupancy(%)	92%	92%	0bps	94%	-200bps
REVPAR (₹)	6,751	8,074	-16%	6,053	12%
F&B Contribution to the top line(%)	42%	39%	300bps	42%	0bps

Source: Company, Way2Wealth

Risk

- Slowdown in the travel and tourism sector.
- Increase in supply of F&B outlets can be put margin pressure on F&B segment.
- Delay in launching of the projects.

View

The company delivered a strong performance across all key operating metrics. Revenue rose 14% YoY to ₹1,543mn, while EBITDA also grew by 18% YoY to ₹454mn. EBITDA margin expanded by 90 bps YoY to 29.4%.

The company continues its strong growth momentum driven by hospitality and F&B segment. We expect the company to continue its growth momentum driven by strong fundamentals and tailwinds in the sector.

The company is currently trading at an EV/EBITDA multiple of 9.1x on FY27E. Industry is trading 17.9x EV/EBITDA on FY27E. **The stock is trading at a discount compared to industry, so we recommend BUY the stock.**

Quarterly Performance

(₹mn)

Particulars	Q1FY26	Q4FY25	QoQ	Q1FY25	YoY
Net Sales	1543	1773	-13%	1351	14%
Raw Material expense	201	212	-5%	172	17%
Increase/decrease in stocks	-1.9	6	-130%	0	850%
Employee Expense	367	380	-3%	315	16%
Other Expense	522	553	-6%	478.2	9%
Total Expense	1089	1151	-5%	965	13%
EBITDA	454	622	-27%	385	18%
EBITDA margin	29.4%	35.1%	-567bps	28.5%	90bps
Other Income	23	29	-21%	32	-28%
Depreciation	180	198	-9%	137	32%
EBIT	296	453	-35%	280	6%
Interest expense	65	49.9	30%	34	90%
PBT	231	403	-43%	246	-6%
Tax expense	90	126	-29%	265	-66%
PAT	142	277	-49%	-19	841%
Exceptional Income/Loss	-7	0	NA	0	NA
Adjusted PAT	134	277		-19	803%
EPS	0.7	1.3	-49%	-0.1	841%

Source: Company, Way2Wealth

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Disclosure of Interest Statement: Apeejay Surrendra Park Hotels Ltd. as on 12th August 2025

Name of the Security	Apeejay Surrendra Park Hotels Ltd.
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
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