



DIGITAL MOBILITY SOLUTIONS LANKA LIMITED

TEASER

AUGUST 2024

Joint Managers to the Issue

PRIVATE & CONFIDENTIAL
The Initial Listing Application to list the shares of the Company has been submitted to the Colombo Stock Exchange for Listing Approval



KEY HIGHLIGHTS

A Leader in Sri Lanka's Digital Economy

#1 ride hailing app, dominating a duopoly with strong Net Profit growth and record platform usage in 2024. Resilience to swing back to profits immediately after 4 continuous years of macroeconomic crisis, whilst maintaining a clean balance sheet.



4%*
Market Penetration in Tuk Drivers



LKR 679 Mn
FY 24 Net Profit



LKR 223 Mn
Q1 FY25 Net Profit



LKR 1.3 Bn
Forecasted FY25 Net Profit

From Ride Hailing to Integrated Digital Mobility Solutions

Introduced 4 new verticals in the last 4 years with plans to expand further, achieving critical mass and economies of scale allowing for increased net margins in a still underpenetrated market, where local expertise is key, both for consumers and independent third-party drivers.



9x
P/E (FY25)



24% Expected
Net Margin Growth FY24-25



0%
Gearing (Debt/Equity)



7 Of Top 10
Shareholders NOT selling

IPO Priced at LKR 36.00 with a 20.8% Upside

With a DCF Value of LKR 14.5 Bn (LKR 43.49 per share), the IPO is primarily a liquidity event for two shareholders, priced at LKR 36.00 giving investors an immediate upside of 20.8%, coming to market at 9x P/E and a forecasted FY25 Net Profit of LKR 1.3 Bn.

CAGR in Gross Revenue since Launch

HAILING **45%**

FOOD **208%**

FLASH **160%**

MARKET **29%**

TRUCKS **105%**

*Based on the Independent third party Tuks registered on the PickMe platform and Total Tuk's Registered in Sri Lanka



