SKG RESEARCH | BRIEFING NOTE · AUGUST, 2026

Zepto Ltd.

IPO Deferral and Valuation Reset

Quick commerce · India IPO market. A private-to-public repricing, read against the numbers that actually transacted.

$7.0 bn	~$4.5 bn	1,139
PEAK MARK, OCT-25	PLACEMENT, AUG-26	DARK STORES, MAR-26

FIGURES AS REPORTED IN DRHP FILINGS AND PUBLIC DISCLOSURE

BRIEFING | ZEPTO LTD. · QUICK COMMERCE · INDIA IPO MARKET

IPO Deferred, Valuation Reset to ~$4.5 Billion

Figures as reported in DRHP filings and public disclosure

OCT 2025 · PEAK MARK

$7.0 bn

$450m raise priced Zepto at its highest private valuation.

AUG 1, 2026 · TRANSACTED

~$4.5 bn

Closed pre-IPO placement of ₹1,000+ crore, mainly domestic investors.

IMPLIED MARKDOWN

~36%

Peak private mark to the only hard, transacted data point.

JULY 2026 TARGET

Deferred

Listing pulled after institutional roadshow feedback.

What changed: Institutional bids during the July roadshow came in materially below the private mark. Reported roadshow ranges conflict - a headline around 65% cut implies ~$2.5bn - but the placement that actually closed sets the working reference at ~$4.5bn.

Zepto is the second major India consumer tech IPO pulled in 2026 on a private to public valuation gap. The reset is a repricing of growth funded by cash burn against listed, profitable competition - not a company specific event.

Eight Months From Filing to Reset

DEC 2025

Confidential DRHP filed

Zepto files its draft prospectus with SEBI under the confidential route.

JUN 8, 2026

Updated DRHP filed

Fresh issue of up to ₹8,010 crore plus an offer for sale of ~11.35 crore existing shares by six early investors.

JUL 2026

Roadshow against a July listing target

Institutional feedback priced the business well below the private mark.

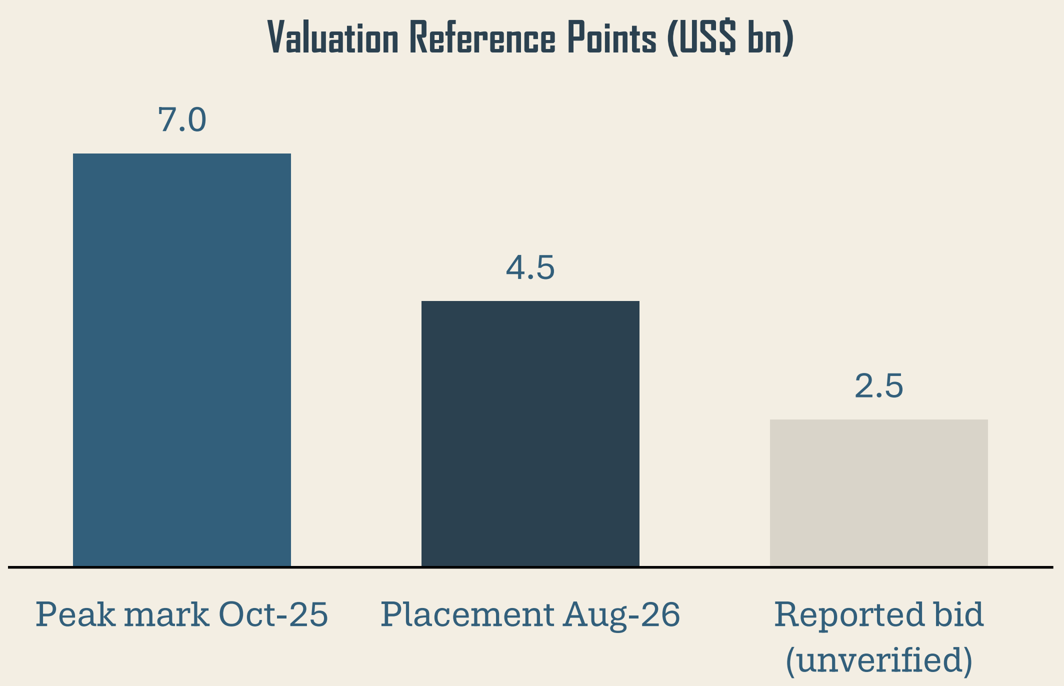
AUG 1, 2026

Deferral confirmed; placement closed

Closed pre-IPO placement of ₹1,000+ crore at ~$4.5 billion, sourced mainly from domestic investors.

Original target listing month was July 2026; the company has not published a revised listing window.

$7bn Mark, $4.5bn Print, $2.5bn Headline



PEAK MARK · OCT 2025

$7.0 bn $450m raise set the highest private valuation on record for the company.

SETTLED FIGURE · AUG 1, 2026

~$4.5 bn The pre-IPO placement that actually closed - the one hard, transacted data point in this set.

REPORTED CUT · CONFLICTING

~$2.5 bn A headline around 65% cut implies roadshow bids near $2.5bn; the spread against the closed print is too wide to treat as settled.

The gap between reported bids most likely reflects managers discounting the growth trajectory at the current cash-burn rate, against competitors such as Blinkit that are already profitable.

