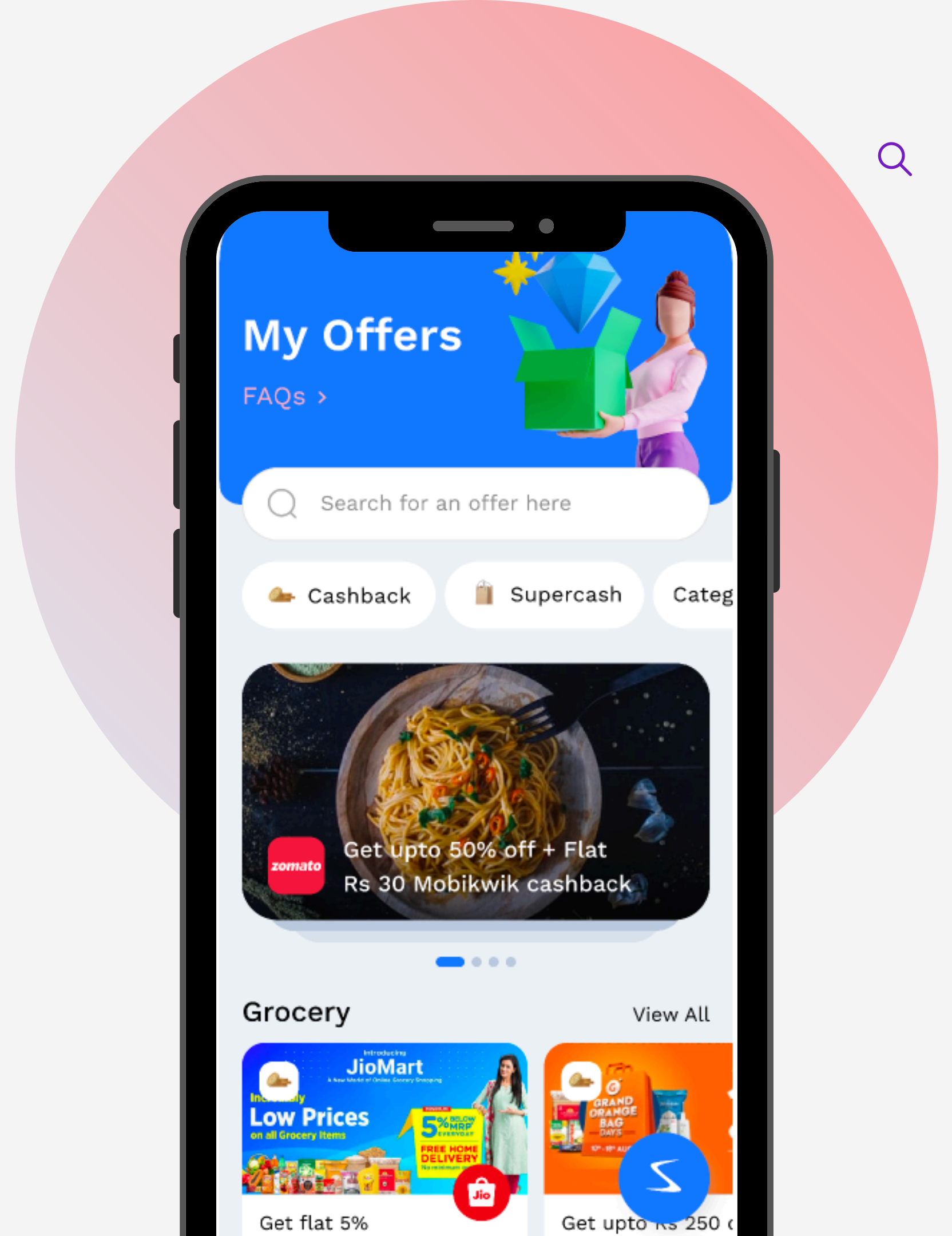




One MobiKwik Systems Private Limited





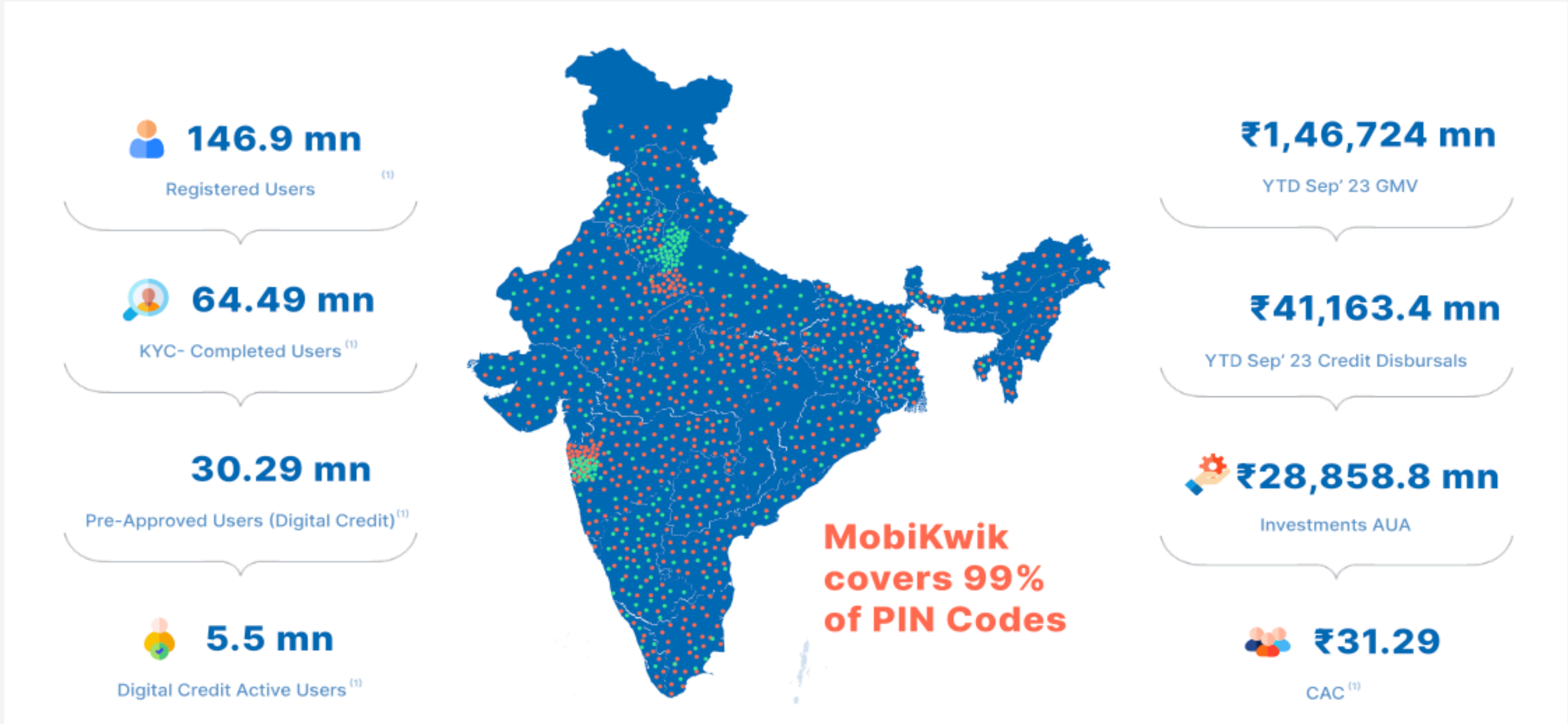
ABOUT

- **Mobikwik is the largest Buy Now Pay Later (BNPL) fintech and one of the largest mobile wallets in India.**
- **They are focused on addressing the unmet credit needs of the fast-growing digitally paying users by combining the convenience of everyday mobile payments with the benefits of BNPL.**
- **Founded in 2009 by Bipin Preet Singh and Upasana Taku, they commenced operations as a mobile wallet to make digital payments convenient for their users.**
- **Their use has since then expanded to include bill payments, e-commerce shopping, food delivery, payments at petrol pumps, large retail chains, pharmacies, Kirana stores, etc.**

