

November 6, 2025

IPO Note

IPO NOTE

Issue Details

Price Band: ₹ 210 to ₹ 221
Employee Discount: ₹ 21/Share
Issue Opens on: November 7, 2025
Issue Closes on: November 11, 2025
Lot Size: 67 Shares & in Multiples thereafter

Issue Highlights

Issue Size:	₹ 3,899.91 Cr.
No of Shares:	17,64,66,426
Face Value:	₹ 1

Offer Structure

Issuance	₹ in Cr.
Fresh Issue	2,080.00
Offer for Sale	1,819.91
Total	3,899.91

Issue Breakup

Reservation for	% of Issue	₹ in Cr. (at upper band)
QIB	75	2,923.06
HNI	15	584.61
RETAIL	10	389.74
Employee	-	2.50
TOTAL	100	3,899.91

Listing

BSE & NSE

Lead Managers

- Axis Capital Limited
- Morgan Stanley India Co. Pvt. Ltd.
- Citigroup Global Markets India Pvt. Ltd.
- J.P. Morgan India Pvt. Ltd.
- Jefferies India Pvt. Ltd.

Registrar

KFin Technologies Ltd.

Contact Details

Analyst

Swapneel Mantri

swapneel.mantri@sushilfinance.com

022-40936034

Sales

Manan Divan

manan.divan@sushilfinance.com

022-40936091/+91 9819819979

COMPANY OVERVIEW

Pine Labs is a technology company focused on digitizing commerce through digital payments and issuing solutions for merchants, consumer brands and enterprises, and financial institutions. Their advanced technology infrastructure helps to accelerate their digitization journey in India and a growing number of international markets including Malaysia, UAE, Singapore, Australia, the U.S. and Africa. The company's offerings can broadly be categorised as Digital Infrastructure, transaction Platform, and Issuing and Acquiring Platform.

In FY 2025, the company processed ₹ 11,424.97 billion in GTV and 5.68 billion transactions through its platform. As of June 30, 2025, the company had 988,304 merchants, 716 consumer brands and enterprises, and 177 financial institutions using its platform. Further, 28 Issuers in 17 countries use the company's end-to-end issuing, acquiring, and transaction processing software.

In India's Digital Checkout Points (DCP) based Pay Later landscape, the company was the market leader in transaction value processed in FY 2025. In FY 2025, the company was the largest player in closed and semi-closed loop gift card issuances in India, in terms of transaction value.

The company offered more than 330 business software applications as of June 30, 2025 and has cumulatively issued over **3.67 billion prepaid** cards for consumer brands and enterprises.

HIGHLIGHTS

1. Ecosystem which brings together merchants, consumer brands and enterprises, and financial institutions enabling commerce transactions and creating network effects.
2. Deep partnerships with large merchants, consumer brands and enterprises, and financial institutions
3. Full stack, cloud-based flexible and scalable technology platform, with an API-first design
4. Ability to consistently innovate new solutions and features

OBJECTS OF THE ISSUE

1. Repayment/prepayment, in full or in part, of certain borrowings availed of by the Company (₹ 532 Cr.)
2. Investment in Subsidiaries, namely Qwikilver Singapore, Pine Payment Solutions, Malaysia and Pine Labs UAE for expanding presence outside India (₹ 60 Cr.)
3. Investment in IT assets, expenditure towards cloud infrastructure (₹ 230 Cr.), technology development initiatives (₹ 100 Cr.) and procurement of DCPs (₹ 430 Cr.)
4. General Corporate Purposes and unidentified inorganic acquisitions

Offer for Sale of 82,348,779 Equity Shares. The company will not receive any proceeds from the Offer for sale.

OUR VIEW

Incorporated in 1998, Pine Labs is a technology company focused on digitising commerce through digital payments and issuing solutions for merchants, consumer brands, enterprises, and financial institutions. Since incorporation, they have grown organically and inorganically through multiple acquisitions. The company earns revenue through multiple monetization models and from each constituent in their ecosystem, enabling self-reinforcing network effects, at scale.

Total market opportunity in India for the Company in terms of total payment value was approximately ₹116.8 trillion (US\$1.4 trillion) in Fiscal 2025 and is projected to grow further at a CAGR of 22-24% to ₹256-276 trillion (US\$3.0-3.3 trillion) by Fiscal 2029 and in select international geographies.

However, risks to consider are losses in the recent past, negative cash flows from operations in the recent past, direct regulatory oversight by the Reserve Bank of India ("RBI"), cybersecurity, data or privacy breaches, challenges in expanding into new geographic regions, highly competitive industry may adversely affect the business, financial condition and results of operations.

On the financial front from FY23- FY25, the company's topline grew at CAGR 19% from FY23-FY25. At the same time bottom-line presented Loss but turned positive in Q1FY26 at ₹48 Cr. Its adjusted EBITDA margin stood at 19.57% in Q1FY26. The contribution margin increased to ₹1,728.88 Cr. in FY 2025 from ₹1,281.04 Cr. in FY 2023. Total borrowings are at ₹ 889 Cr. on June 30, 2025.