AT A GLANCE

An Expanding Market and a Thriving Company

Market Overview



22 Mn

Total Population



36.18 Mn

Cellular Connections



14.6 Mn

Internet Users



8.3 Mn

Registered Vehicles



9 Mn+

Public transport users

PickMe



*75,000+

Independent third-party Vehicles



5

Distinct Verticals



*880,000+

Monthly Unique Consumers



679 Mn

LKR - Profit FY24



*182 Mn+

Movements Facilitated



Ride Hailing



Food



Flash



Trucks



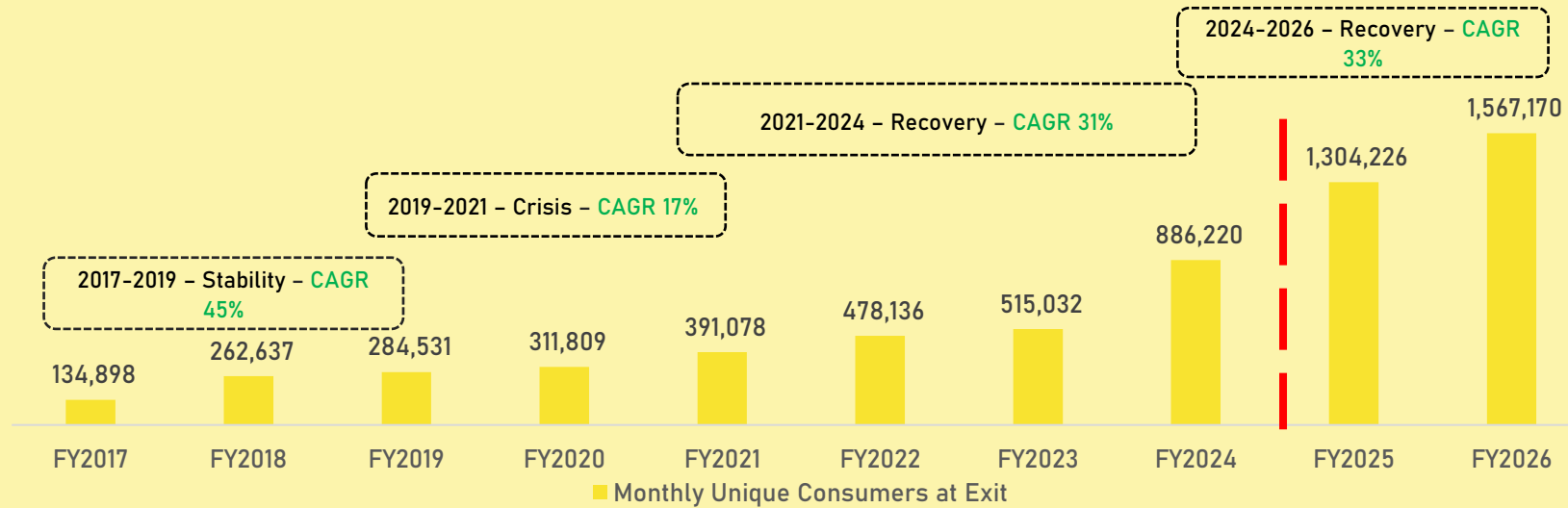
Market

*As at 31st March 2024

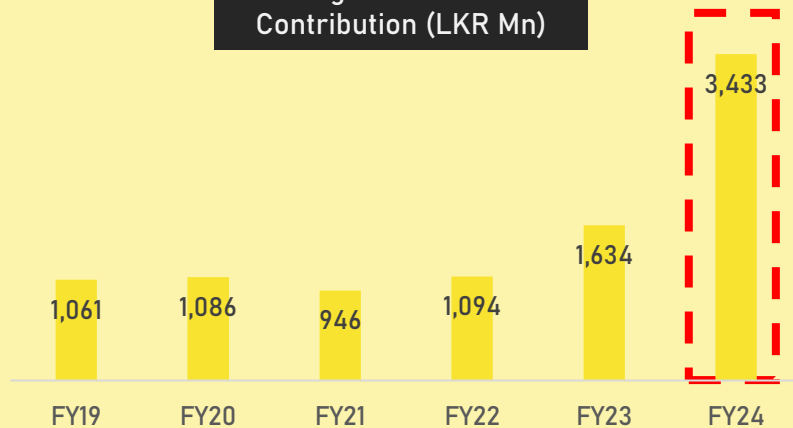
AN ESTABLISHED PLAYER IN A MARKET GEARED FOR GROWTH

In just 9 years since inception PickMe has cemented its place as Sri Lanka's best known digital mobility player

Growth of Monthly Unique Consumers

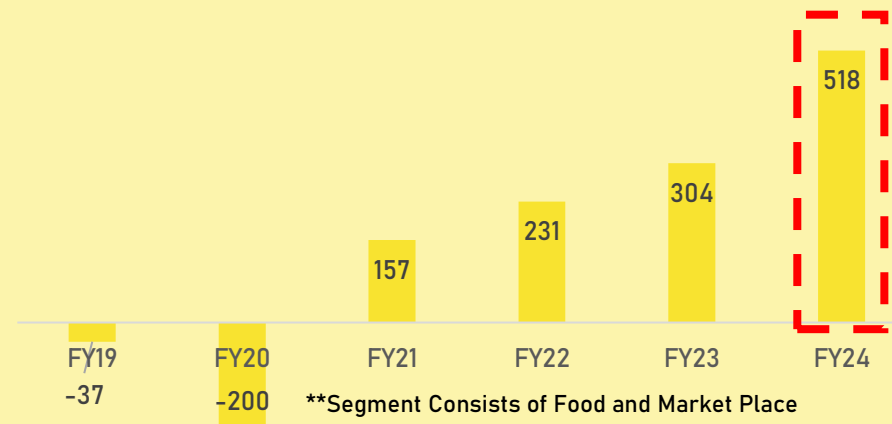


Hailing* - Net Revenue Contribution (LKR Mn)



*Segment consists of Ride Hailing, Trucks and Flash

Delivery** - Net Revenue Contribution (LKR Mn)



**Segment Consists of Food and Market Place



BACKED BY GLOBALLY RECOGNIZED INVESTORS

IFC brings international presence to a stellar cap-table boasting some of Sri Lanka's biggest corporate names



The International Finance Corporation - a member of the World Bank Group - is the largest global development institution focused exclusively on the private sector.



Interblocks Holdings Pte Ltd is a company registered in Singapore and is a leading provider and innovator of integrated, electronic payment processing that empowers Banks & Financial Service providers across global markets.



LOLC Technologies Limited is a fully owned subsidiary of LOLC group, and currently owns over 100 direct and indirect subsidiary companies operating in diverse business sectors.



Investment through H Capital (Pvt) Ltd, a subsidiary of Hirdaramani Investment holdings. Hirdaramani Group has a global footprint in multiple industry sectors - Apparel, Renewable Energy, Leisure, Retail, IT and Financial Services.



Investment through Invenco (Pvt) Ltd, a wholly owned subsidiary of Phoenix Ventures, who is the sole owner of Brandix Apparel Limited which is a leading Sri Lankan apparel manufacturer, offering end-to-end solutions for global brands. They are a key player in the South Asian apparel industry.