TIMELINE

- 2008 : Company was incorporated
- 2009 : Started payment wallet operations
- 2010 : Incorporation of Zaak epayments services for payment gateway
- 2015 : Launched MobiKwik wallet as a payment option for organized and un-organized retail stores
- 2019 : Launched BNPL and received authorisation to operate as Bharat Bill Payment Operating Unit
- 2020 : Launched MobiKwik Blue American Express Card in partnership with American Express
- 2022 : Entered into partnership with VISA to launch a prepaid card

KEY STATS AT A GLANCE



MANAGEMENT



**BIPIN PREET SINGH -
FOUNDER AND CEO**

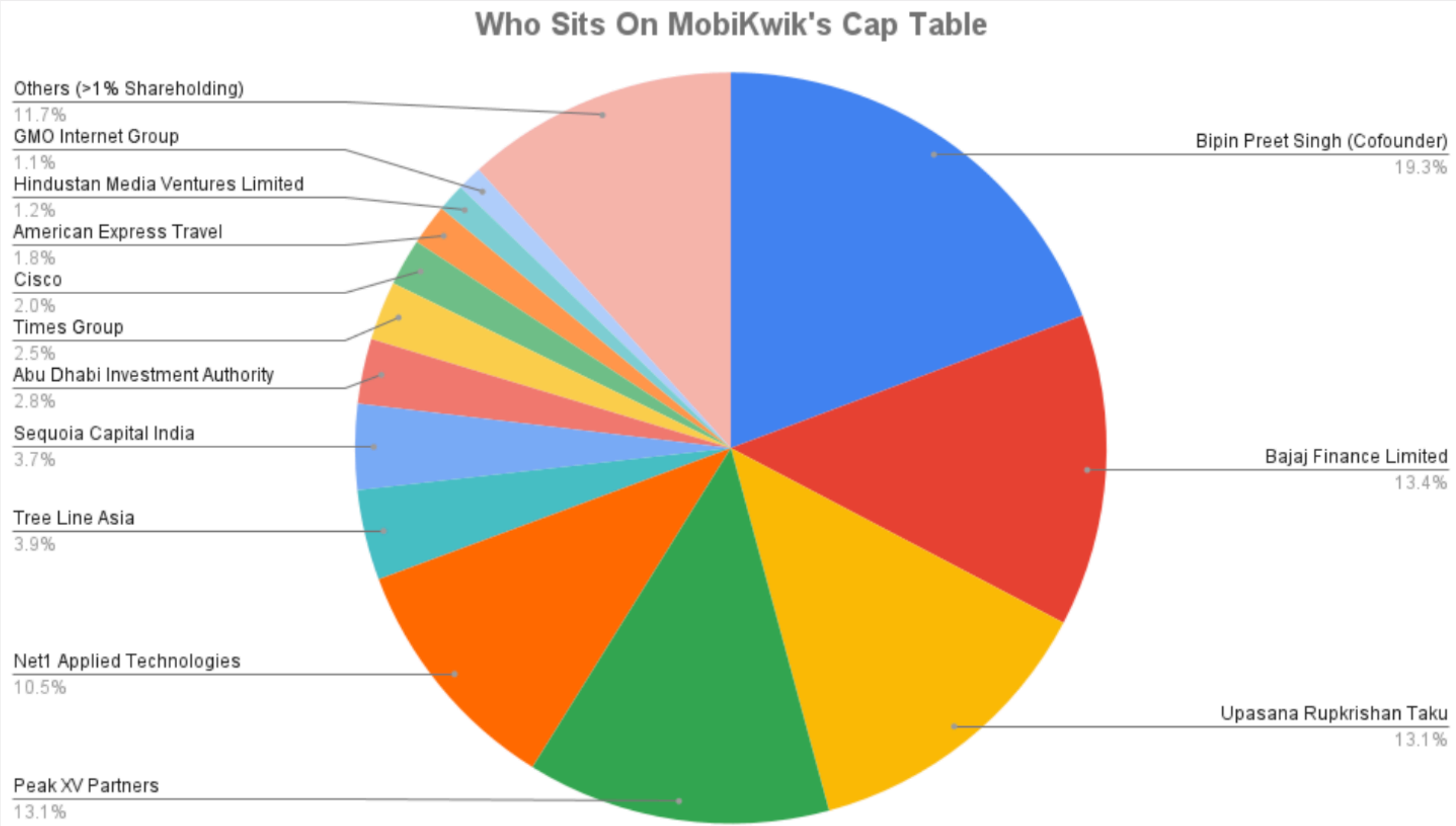
**BTech from IIT Delhi
Ex-Intel, Ex-Nvidia, Ex-
Freescale Semiconductors**