The issue is priced at a P/BV of 9.74 based on its NAV of Rs. 22.69 as at Q1FY26 and if we attribute FY26 earnings, the P/E stands at ~1,216x. As per RHP industry average P/E is around 62x. The issue is aggressively priced.

The company has been able to grow the brand, business presence and expertise with innovative technology, strong institutional backup and business model. High risk Investors seeking long term fintech exposure may subscribe to the issue.

Brief Financials

PARTICULARS	As at June 30, 2025	₹ in Million		
		FY '25	FY '24	FY '23
Total Income	6,530.76	23,270.93	18,241.59	16,904.41
Total Expenditure	6,578.63	24,269.01	22,217.25	19,430.66
EBITDA	818.10	2,346.64	296.63	613.04
Loss before Tax	(48.49)	(1,363.90)	(3,975.66)	(2,894.60)
Profit/(Loss) after Tax	47.86	(1,454.87)	(3,419.03)	(2,651.45)
E.P.S. (Diluted)	0.05*	(1.45)	(3.46)	(2.70)
P/E (x) (Diluted)	-	-	-	-
RONW (%)	0.21*	NA	NA	NA

* Not Annualised

PRICE CHART (@ ₹ 221) (Retail Category)

LOT SIZE	Amount
67	14,807
134	29,614
201	44,421
268	59,228
335	74,035
402	88,842
469	103,649
536	118,456
603	133,263
670	148,070
737	162,877
804	177,684
871	192,491

HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount (Rs.)
Small HNI	938	207,298
Big HNI	4,556	1,006,876

Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	12/11/2025
Initiation of refunds/unblocking ASBA Fund	13/11/2025
Credit of Equity Shares to demat accounts of Allottees	13/11/2025
Commencement of trading of the Equity Shares on the Stock Exchanges	14/11/2025

For more details, Please refer RHP,

https://www.sebi.gov.in/filings/public-issues/nov-2025/pine-labs-ltd-rhp_97584.html

Disclaimer & Disclosures

SEBI Registration No. INH00000867

This report has been furnished to you for your general information only and should not be reproduced, re-circulated, published in any media, website or otherwise, in any form or manner, in part or as a whole, without the express consent in writing of Sushil Financial Services Private Limited. This Research Report is meant solely for use by the original recipient to whom it is sent and is not for circulation. Any unauthorized use, disclosure or public dissemination or copying of information (either whole or partial) contained herein is prohibited.

This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice/offer for the purpose of purchase or sale of any securities mentioned herein. Past performance is not a guide for future performance, future returns are not guaranteed. Opinions expressed herein are subject to change without notice. Investor should rely on information/data arising out of their own investigations. The Sushil Equity Universe is marked as # and the fundamental reports are marked as ##.

Investors are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investor may realize losses on any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by us to be reliable. A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com Research Analyst views on Subject Company may vary based on Fundamental and Technical Research. Sushil Financial Services Private Limited or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. None of the directors, employees, affiliates or representatives of company shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages/loss etc whatsoever from the information/opinions/views contained in this Report and investors are requested to use the information contained at their risk

Sushil Financial Services Private Limited (SFSPL) and its connected companies, and their respective Directors, Officers and employees or their relative, may have a long or short position in the subject companies mentioned in the report and it may not be construed as potential conflict of interest with respect to any recommendation and related information and opinions. Reports based on technical and derivative analysis centre on studying charts company's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamental analysis. SFSPL has different business segments/Divisions with independent research and maintains arm's length distance catering to different set of customers having various objectives, risk profiles, investment horizon, etc. and therefore may at times have different contrary views on stocks sector and markets. Research Report may differ between SFSPL's RAs on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold - SFSPL, its employees and associates responsible for any losses, damages of any type whatsoever.

This Report is not intended to be a complete statement or summary of the securities, market or developments referred to in this document. SFSPL or its affiliates or employees are under no obligation to update the information. SFSPL or its affiliates or employees shall not be in any way responsible and liable for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

SFSPL or its affiliates and/or its employees/its associates or his relative does not have financial interest in the subject companies. SFSPL or its affiliates and/ or its employees/its associates or his relative may or may not have 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. SFSPL/its Associates/ Research Analyst have not received any compensation from the subject company in the past twelve months. Further the subject company is/was not a client during twelve months preceding the date of distribution of the research report and the types of services provided. SFSPL or its research analyst has not served as an officer, director or employee of the subject company. SFSPL or its affiliates and/or its research analysts have not been engaged in market making activity for the subject company. SFSPL or its associates or its Research Analyst have not received any compensation or other benefits from the subject companies or third party in connection with the research report. SFSPL/its Associates/ Research Analyst/ his Relatives not have any other material conflict of interest at the time of publication of the research report.

SFSPL/its Associates/ Research Analyst have not managed or co-managed public offering of securities, have not received compensation for investment banking or merchant banking or brokerage services, have not received any compensation for product or services other than investment banking or merchant banking or brokerage services from the subject companies in the last twelve months. There is no material disciplinary action that been taken by any regulatory authority impacting equity research analysis activities.

Research Disclaimer: Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

<https://www.sushilfinance.com/Disclamier/research>
<https://bit.ly/3VbgbvL>