

December 5, 2025

IPO Note

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Issue Details

Price Band: ₹ 185 to ₹ 195
Issue Opens on: December 8, 2025
Issue Closes on: December 10, 2025
Lot Size: 76 Shares & in Multiples thereafter

Issue Highlights

Issue Size: ₹ 1,288.89 Cr.
No of Shares: 6,60,96,866
Face Value: ₹ 1

Offer Structure

Issuance	₹ in Cr.
Fresh Issue	377.18
Offer for Sale	911.71
Total	1,288.89

Issue Breakup

Reservation for	% of Issue	₹ in Cr. (at upper band)
QIB	75	966.67
HNI	15	193.33
Retail	10	128.89
Total	100	1,288.89

Listing

BSE & NSE

Lead Managers

- Axis Capital Limited
- IIFL Capital Services Limited
- Nomura Financial Advisory and Securities (India) Private Limited

Registrar

MUFG Intime India Pvt Ltd.

Contact Details

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COMPANY OVERVIEW

Wakefit is the largest Direct-to-consumer ("D2C") home and furnishings company in India in terms of revenue in Fiscal 2024, with a presence across all major sales channels. Wakefit's revenue in Fiscal 2024 was ~3.18 times that of the 2nd largest D2C player in the space. Wakefit is the only D2C home & furnishings player in India to scale across all three product categories: furniture, mattresses, and furnishings and décor, each generating over ₹ 100 crore in revenue in Fiscal 2024.

The company offers a wide range of products, including mattresses, furniture, and furnishings, through their omnichannel presence, ensuring a seamless customer experience across all touchpoints, both online and offline. They are a full-stack vertically integrated company, enable to control every aspect of the operations, from conceptualizing, designing and engineering the products to manufacturing, distributing and providing customer experience and engagement.

It is also the top-rated player across the top two horizontal online marketplaces in India in the home and furnishings market across SKUs in the mattress, furniture and furnishings and décor categories among organized peers which have garnered a significant number of user ratings as of November 11, 2025. The company intends to introduce a range of premium products across its product categories. They launched the 'Plus' range of mattresses, sofas, and wardrobes, offering enhanced features and quality. It sells its products through a comprehensive omnichannel strategy that combines both its own and external channels, allowing it to reach customers in over 700 districts across 28 states and 6 union territories.

HIGHLIGHTS

1. Largest and fastest growing D2C home and furnishing solutions destination
2. Comprehensive home and furnishing solutions brand with a core focus on product innovation
3. Full-stack vertically integrated operations with differentiated processes and technical capabilities
4. Omnichannel sales presence and strategically located store network
5. Business model with a track record of delivering financial growth

OBJECTS OF THE ISSUE

1. Capital expenditure to be incurred by the Company for setting up of 117 new COCO Regular Stores (₹ 30.84 Cr.)
2. Expenditure for lease, sub-lease rent, and license fee payments for their existing COCO – Regular Stores (₹ 161.47 Cr.)
3. Capital expenditure to be incurred by the company for the purchase of new equipment and machinery (₹ 15.41 Cr.)
4. Marketing and advertising expenses towards enhancing the awareness and visibility of their brand (₹ 108.40 Cr.)

Offer for sale of 46,754,405 equity shares by the Selling Shareholders. The company will not receive any proceeds from the Offer for Sale.

OUR VIEW

Incorporated in 2016, Wakefit is a direct-to-consumer mattress brand, Wakefit has gradually expanded its offerings to become a full-fledged home-furnishings company, including furniture and home décor essentials. They have established a logistics network comprising one central mother warehouse, 7 inventory holding points ("INHPS") and 18 points of delivery ("PODs") as of September 30, 2025, all strategically positioned to optimize logistics and distribution.

However, risks to consider are Intense Competition, Loss making in the past, Raw Material & Supply Chain Volatility, brand vulnerability and reputational risk, Revenue Concentration (~60% from Mattress), Distribution Channel Concentration (website and COCO Stores), Regulation risk, relationships with online marketplaces, working capital intensive business which may adversely affect the business, results of operations, cash flows and financial condition.

On the financial front, the topline grew at CAGR 25% between FY23-25, at the same time bottom line stayed negative in last 3 years and turned positive in H1FY26. At HYFY26, its EBITDA & PAT Margin stood at 14.25% and 4.91% respectively. Its working capital cycle improved from 20 days in FY23 to 1.04 days at H1FY26.

The issue is priced at a P/BV of 10.89 based on its NAV of Rs.17.9 as at HYFY26. If we attribute FY26 annualised earnings, then the asking price is at P/E of around 85x. Industry average is 77x. The issue is aggressively priced. At the upper price band of ₹ 195, the company seeks a market capitalization of over ₹6,370 crore.

Wakefit has achieved its leading position by operating a (D2C) business model with a portfolio spanning mattresses, furniture, and home décor. The company has to sustain the profit it achieved in H1FY26 over the long run. Looking at all the factors, risks, opportunities and valuation, High risk-taking investors may invest with Long term horizon to the issue.

Brief Financials

PARTICULARS	As at September 30, 2025	₹ in Million		
		FY '25	FY '24	FY '23
Total Income	7,413.01	13,054.26	10,173.34	8,200.09
Total Expenditure	7,057.27	13,404.30	10,323.87	9,656.92
EBITDA	1,031.94	908.30	658.49	(857.52)
Profit/(Loss) before Tax	355.74	(350.04)	(150.53)	(1,456.83)
Profit/(Loss) after Tax	355.74	(350.04)	(150.53)	(1,456.83)
E.P.S. (Diluted)	1.14*	(1.15)	(0.50)	(5.62)
P/E (x) (Diluted)	-	-	-	-
RONW (%)	6.38*	(6.72)	(2.77)	(28.84)

*Not annualised

PRICE CHART (@ ₹ 195) (Retail Category)

LOT SIZE	Amount
76	14,820
152	29,640
228	44,460
304	59,280
380	74,100
456	88,920
532	103,740
608	118,560
684	133,380
760	148,200
836	163,020
912	177,840
988	192,660

HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount (Rs.)
Small HNI	1,064	207,480
Big HNI	5,168	1,007,760

Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	11/12/2025
Initiation of refunds/unblocking ASBA Fund	12/12/2025
Credit of Equity Shares to demat accounts of Allottees	12/12/2025
Commencement of trading of the Equity Shares on the Stock Exchanges	15/12/2025

For more details, Please refer RHP,

(https://www.sebi.gov.in/filings/public-issues/dec-2025/wakefit-innovations-limited-rhp_98126.html)

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