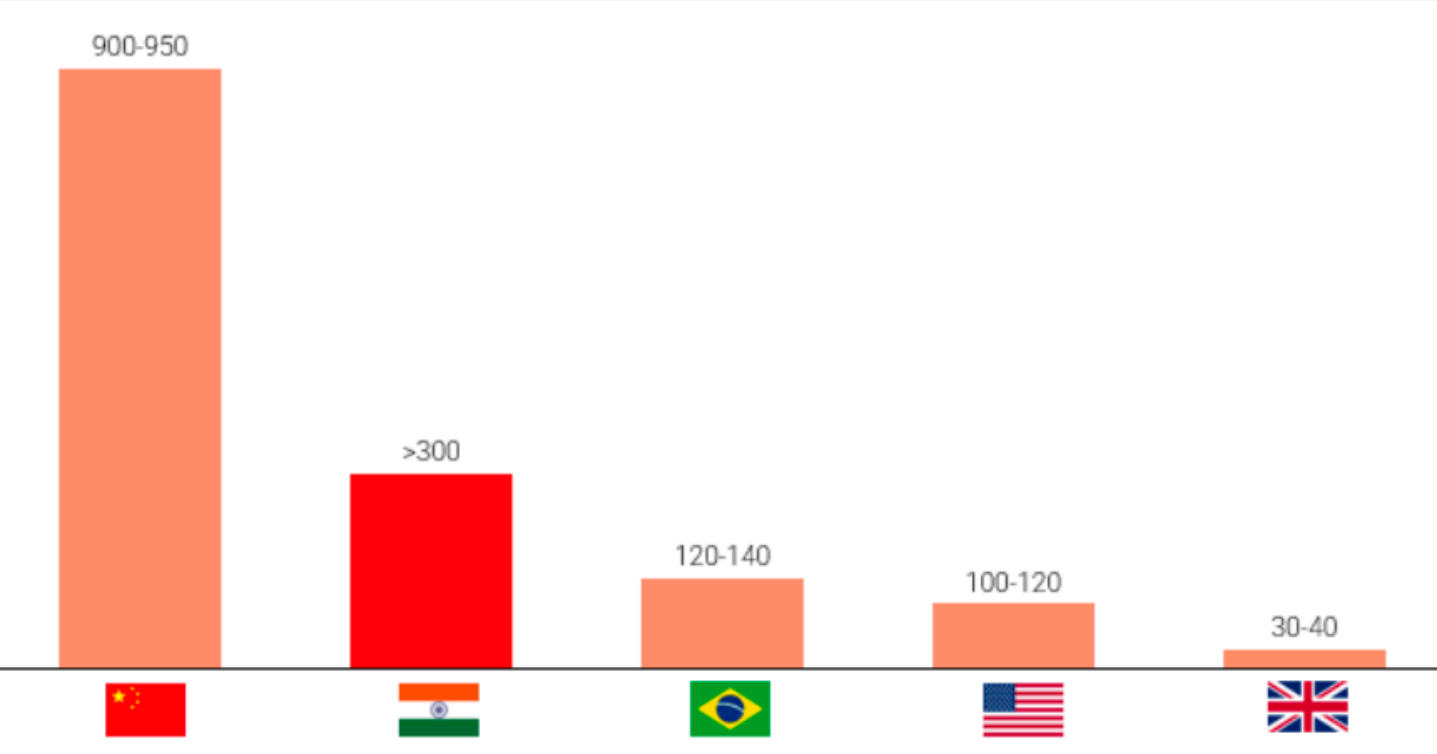
**UPASANA TAKU - CO -
FOUNDER & COO**

**BTech from NIT Jalandhar &
Msc from Stanford University
Ex-HSBC, Ex-Paypal**

SHAREHOLDING PATTERN



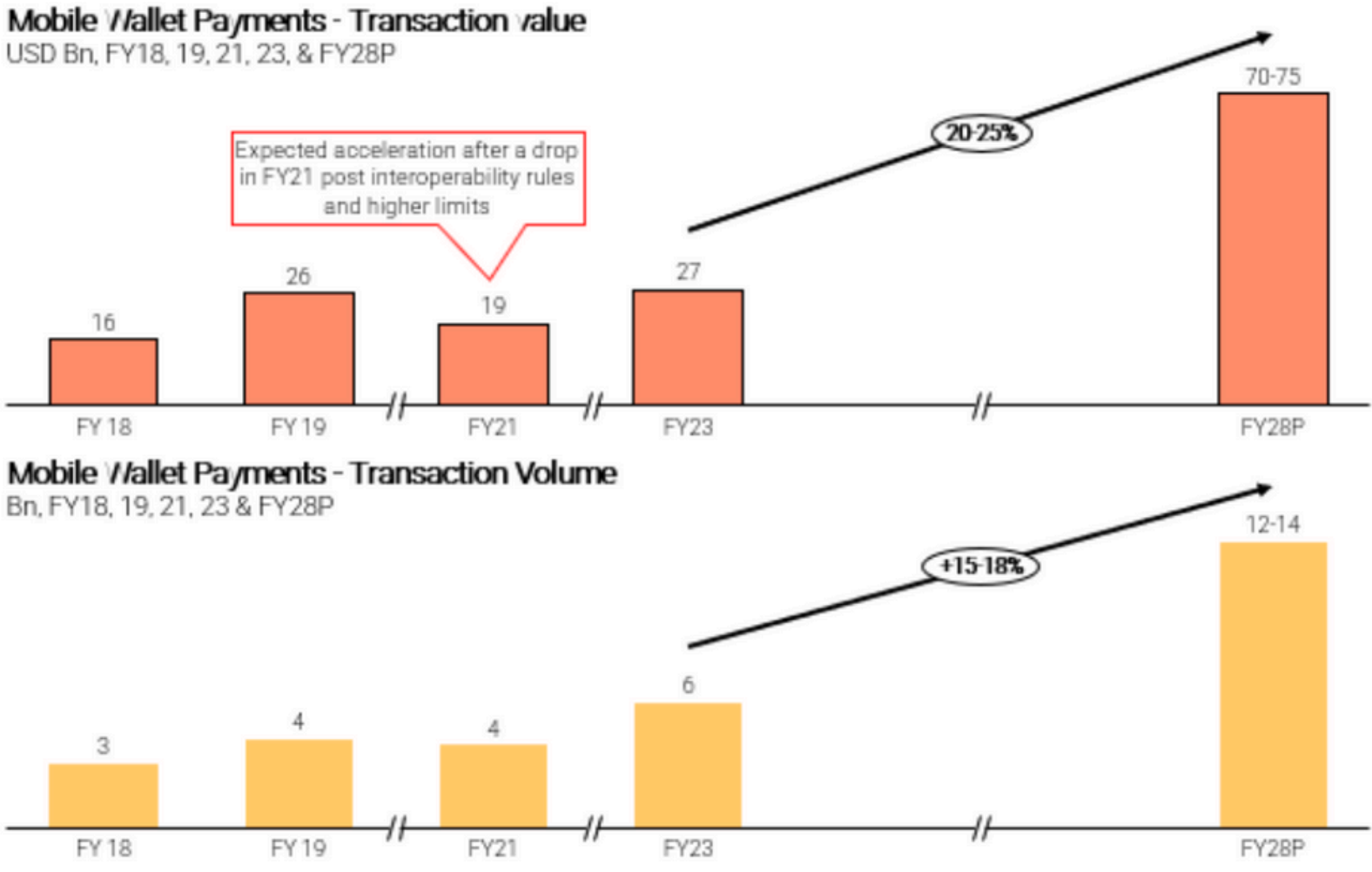
INDUSTRY OVERVIEW



Mobile Payments User Base

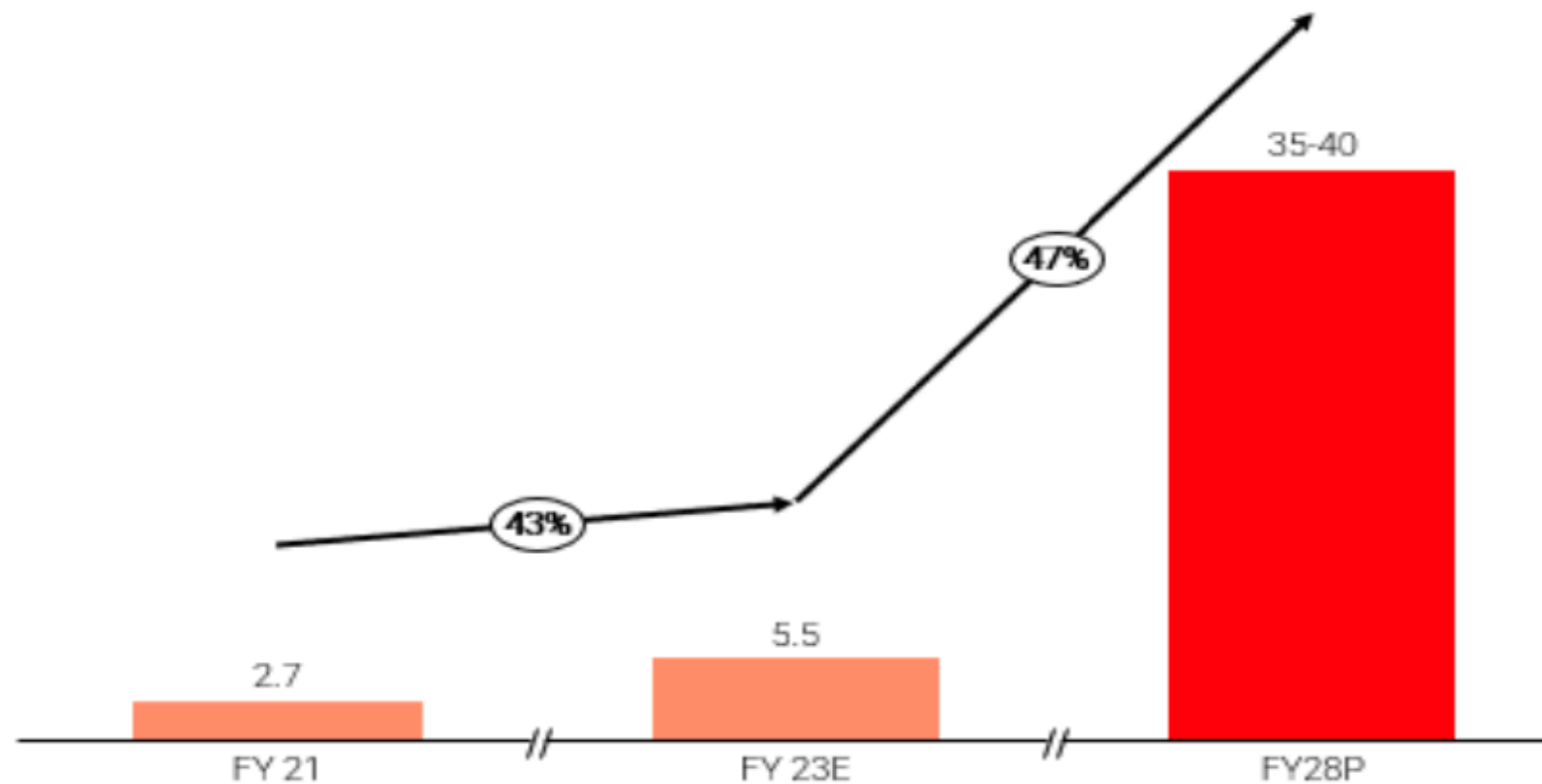
India’s mobile payment user base has grown to be the second largest in the world behind China. Rigorous investment in mobile payment technology, large merchant ecosystem penetration and government initiatives on growth are all factors that are fuelling the growth of the mobile payment market in India and will continue to do so in the future.

Mobile wallet led transaction has increased from USD 16 billion in FY-18 to USD 27 billion in FY-23. FY-20 and FY-21 did saw a drop in overall wallet transaction value due to interoperability rule. It is estimated that the wallet transaction value will reach approximately 70-75 billion in FY28



BNPL OPPORTUNITY IN INDIA

Digital BNPL disbursal- India
USD Bn, FY 21,23E & 28P



The BNPL market in India experienced an unprecedented surge, becoming a catalyst for the credit revolution in the country. The RBI guidelines have enabled collaborations between modern financial firms and LSPs alongside traditional lenders, aiming to foster financial inclusion and credit supply. Anticipated steady adoption of BNPL payments is forecasted, with a projected CAGR of 13% during 2023-2028. The digital disbursements for BNPL is expected to rise from USD 5.5 Bn in FY23E to USD 35-40 Bn in FY28. Overall user base for BNPL solutions will rise significantly to reach 50-60 Mn by FY28 from 15-20 Mn in FY23