Revenue Doubled; Losses Still Widening

Particulars (₹ mn)	FY26	FY25	FY24
Revenue from operations	2,26,235.8	1,11,099.5	44,545.2
Adjusted EBITDA	(50,415.5)	(45,216.9)	(11,245.9)
Adjusted EBITDA margin	-22.3%	-40.7%	-25.3%
PAT	(59,051.9)	(46,997.1)	(12,147.9)
PAT margin	-26.1%	-42.3%	-27.3%
Net worth	35,596.0	61,478.4	28,644.8
RoNW	-165.9%	-76.4%	-42.4%

Source: DRHP filings, consolidated. Figures in ₹ million; negatives in brackets.

GROWTH

+104% YoY

Revenue reached ₹22,624 crore in FY26, after ~150% growth in FY25.

LOSSES

₹5,905 cr

Net loss widened ~26% YoY from ₹4,700 crore - slower than revenue, but still rising.

NET WORTH

₹3,560 cr

Down from ₹6,148 crore in FY25; RoNW deteriorated to -165.9%.

Operating leverage is visible in the margin - adjusted EBITDA loss narrowed from -40.7% to -22.3% of revenue - but absolute cash burn is still rising and net worth has fallen by roughly 42% in a year. That combination is what public market investors priced against.

Scale Has Trebled; Economics Have Not

DARK STORES

1,139

across 66 cities (Mar-26), from 337 stores in 11 cities two years earlier.

CITIES COVERED

66

a six-fold expansion of the footprint since FY24.

DAILY ORDERS

2.33 m

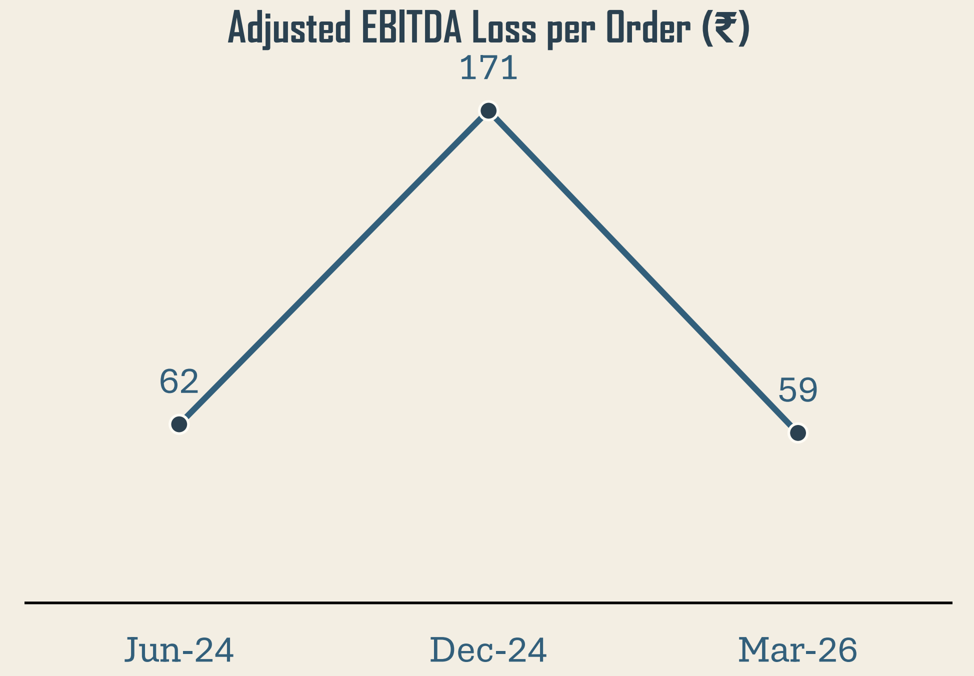
average daily order volume as of March 2026.

ANNUAL USERS

~48 m

annual transacting users on the platform.

Caveat: The Mar-26 print is the best in the series, not the endpoint of a steady trend - economics swing with promotional intensity and new dark-store cohorts.



At ~₹59 loss per order in Mar-26 against ~₹62 in Jun-24, twenty-one months of scale up have not yet converted into durable per order economics. Growth is real; the path to profitability is what the roadshow discounted.

A Market Repricing, Not a Company Event

01 Not an isolated case

PhonePe deferred its own IPO in March 2026 after bankers reportedly advised a $9-10.5bn range against the ~$15bn the market expected - the second major India consumer-tech listing pulled this year on a private-to-public gap.

02 Market backdrop

The Nifty is still down close to 6% year to date in 2026 despite a June-July rebound, and several other IPO hopefuls have reportedly stepped back from the current listing window.

03 Competitive field

Zepto competes directly with Blinkit (Zomato) and Swiggy Instamart for the same urban order base - but operates in quick commerce only, without the diversified revenue lines its two listed rivals carry.

04 Private market overvaluation

Zomato fell roughly 60% from its listing price and Swiggy traded below issue for an extended period before recovering. A $7bn listing would likely have repeated that path; managers are pricing to avoid it.

The deferral is best read as the private and public markets converging on price rather than a break in the business. Zepto retains the scale position; what it has not yet demonstrated is per-order economics that survive public market scrutiny alongside profitable competitors.

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