Investment through Amaliya (Pvt) Ltd, the family office of the Amaleans who are the renowned founders of MAS Holdings, a leading apparel manufacturer.

IPO HIGHLIGHTS AND VALUATION



Ordinary Voting
Type of share



LKR 36.00
IPO price per share



LKR 1.6 Bn
Offer size



43,474,179
Shares offered



13.04%
Stake offered



LKR 12 Bn
Market capitalization



Lucrative returns for IPO investors

The IPO price per share of LKR 36.00 offers an immediate upside of 20.8% to an incoming investor on the value per share of LKR 43.49 derived from a 3-year DCF valuation

20.8%
IMMEDIATE
UPSIDE



Valuation methodology and corresponding share price



Discounted Cash Flow
(3 Years)

Valuation Methodology



LKR 43.49
Value Per Share

Comparison to foreign peers (at IPO)

Foreign Peers	EV/Revenue
Uber	5.49
Lyft	6.82
Didi	3.09
AVERAGE VALUE	5.13

PickMe EQUITY VALUE AT
AVERAGE PEER MULTIPLE*
(Discounted 40%)

LKR 19.86 Bn

*Based on forecasted FY25 Financials

HISTORICAL AND FORECASTED EARNINGS

As at 31st March

	FY22	FY23	FY24	FY25	FY26	FY27
Gross Revenue	2,401,186,394	3,169,593,046	7,056,183,150	10,719,983,003	14,558,108,108	18,560,285,756
Incentives/Discounts/Other Costs**	(1,105,992,640)	(1,213,518,044)	(2,937,406,827)	(4,592,031,967)	(6,012,971,323)	(7,223,185,436)
Net Revenue	1,295,193,754	1,963,648,688	3,918,558,734	6,127,951,036	8,545,136,784	11,337,100,320
Operating Profit	(161,917,702)	14,562,492	924,980,697	1,809,629,023	2,955,711,818	3,985,192,421
PBT	(144,212,417)	69,050,004	993,061,476	1,881,467,275	3,013,182,421	4,042,663,023
Net Profit	(157,216,806)	130,458,838	679,456,820	1,317,027,093	2,109,227,694	2,829,864,116
Total Assets	1,333,643,528	1,752,070,146	2,820,505,259	4,367,512,028	6,720,512,888	9,888,387,428
Total Equity	900,781,568	1,050,745,925	1,748,553,808	3,065,580,898	5,174,808,590	8,004,672,704
Return on Equity	nm**	13%	49%	55%	51%	43%

*nm: not meaningful

**Does not include all costs and income items

DISCLAIMER

This presentation has been prepared by Capital Alliance Partners Limited (“CAL”) and CT CLSA Capital (Pvt) Ltd (“CT CLSA”) and unless otherwise expressly authorized by CAL and CT CLSA, shall not be used by any third party. This report is for the use of the intended recipient only. Access, disclosure, copying, distribution or reliance on any of it by anyone else is prohibited and may be a criminal offence. The presentation does not constitute or form of any offer for sale or invitation, or solicitation of an offer, to subscribe for or purchase any securities and neither this presentation nor anything contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever.

This presentation has been prepared and issued on the basis of publicly available information, internally developed data and other sources, believed to be reliable. CAL and CT CLSA however does not warrant its completeness or accuracy. Opinions and estimates given constitute a judgment as of the date of the material and are subject to change without notice. This presentation may contain forward-looking statements regarding, amongst other things, the Company's outlook, business and strategy which are current as of the date they are made. These forward-looking statements are based largely on the current assumptions, expectations and projections of the directors and management of the Company about the business, and the industry in which the Company operates in. These statements are not guarantees of the Company's future performance and are subject to a number of risks and uncertainties, some of which are beyond the Company's control and are difficult to predict. Future developments and actual results could differ materially from those expressed in the forward-looking statements. In light of these risks and uncertainties, there can be no assurance that the forward-looking information will prove to be accurate. Certain data in this presentation has been obtained from various external data sources and CAL and CT CLSA have not verified such data with independent sources.

The recipients of this presentation must make their own independent decision regarding any securities, investments or financial instruments mentioned herein. CAL and CT CLSA, it's directors, officers, consultants, employees, associates or business partners, will not be responsible, for any claims damages, compensation, suits, damages, loss, costs, charges, expenses, outgoing or payments including attorney's fees which recipients of this presentation suffers or incurs directly or indirectly arising out actions taken as a result of this presentation.