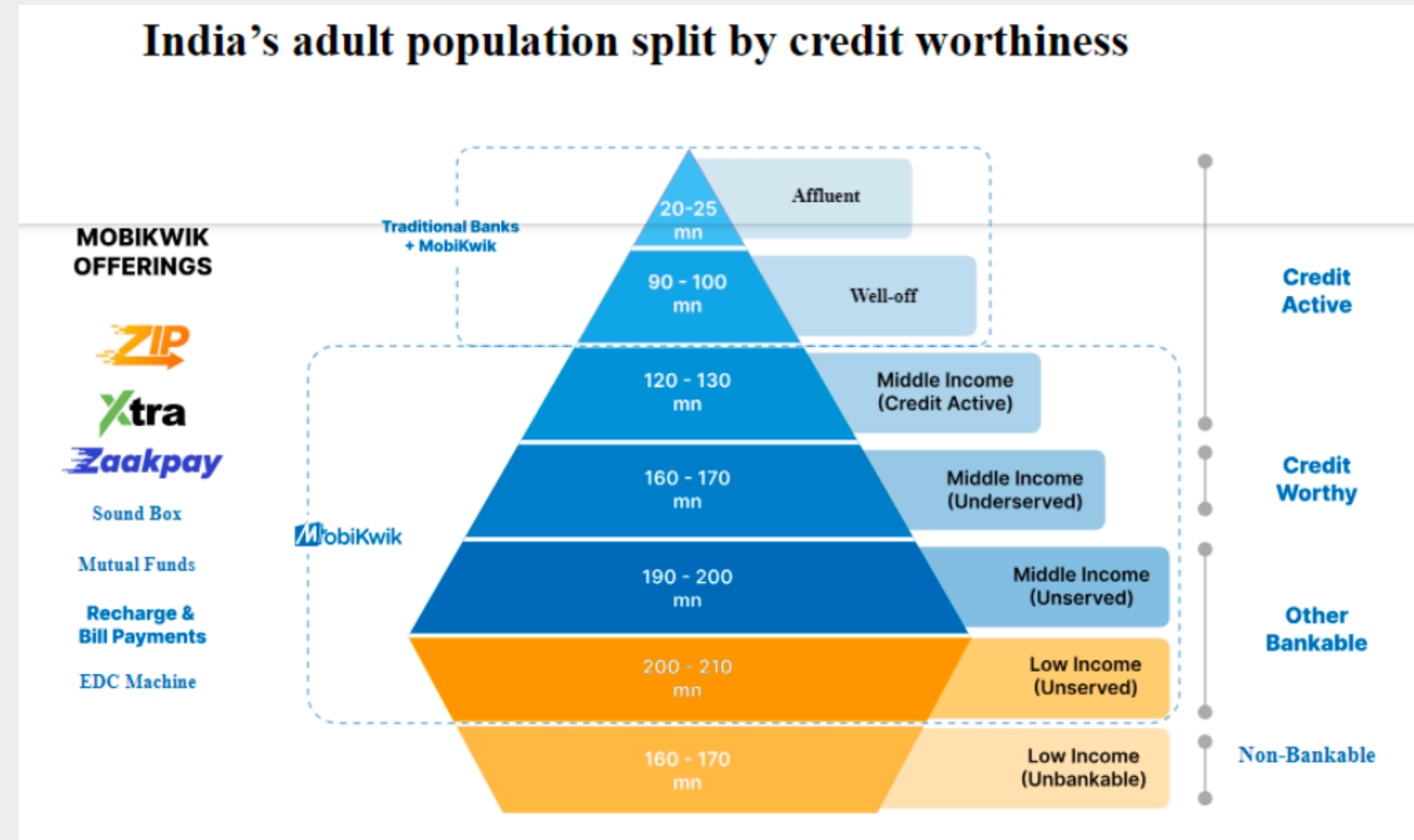
BNPL MODEL

There are essentially two types of models: deferred payment and shopping EMI models.

Business Model	Deferred Payment	Shopping EMI	Hybrid model ¹
Key Characteristics	Platform pays the merchant, and the customer pays at later dates	Amount is paid by shopping EMI platform to the store (typically funded by a bank), customer repays the loan later	A mix of both business models
Revenue sources	<ul style="list-style-type: none"> ✓ Late payment fees ✓ Interchange fees 	<ul style="list-style-type: none"> ✓ Interest on loans ✓ Interchange fees ✓ Processing fees 	Mix of both business models
Merchant Solutions	Allows customers to delay full payment without immediate instalment options	Collaboration between merchants and financial institutions, offering instalment plans	Offering choice between delayed payment or instalments
Products	Often used for high-value or one-time purchases where customers can defer payment	Often used for high-value or one-time purchases where customers can defer payment	Applicable across various purchase types, offering delayed payment or instalment choices
Players (Non-Exhaustive)	MobiKwik, Paytm Postpaid, LazyPay, Capital Float	Pine Labs, Banks working with POS platforms	Bajaj Finance

Key Player (Non-exhaustive)	Simpl	MobiKwik ZIP	Paytm Postpaid	LazyPay
Payment Duration	15 days- 2 months	30 days	30 days	15 days – 12 months
Focus Category	<ul style="list-style-type: none"> • Foodtech • e-grocery • Ride- hailing 	<ul style="list-style-type: none"> • e-commerce • Foodtech 	<ul style="list-style-type: none"> • Utility • e-commerce 	<ul style="list-style-type: none"> • Foodtech • e-grocery • OTA

MOBIKWIK TOTAL ADDRESSABLE MARKET



MobiKwik primarily caters to diverse set of Middle-income consumers which is categorized into three subsegments. . Beyond this, MobiKwik extends its reach to an additional 200 million customers who have the potential to become relevant and bankable customers. This multifaceted approach positions MobiKwik as a comprehensive financial services provider, offering tailored solutions to diverse segments of the Indian adult population.

PRODUCT PORTFOLIO

Mobikwik provides access to various payment use cases as well as financial products in the Digital Credit, investments, and insurance verticals.



Payment Services Products:

- Recharge and bill payments
- Payments at online e-commerce merchant, organised retail and fuel pumps
- Transferring money to any other phone number, contact, UPI ID or bank account

Digital Credit products:

- MobiKwik ZIP: Pay-later product with a 30-day interest free credit line
- ZIP EMI: Personal loan that is required to be repaid in instalments.

Investment Products:

- Lens: Personal financial management
- Xtra: Alternative Investment product
- Distribution of Mutual funds and Digital Gold

