IPO REVIEW

Optimystix Entertainment India IPO

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- The company has legacy of 25+years and is providing almost all entertainment related products/content and has many firsts to its credit.
- Some of its popular contents are Baalveer, Crime Petrol, Comedy Circus, Laughter Chefs etc.
- The company has up the sleeve lower budget regional films having defined earnings and develop the same as its own IP.
- Its super FY26 performance has some contributions from there new plans.
- The company totally differs from the current listed peers in its model of working.
- Based on its recent financial data, the issue appears fully priced.
- Well-informed investors can park funds for medium to long term.

About the Company

Optimystix Entertainment Ltd. (OEL) enjoys 25+ years legacy in Indian Television. The company was founded in 2000. It is engaged in the business of creating and producing content for television, films, and digital platforms. The Company and its promoters have been active in the Indian entertainment industry for over 25 years.

Since its inception, the Company has produced more than 150 television shows, comprising over 7,500 hours of original programming, across all major national broadcasters. OEL is among the few Indian production houses that has consistently operated across both fiction and non-fiction formats at scale.

The Company has created landmark shows such as Comedy Circus and Crime Patrol, which are regarded within the industry as significant contributors to the growth of comedy and crime programming in India. It has also delivered long-running and iconic shows such as Laughter Chefs, Baalveer, Rising Star, Saas Bina Sasural and Ladies Special.

Its franchises in comedy, crime and children’s genres are among the long-running formats in the industry, some of which have achieved recognition in industry records. Its work has been recognised with more than 60 awards across various categories in the Indian television industry. It operates as a debt-free enterprise and has maintained a presence across prime-time slots with a steady pipeline of programming. The Company undertakes end-to-end content creation with in-house capabilities that include ideation, scripting, production and post-production. Known within the industry for balancing commercially successful content with themes of social relevance, including women empowerment and family-centric storytelling,

The Company has developed strong brand equity with broadcasters and audiences. Its long-standing relationships with broadcasters, studios and overthe-top (OTT) platforms contribute to recurring demand for its programming and to a diversified revenue base across multiple platforms. With a rich legacy in television, strategic expansion, and a growing presence in feature films, OTT programming and digital it is positioned to leverage the rapid growth of India’s media and entertainment sector. The Company seeks to capitalize on rising demand for high-quality, multi-platform entertainment content, both domestically and globally, while continuing to build enduring franchises and innovative formats that cater to evolving audience preferences. In addition to its presence in television, the Company has expanded into films and digital content over the last four years.

The Company has not only identified talent but also provided opportunities for talent who have subsequently become leading names in Indian entertainment, including Kapil Sharma, Bharti Singh, Krushna Abhishek and Sudesh Lehri, strengthening brand equity. According to the management, with well experienced promoters/production team it is well placed to gain from its regional film/content plans, produce most popular IPs conversion in animated films and all these plans will add it to their top and bottom lines, as the debt free company will have a buffer funding from the IPO proceeds as working capital, which will be used mainly in new creations.

During this period, it has produced feature films and web series across genres, which have been released theatrically and on digital platforms, as well as showcased at international film festivals. Some of OEL’s notable releases include OMG2, The Diplomat, Khel Khel Mein, Double XL, Lukkha, etc. As of the date of this offer document, it had 38 employees on its payroll (including 13 contractual employees).

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of 6200000 equity shares of Rs. 10 each to mobilize Rs. 108.50 cr. at the upper cap. The IPO consists of 5000000 fresh equity shares (worth Rs. 87.50 cr. at the upper cap), and an Offer for Sale (OFS) of 1200000 equity shares (worth Rs. 21.00 cr. at the upper cap). The company has announced a price band of Rs. 166 - Rs. 175 per share. The minimum application to be made is for 1600 shares and in multiples of 800 shares thereon, thereafter. The IPO opens for subscription on August 07, 2026, and will close on August 11, 2026. The IPO constitute 26.65% of the post-IPO paid-up capital of the company. The shares will be listed on NSE SME Emerge. From the net proceeds of the fresh equity issue, it will utilize Rs. 64.38 cr. for incremental working capital, and the rest for general corporate purposes.

The IPO is jointly lead managed by LSI Financial Services Pvt. Ltd., and NexGen Financial Solutions Pvt. Ltd. while Maashitla Securities Pvt. Ltd., is the registrar to the issue. Mansi Share & Stock Broking Pvt. Ltd. is the market maker. The issue is underwritten to the tune of 15.01% by LSI Financial Services, and 84.99% by Turnaround Corporate Advisors Pvt. Ltd.

After issuing initial equity capital at par value, the company issued further shares in the price range of Rs. 136.56 – Rs. 308.50 per share (based on Rs. 10 FV), between March 2025, and August 2025. It has also issued bonus shares in the ratio of 12 for 1 in May 2004, and 25 for 1 in April 2025. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. 5.81, Rs. 7.32, and Rs. 52.52 per share.

Post-IPO, company's current paid-up equity capital of Rs. 18.27 cr. will stand enhanced to Rs. 23.27 cr. Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 407.21 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) reported a total income/net profit of Rs. 54.99 cr. / Rs. 6.69 cr. (FY24), Rs. 125.07 cr. / Rs. 17.24 cr. (FY25), and Rs. 135.89 cr. / Rs. 24.04 cr. (FY26). According to the management, the boosted bottom lines for FY25 and FY26 indicates the trends ahead considering their plans afoot.

For the last three fiscals, the company has reported an average EPS of Rs. 11.82, and an average RoNW of 16.89%. The issue is priced at a P/BV of 2.43 based on its NAV of Rs. 71.95 per share as of March 31, 2026, and at a P/BV of 1.86 based on its post-IPO NAV of Rs. 94.11 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 16.94, and based on FY25 earnings, the P/E stands at 23.62. The issue appears fully priced, based on its average earnings.

For the reported periods, the company has posted PAT margins of 12.21% (FY24), 13.86% (FY25), 17.81% (FY26), and RoCE margins of 6.68%, 24.42%, 23.05%, respectively, for referred periods.

Dividend Policy

The company has not paid any dividend for the reported periods of the offer document. It has adopted a dividend policy in September 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Panorama Studios, Cinevista Ltd., and Balaji Telefilms, as its listed peers. They are currently trading at a P/E of 81.6, 14.4, and NA (as of August 05, 2026). However, they are not truly comparable on an apple-to-apple basis.

Merchant Banker's Track Record

On merchant banker's track record aspect, this is the 1st mandate form LSI Financial Services, while this is 6th mandate from NexGen Financial in the last two fiscals (including the ongoing one). Out of

last 5 listings, 1 listed at discount and the rest with premium ranging from 2.56% to 67.68% on the listing date.

Conclusion / Investment Strategy

OEL has legacy of 25+years and is providing almost all entertainment related products/content and has many firsts to its credit. Some of its popular contents are Baalveer, Crime Petrol, Comedy Circus, Laughter Chefs etc. The company has up the sleeve lower budget regional films having defined earnings and develop the same as its own IP. Its super FY26 performance has some contributions from there new plans. The company totally differs from the current listed peers in its model of working. Based on its recent financial data, the issue appears fully priced. Well-informed investors can park funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

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