



IPO NOTE

ONE MOBIKWIK SYSTEMS LIMITED

Rating:
SUBSCRIBE
(For High Risk Investors)



ISSUE OFFER

Issue Opens on	DEC 11, 2024
Issue Close on	DEC 13, 2024
Total IPO size (cr)	₹572.00
Fresh issue (cr)	₹572.00
Offer For Sale (cr)	NIL
Price Band (INR)	265-279
Market Lot	53
Face Value (INR)	₹2
Listing At	NSE, BSE
Market Capitalization (cr)	2295.45

ISSUE BREAK-UP (%)

QIB Portion	75%
NII Portion	15%
Retail Portion	10%

INDICATIVE TIMETABLE

Basis of Allotment	16-12-2024
Refunds/Unblocking ASBA Fund	17-12-2024
Credit of Share to Demat A/c	17-12-2024
Listing Date	18-12-2024

One Mobikwik systems limited is a platform business at its core, that has a two-sided payments network, consisting of consumers and merchants.

OBJECTS OF THE ISSUE

- Funding growth in the financial services and payment services business.
- Investment in data, ML, AI, product and technology.
- Capital expenditure for the payment devices business.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Equity Share Capital	11.4	11.4	11.4
Net Worth	162.5	142.6	216.5
RoNW%	(59.19%)	(58.74%)	8.66%
Revenue	875	539.4	526.5
Operating Profit Margin %	4.18%	(9.97)%	(21.24)%
Net Profit/Loss of the year	14	(83.8)	(128.1)

FINANCIAL RATIOS OF FY24



OUTLOOK & VALUATION

- A digital payment platform catering to both customers and merchants.
- The company has demonstrated consistent growth in revenue and recently turned profitable after prior losses.
- Operates in a highly competitive fintech landscape, which may impact future growth and market share.
- The IPO is priced at a high valuation.
- Recommendation: Suitable only for high-risk investors.



COMPANY PROFILE

- The Company has acquired 161.03 million Registered Users and enabled 4.26 million Merchants to make and accept payments online and offline, as of June 30, 2024.
- The Company has evolved from a payments only business to a multi-product business across financial services.
- The MobiKwik Application, provides access to various payment use cases as well as financial products in the Digital Credit, investments and insurance verticals.
- It has created innovative products like MobiKwik ZIP, and ZIP EMI for consumers and Merchant Cash Advance for its merchants.



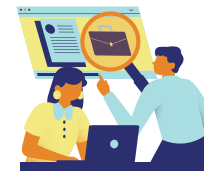
COMPETITIVE STRATEGIES

- Scaling existing products .
- Expanding product portfolio in existing business lines.
- Expansion of its payment aggregator business.



KEY CONCERNS

- Any adverse observations, proceedings or notices from the RBI may affect its operations.
- Security breaches and attacks against its platform, and any potential breach of or failure to otherwise protect data.
- Face substantial and increasingly intense competition in the fintech industry.
- The company has incurred losses in the past.
- Slowdown in the growth of its Active Users can adversely affect its business.
- The digital payment and financial services industries are heavily regulated in India.

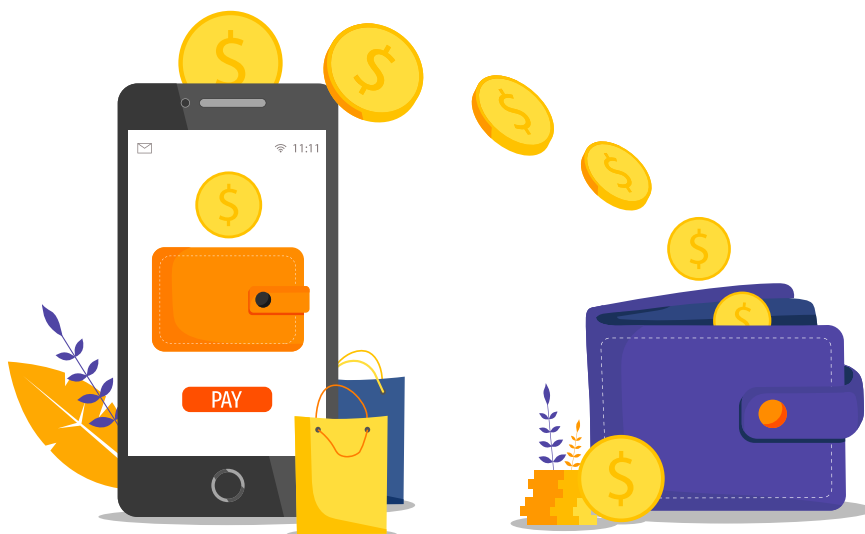


KEY STRENGTHS

- Legacy of providing positive and sustainable consumer experience.
- Large, engaged consumer base acquired with low CAC.
- Efficient operational management of loan products distributed by it.
- The trust in its brand.
- Technology and product first approach to business.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (Basic)	NAV	P/E	TOTAL INCOME (In CR.)	RONW%
One MobiKwik Systems Limited	2.46	28.43	113.32	890.31	8.66 %
Peer Group					
One 97 Communication s Ltd	(22.33)	209.29	NA	10,524.70	(10.70)%
Listed Global Peers					
Affirm Holdings, Inc	(133.60)	702.64	NA	18,583.99	(18.95)%
PayPal Holdings, Inc	308.00	1,570.97	22.17	2,38,168	20.17%


DISCLAIMER:

The information contained herein are strictly confidential and are meant solely for the information of the recipient and shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written permission of Swastika Investmart Ltd. ("SIL"). The contents of this document are for information purpose only. This document is not an investment advice and must not alone be taken as the basis for an investment decision. Before taking any decision to invest, the recipient of this document must read carefully the Red Herring Prospectus ("RHP") issued to know the details of IPO and various risks and uncertainties associated with the investment in the IPO of the Company. All recipients of this document must before acting on the given information/details, make their own investigation and apply independent judgment based on their specific investment objectives and financial position. They can also seek appropriate professional advice from their own legal and tax consultants, advisors, etc. to understand the risks and investment considerations arising from such investment. The investor should possess appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances before making any decisions on the investment. The Investor shall be solely responsible for any action taken based on this document. SIL shall not be liable for any direct or indirect losses arising from the use of the information contained in this document and accept no responsibility for statements made otherwise issued or any other source of information received by the investor and the investor would be doing so at his/her/its own risk. The information contained in this document should not be construed as forecast or promise or guarantee or assurance of any kind. The investors are not being offered any assurance or guaranteed or fixed returns on their investments. The users of this document must bear in mind that past performances if any, are not indicative of future results. The actual returns on investment may be materially different than the past. Investments in Securities market products and instruments including in the IPO of the Company are highly risky and they are generally not an appropriate avenue for someone with limited resources/ limited investment and low risk tolerance. Such Investments are subject to market risks including, without limitation, price, volatility and liquidity and capital risks. Therefore, the users of this document must carefully consider all the information given in the RHP including the risks factors before making any investment in the Equity Shares of the Company.

Swastika Investmart Ltd or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Swastika Investmart Ltd nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Swastika Investment Ltd may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the Subject Company or third party in connection with the Research Report.

CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Ms. Sheetal Duraphe Email: compliance@swastika.co.in Phone: (0731) 6644 241

Swastika Investmart Limited, SEBI Reg. No. : NSE/BSE/MSEI: INZ000192732 Merchant Banking: INM000012102 Investment Adviser: INA000009843 MCX/NCDEX: INZ000072532

CDSL/NSDL: IN-DP-115-2015 RBI Reg. No.: B-03-00174 IRDA Reg. No.: 713.