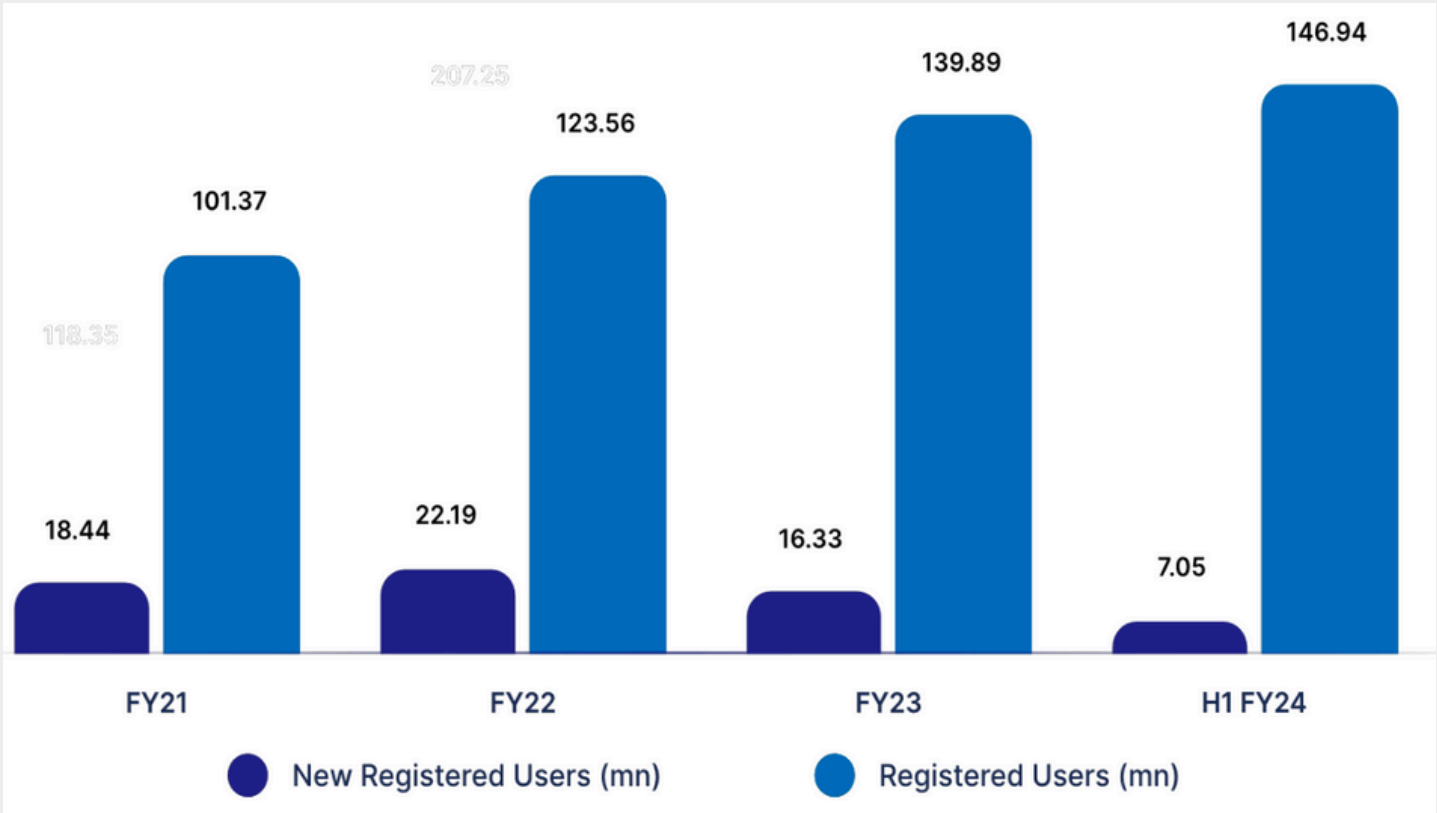
Other Services:

- Online checkout for e-commerce merchant
- Scan and pay with Kwik QRs
- MobiKwik Vibe (Soundbox)
- MobiKwik EDC Machine
- Merchant Cash Advance



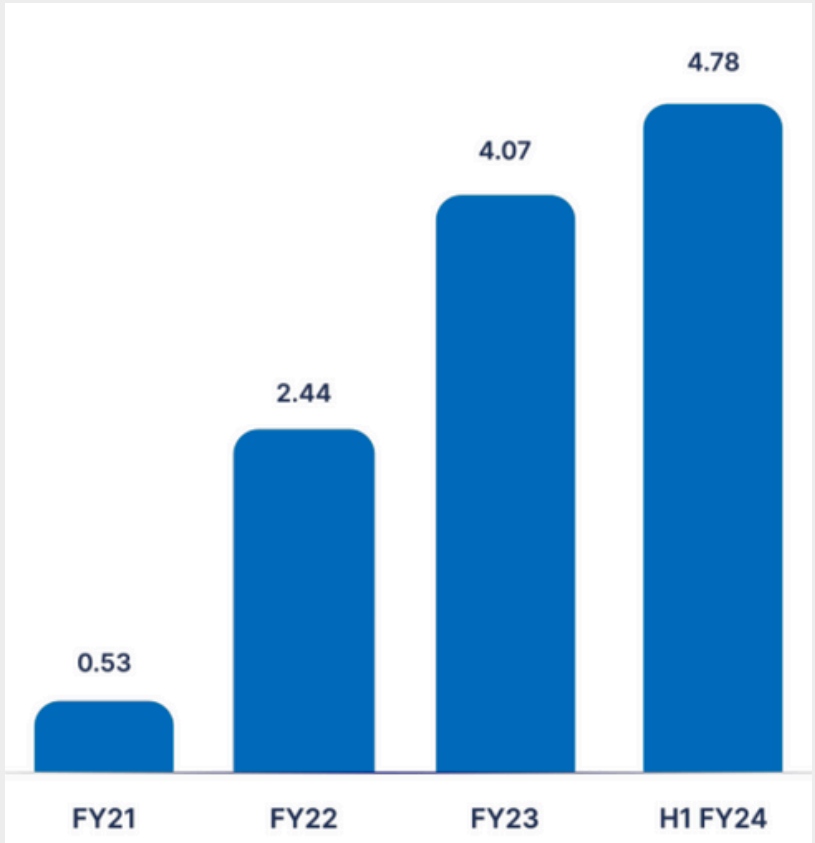
GROWTH IN USER BASE

All figures in miillion



Payment Services Business

The company had 139.89 million registered users on our platform, as of FY-23 which grew to 146.94 million registered Users as of September 30, 2023.



Activated ZIP Users

As of September 30, 2023, the company had 30.29 million pre-approved Users for MobiKwik ZIP out of which 4.78 million were Activated MobiKwik ZIP Users. The number of Activated MobiKwik ZIP Users has grown from 0.53 million as on FY-21 to 4.07 million as of FY-23.

FINANCIAL OVERVIEW

All Figures in crores

Particulars	FY-23	FY-22	Growth
Total Income	561	543	3%
EBITDA	(56)	(115)	51%
EBITDA Margins	(10%)	(21%)	
PAT	(84)	(128)	34%
PAT Margins	(15%)	(23.5%)	
EPS	(14.66)	(23.04)	
Net worth	142	216	



REVENUE SPLIT

Particulars	FY-23	FY-22	Growth
Financial Services	285	98	191.86%
Payment Services	254	429	-40.68%
Other Income	22	17	30%

- The company experienced overall growth in total income, driven by a significant increase in revenue from financial services.
- Company witnessed a growth of 191% in financial services due to increased focus on distribution of financial services (primarily through MobiKwik ZIP and ZIP EMI products)
- The decline in revenue from payment services was primarily on account of modes of payments skewing towards lower payment processing cost modes, as well as the suspension of their payment gateway business in FY-23
- Other income also saw a substantial increase due to higher interest income from bank deposits.

