

Issue Highlights

Issue Open	August 24, 2022
Issue Close	August 26, 2022
Issue Price	Rs. 308 - Rs. 326 Per Share
Total Issue Size	Rs. 562 Cr
Of which	
Offer for Sale	Rs. 562 Cr
Face Value	Rs. 2 Per share
Market Lot	46 Equity Shares
Issue Type	Book Built Issue

Offer Structure

QIB Category	75%
Non-Institutional	15%
Retail category	10%

Lead Book Running Managers

- ⇒ Equirus Capital Pvt. Ltd.
- ⇒ Motilal Oswal Investment Advisors Ltd.

Registrar To The Offer

- ⇒ Link Intime India Pvt. Ltd

Key Highlights

- ❑ **Company background:** Dreamfolks is a largest and dominant player in the Indian market and currently accounts for more than 80% share in the Domestic lounge access market in India. It has coverage across 54 lounges across domestic and international airport terminals in Bangalore, Mumbai, Cochin and Ahmedabad, etc.
- ❑ **Asset light business model:** Dreamfolks business model is of providing service between the lounge operators on one side, and banks, card networks, airlines and corporates on the other end. The company's service covers the entire journey of passengers from door-step to the airport, within the airport, and again from the airport to the door-step at the destination. They provide services which include lounge access, food & beverages, Spa services, airport transfers, baggage transfers, medical and hotel services.
- ❑ **Strong relationships with marquee Clients:** To increase customer base the company has tied up with prominent clients such as card networks, card providers, banks and corporates. They have tie-ups with all card operators like Visa, Master Card, Diners/Discover and RuPay, 4 top private sector banks as well as SBI cards are its key clients. Besides, they have tied up with corporates like airlines, trip planners, OTA, loyalty aggregators, etc. This led to gain in market share by 95% market share in the India issued card based transactions for lounge access in FY22.
- ❑ **Long term growth plans:** The company intends to grow in the long term by following certain strategies such as focusing on increasing wallet share by cross selling opportunities, expanding coverage into newer sectors, increasing customer base and focusing on further developing tech platforms.
- ❑ **Valuation:** In the last 3 years, the company's financials have not been consistent as it got impacted by the pandemic in FY21. Revenue and PAT has seen a de-growth of 12%/28% CAGR between FY20-22. On the valuation front, the company is valued at 104x FY22.
- ❑ **Key Risk:** i) Highly dependent on the travel industry. ii) Few clients as well as revenue from lounge access forms a major portion of revenue.

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S. No.	Statement	Answer	
		Yes	No
		Tick appropriate	
		Yes	No
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No

	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
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	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Nature of Interest (if answer to F (a) above is Yes :

Name(s) with Signature(s) of RA(s).

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SS.No.	Name(s) of RA.	Signatures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

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