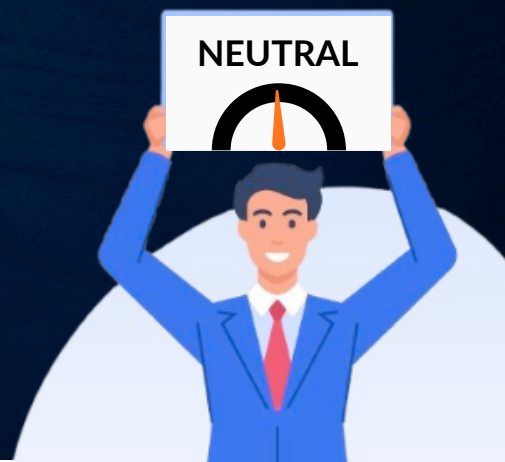




IPO NOTE

SUNSHINE PICTURES LIMITED



Rating:

NEUTRAL



ISSUE OFFER

Issue Opens on	AUG 18, 2026
Issue Close on	AUG 20, 2026
Total IPO size (cr)	₹282 CR
Fresh issue (cr)	₹173 CR
Offer For Sale (cr)	₹109 CR
Price Band (INR)	₹342-360
Market Lot	41 SHARES
Face Value (INR)	₹10
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹1,121.36 CR.

MINIMUM INVESTMENT DETAILS

Number of Shares	78,37,191
Minimum Investment Amount	14760
Small-HNI (Min)	₹2,06,640
Big-HNI (Min)	₹10,03,680

INDICATIVE TIMETABLE

Basis of Allotment	21-08-2026
Refunds/Unblocking ASBA Fund	24-08-2026
Credit of Share to Demat A/c	24-08-2026
Listing Date	25-08-2026

ISSUE BREAK-UP (%)

QIB Portion	50%
NII Portion	15%
Retail Portion	35%

Sunshine Pictures Limited is a production company engaged in the business of originating, creating, developing, producing, marketing, and distributing films, TV serials, and web series. The company is a technology-driven content creator focused on commercial films, from script development and production to IP creation, rights monetization, and distribution.

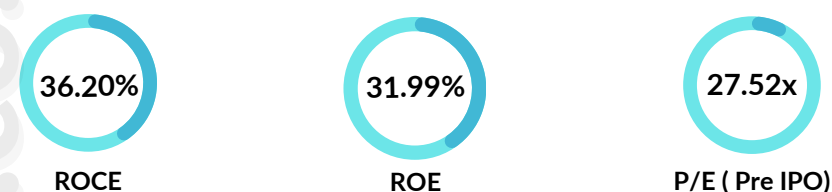
OBJECTS OF THE ISSUE

- Funding the working capital requirements of the Company
- General Corporate Purposes

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2026	FY 2025	FY 2024
Equity Share Capital	26.35	26.35	0.12
Net Worth	145.13	105.07	70.60
Revenue from operations	74.44	103.33	133.80
EBITDA Margin%	78.65%	49.12%	55.29%
Net Profit/Loss of the year	40.02	34.46	53.35

FINANCIAL RATIOS OF FY26



OUTLOOK & VALUATION

- EBITDA margin surged 2,953 bps to 78.65% in FY26 despite a 27.96% revenue decline. This sharp improvement is mainly due to production costs of unreleased projects being capitalized as inventory, rather than a genuine improvement in operational efficiency.
- Concurrently, Cash Flow from Operations (CFO) collapsed to -₹3,320.63 lakhs, revealing severe working capital lock-up and non-cash-backed P&L profits.
- Relative to pure-play listed media peers the operational return ratios (RoCE > 35%) and low leverage justify a slight premium. However, the valuation leaves limited margin of safety if content releases face production delays or subdued viewer traction.
- Suitable primarily as a high-risk, tactical exposure for investors looking to participate in content creation and IP monetization plays, provided they can stomach significant quarter-to-quarter earnings volatility.



COMPANY PROFILE

- Sunshine Pictures Limited is a production house engaged in originating, developing, producing, marketing, and distributing feature films, television programmes, and web series.
- The company has produced 13 commercial films, including notable successes like “Force,” “Holiday,” and “The Kerala Story,” along with two web series and three television serials.
- Sunshine Pictures operates on a dual-model strategy, utilizing co-productions with studios to mitigate financial risk while also undertaking sole productions to retain full intellectual property rights and maximize revenue from multiple streams.
- Revenue comes from film/OTT/TV production and distribution, along with music, digital content, talent management, and social media.



COMPETITIVE STRATEGIES

- Expand Content Pipeline – Increase film and web series production through a larger talent and writer pool.
- Diversify Portfolio – Expand across genres, formats, and digital platforms, including Sunshine Music and Digital.
- Enter New Businesses – Explore studios, VFX, post-production, and music to build new revenue streams.
- Adopt New-Age Media – Leverage digital, AR/VR, and mobile content while balancing risk and monetization.



KEY CONCERNS

- Success is highly dependent on the unpredictable acceptance of content by the audience.
- The business is subject to the inherent volatility of the entertainment industry.
- Limited global market penetration.
- Intense competition from other production houses.
- Risks related to intellectual property infringement claims.



KEY STRENGTHS

- Exceptional and experienced leadership team.
- Innovative and resilient business model with a dual production strategy.
- Comprehensive industry network with strong relationships.
- Expertise in intellectual property monetization.
- Diversified portfolio across films, TV, and digital content.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Sunshine Pictures	15.19	27.52	55.08	25,023.93	27.58
Peer Group					
Panorama Studios International	0.60	81.00	8.47	308	7.10
Baweja Studios	3.29	8.68	59.73	68.94	5.52
Balaji Telefilms	-4.09	-	51.22	211	-7.96



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

Compliance Officer: Mrs. Dimple Soni 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

Research Analyst Reg. No.: INH000024073

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For additional information & risk factors please refer to the Red Herring Prospectus