KEY PERFORMANCE INDICATORS

OPERATIONAL KEY PERFORMANCE INDICATORS	Unit	As of and for the Financial Year ended 31st March			Half Year ended 30th Sep
		2021	2022	2023	H1 - 2024
Platform Spend GMV	Mn.	1,48,303.37	2,36,321.97	2,62,350.26	1,74,319.66
Payment GMV	Mn.	1,18,345.95	1,79,473.88	2,07,250.06	1,41,435.47
Payment Gateway GMV	Mn.	27,974.18	43,362.35	14,072.10	5,288.63
MobiKwik ZIP GMV (Disbursements)	Mn.	1,983.24	13,485.74	41,028.10	27,595.56
ZIP EMI GMV (Disbursements)	Mn.	1,016.19	1,636.42	10,121.73	13,567.84
Registered Users	Mn.	101.37	123.56	139.89	146.94
New Registered Users	Mn.	18.44	22.19	16.33	7.05
Customer Acquisition Cost	Rs.	13.02	17.53	20.30	31.29
Activated - MobiKwik Zip Users	Mn.	0.53	2.44	4.07	4.78
Activated - Zip EMI Users	Mn.	0.21	0.28	0.54	0.78
Repeat MobiKwik Zip Users	%	79.19%	82.89%	90.35%	93.00%
Credit - Partner AUM	Mn.	1,508.26	1,768.17	7,184.89	16,897.43
Wealth - AUA	Mn.	58.22	3,236.84	8,169.98	28,858.88

LETS HAVE A LOOK AT HOW MOBIKWIK IS PLACED AMONGST ITS COMPETITORS



Player Name	Number of Registered Users (Mn) – FY23	Payments	Bills & Recharge	Lending	Investments
PhonePe	500	✓	✓	✓	✓
PayTm	300	✓	✓	✓	✓
Airtel Payments Bank	155	✓	✓	✗	✓
MobiKwik	140	✓	✓	✓	✓
Freecharge	100	✓	✓	✓	✓
Amazon Pay	80	✓	✓	✓	✓
GPay	67	✓	✓	✓	✓
Navi	15	✓	✗	✓	✓
Cred	12	✓	✓	✓	✗
Fino Payments Bank	7.1	✓	✓	✓	✗
Groww	6.6	✓	✓	✓	✓
Niyo	4	✓	✓	✓	✓
Fi money	3	✓	✗	✓	✓
Jupiter	2.2	✓	✓	✓	✓

Digital Financial product & services platform- Services & Number of registered users

As of FY-23, MobiKwik has the fourth highest user base in India when we consider total registered users on the platform.

Player name	EBITDA margin
MobiKwik	-10.0%
Paytm	-14.8%
PhonePe	-56.9%
Bharat Pe	-75.0%
Cred	-287.8%
Jupiter	-566.3%
Fi money	-454.6%
Freo	-39.2%
Fino Payments Bank	11.1%

MobiKwik stands out with its lowest negative EBITDA margin among payment service focused players in FY-23. This showcased a relatively more resilient financial performance despite operating in a competitive landscape.

Player Name	Revenue- FY 23 (INR Cr.)	Total Equity Funding (USD Mn)	Total Capital raised (INR Cr.)	Capital efficiency
MobiKwik	561	151	1208	0.46
PayTm	8400	USD 3540 Mn + INR 18300 Cr.(IPO)	46620	0.18
PhonePe	3085	973	7784	0.40
BharatPe	1029	617	4936	0.21
Cred	1400	1070	8560	0.16
Groww	1297	393	3144	0.41
Jupiter	54	164	1312	0.04
Fi money	63	146	1168	0.05
Freo	100	40	324	0.31
Freecharge	404	117	936	0.43
Airtel Payments Bank	1291	N/A	N/A	N/A
Niyo	131	179	1432	0.09
Fino Payments Bank	1230	USD 15 Mn + INR 1300 Cr. (IPO)	1420	0.90
Ola Money	N/A	27	217.6	N/A

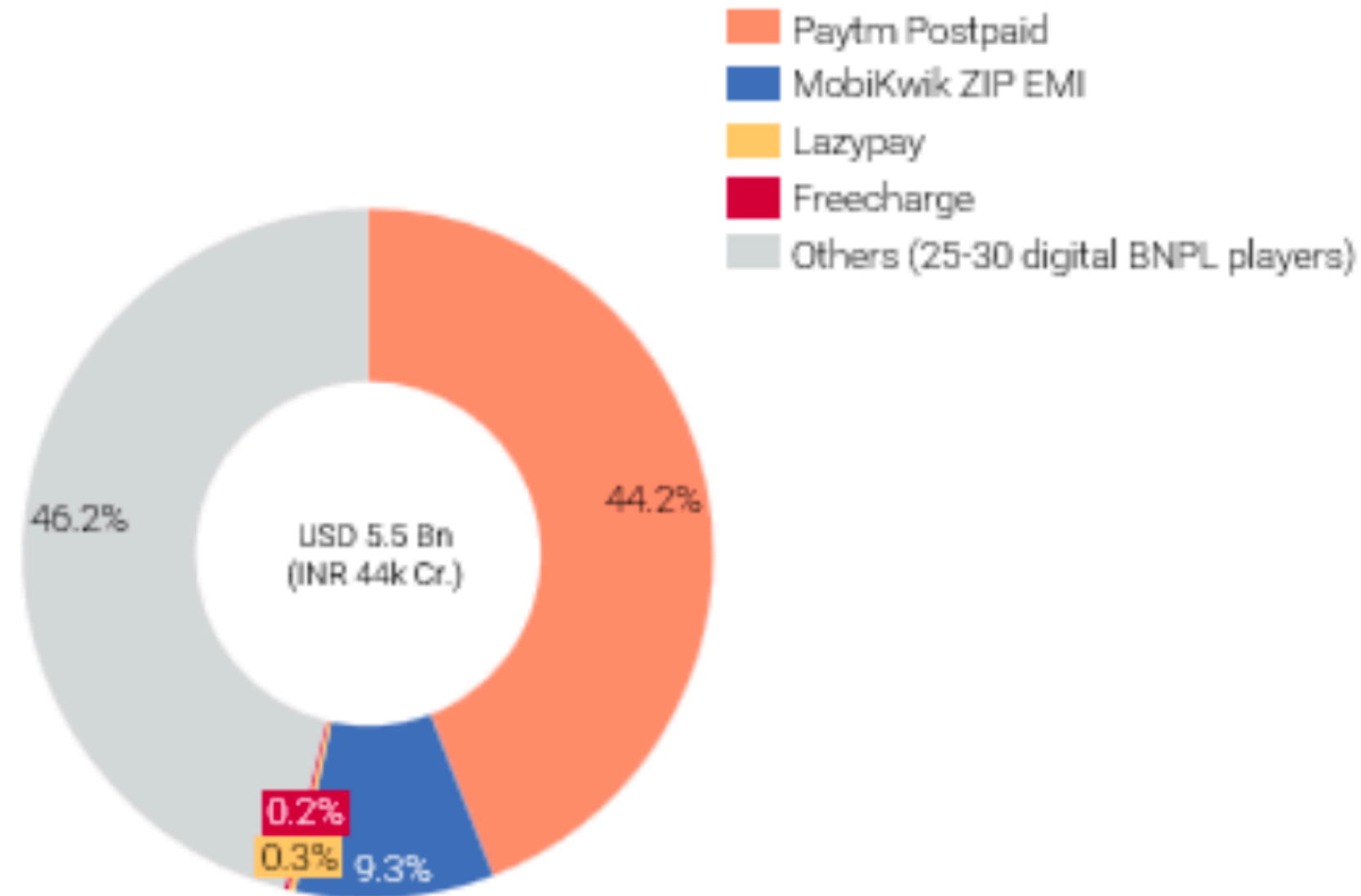
Digital Financial product & services platform- Capital efficiency

MobiKwik has the 2nd highest capital efficiency amongst digital financial product and services platform provider as of FY-23

Player Name	Wallets- GMV (USD Bn)
MobiKwik	1.09
Paytm Payments Bank	19.13
Airtel payments Bank	0.37
Fino Payments Bank	0.01
Jio Payments Bank	0.001
Amazon Pay	0.46
True Balance (Balance Hero)	0.01
Ola Money	0.06
PhonePe	0.55

BNPL SPLIT

Digital BNPL- Split by player
USD Bn, FY23



Among digital BNPL disbursements, Mobikwik was one of the largest players in the market for FY-23. Mobikwik disbursed ₹ 4,102 crores worth of BNPL loans in Fiscal FY-23 and has around 9-10% of market share in overall digital BNPL space.

REVENUE BREAKUP & WALLET USERS



Player Name	Total Revenue (FY23 - INR Cr)	% Non-Payment Revenue	% Payment Revenue
MobiKwik	561	55%	45%
Paytm	8,400	41%	59%
Phonepe	3,025	5%	95%
Bharatpe	1029	15%*	85%*
Freecharge	411	2%	98%
Cred	1,401	NA	NA

Revenue breakup of digital payment platforms

In Fiscal 2023, MobiKwik had one of the highest monetization diversification (ratio of payment revenue vs non-payment revenue) among digital payment platforms. This shows high responsiveness towards change in market, which is one of the key factors for long term success.

Player Name	Number of wallet Users (Mn)- as of Mar'23
MobiKwik	127.9
PayTm Payments Bank	562.1
Airtel Payments Bank	101.5
Fino Payments Bank	5.4
Jio Payments Bank	7.2
Amazon Pay	62.4
True Balance	11.9
Ola Money	79.4
PhonePe	151.4

Among active wallet players, MobiKwik was first company to launch wallets in India. MobiKwik launched its wallet in 2009. The next active company to launch wallets was Paytm which launched it in 2014. Even among registered users of wallet, Paytm payments lead with 562.1 million users. This is followed by PhonePe and MobiKwik who have 151.4 million and 127.9 million registered users respectively, as of FY-23.

FUNDING DETAILS



MobiKwik has raised a total funding of \$269M over 22 rounds

Date	Money Raised	Lead Investor
June, 2013	\$5 M	Peak XV Partners
Feb, 2015	\$25 M	Peak XV Partners, Tree line, Cisco, American EXpress
April, 2016	\$50 M	Peak XV Partners, Tree line, Cisco, NETI, Mediatek
Aug, 2017	\$35.2 M	Bajaj Finserv
March, 2020	\$30 M	Bajaj Finserv, Hindustan Times, Pratithi Capital
Jun, 2021	\$20 M	Abu Dhabi Investment Authority, Sparkle Fund
Dec, 2021	\$14 M	Bennett, Coleman
Jan, 2023	\$553 K	BlackSoil

PEER COMPARISON

Company Name	Mobikwik	Paytm	Affirm Holdings
Total Income	561	8400	12704
Registered Users	14	30	1.5
EBITDA	(56)	(1222)	(9607)
EBITDA Margins	(9.97%)	(15.3%)	(75.62%)
PAT	(84)	(1777)	(7883)
EPS	(14.66)	(27.5)	(267.2)
NAV per share	24.8	205	683
Share Price (30 Dec, 2023)	490	635	3920
P/E	(33.4)	(23.11)	(15.74)
RONW	(59)	(13.6)	(38)

MOBIKWIK IPO PLANS

- In July 2021, the company filed for a Rs 1,900-crore IPO but the plans were shelved following mixed market sentiments for new-age companies back then
- After scrapping its IPO plan in July 2021, MobiKwik has again filed papers for an initial share sale to raise up to ₹700 crore
- The issue size is reduced by 63% from earlier in the current prospectus to Rs 700 crore and no existing investors will sell their shares under the latest IPO plans

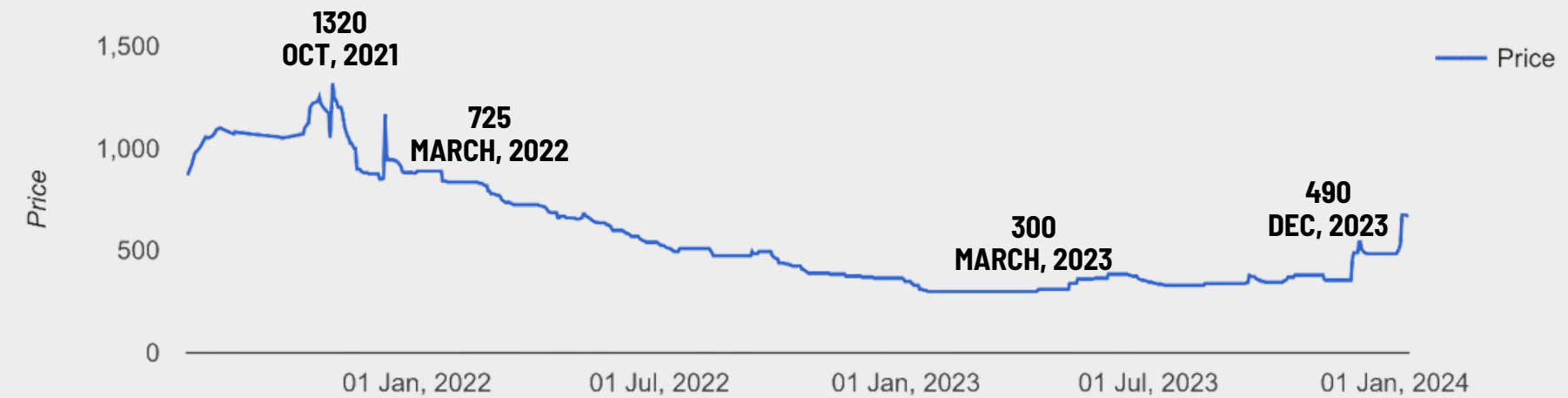


VALUATIONS

Paytm is trading currently at a P/S ratio of 5.1, whereas Mobikwik is trading at a P/S ratio 6.8

If we take the P/S ratio of Paytm,
Share price = 500 approx.
CMP (16th January) : 640

Thus the current share price for Mobikwik is trading 35% higher. Such valuations will be very steep for an investor to enter, and thus it might be best to let the prices cool off before investing.





THANK YOU



altiusinvestech.com
Mob: 8240614850
support@altiusinvestech.com