Lenskart Solutions | BUY

Robust quarter; compounding thesis sustained

Lenskart's Q4FY26 print was robust with consolidated revenue growing by 41% primarily led by 44% growth in India and 35% growth in the international business and was a beat to our estimates by 3%. Growth was led by strong SSSG (24.2% in India). Store opening too remained robust with 170/13 stores added QoQ in India/International markets, without cannibalising growth in existing clusters, India SPSG of 31.1% is a testament to that. Management highlighted that a large part of the growth was volume driven, which was a function of increase in eye testing, enabling not only acquisition of new customers, but also increase in market size. Operational performance was even more robust as India/International pre-Ind AS EBITDA grew 147%/52% YoY on the back of operating leverage. Overall, 4Q performance has further reinforced our confidence in Lenskart's execution capabilities. The company continues to deliver strong growth alongside sustained margin expansion despite sharp rupee depreciation. The quarter highlighted the strength of its operating leverage and execution prowess, where management delivered on previously articulated expectations around compounding growth and profitability. Traction in Meller was also strong, further validating Lenskart's ability to acquire, integrate, and scale brands globally leveraging its existing platform and distribution ecosystem. With consistent execution across both India and international markets, we believe Lenskart's growth journey will continue to accelerate. Given the strong 4Q performance, we increase our FY27–28E pre-Ind AS EBITDA estimates by 3%; our DCF-based TP is unchanged at INR 585, with a WACC of 12% and 6% terminal growth rate. Our TP implies 53x FY28E EV/EBITDA (pre-Ind AS); retain BUY.

- **Consolidated performance:** Consolidated revenue grew 41% YoY to INR 25.2bn, driven primarily by volume expansion across geographies; Eyewear units sold rose 24% YoY to 9.7mn. EBITDA rose 62% YoY to INR 5.3bn, with EBITDA margin expanding 280bps YoY to 21.4% led by 290bps/10bps YoY decrease in employee expenses/other expenses, partially offset by 20bps gross margin contraction. Pre-Ind AS margin expanded 380bps YoY to 12.9% as incremental rent accounted under Ind AS 116 fell 100bps YoY to 8.5%. Adjusted PAT increased 130% YoY to INR 2bn, led by 13% fall in interest costs along with 10% increase in other income, offset by 33% YoY rise in depreciation. Company reported PAT decline of 18% YoY as base quarter had exceptional gain of INR 1.6bn due to one-time non-cash FVTPL gain related to deferred consideration for Owndays acquisition.

- **India:** India revenue rose 44% YoY, supported by 24.2%/31.1% SSSG/SPSG and accelerated store additions (170 net adds in 4Q; 542 EOP store in FY26). Volume was the primary growth driver, with eyewear units sold up 23% YoY to 7.9mn and eye tests up 54% YoY to 6.0mn. ASP increased 17% YoY, led by change in mix on account of higher progressive and premium lens adoption. Pre-Ind AS EBITDA margin expanded 640bps YoY to 15.3% primarily led by operating leverage. Gross margin expansion was restricted primarily on account of rupee depreciation.

- **International:** Revenue grew 35% YoY (25% in constant currency) led by 29% YoY growth in eyewear units sold to 1.8mn and 5% YoY rise in ASP. Store expansion was steady at 13 net adds in 4Q (61 net adds in FY26). Pre-Ind AS margin expanded by 100bps YoY to 9.4% as gross margin went up by 140bps YoY to 76.6% and employee cost/ incremental rent dipped by 260bps/120bps YoY, offset by 420bps YoY rise in other expense. Management noted that growth was broad based across regions with Japan growing fastest.

Financial Summary (INR mn)

Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	68,030	90,023	114,216	136,645	161,981
Sales Growth (%)	23.0	32.3	26.9	19.6	18.5
EBITDA	11,554	17,939	24,477	30,192	37,633
EBITDA Margin (%)	17.0	19.9	21.4	22.1	23.2
Adjusted Net Profit	2,197	5,373	7,732	9,756	13,572
Diluted EPS (INR)	1.4	3.1	4.5	5.6	7.8
Diluted EPS Growth (%)	1,720.5	126.4	43.9	26.2	39.1
ROIC (%)	5.0	9.4	10.7	12.7	16.7
ROE (%)	3.7	7.2	8.5	9.8	12.2
P/E (x)	208.7	161.7	109.3	86.7	62.3
P/B (x)	12.8	9.7	8.9	8.1	7.1
EV/EBITDA (x)	72.0	46.3	34.0	27.4	21.6
Dividend Yield (x)	-	-	-	-	-

Source: Company data, JM Financial. Note: Valuations as of May 20, 2026

Gaurav Jogani
gaurav.jogani@jmfl.com | Tel: (91 22) 66303085
Mehul Desai
mehul.desai@jmfl.com | Tel: (91 22) 66303065
Dhananjay Jain
dhananjay.jain@jmfl.com | Tel: (91 22) 66303051
Rohan Kampani
rohan.kampani@jmfl.com | Tel: (91 22) 62241878

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	585
Upside/(Downside)	20.1%
Previous Price Target	585
Change	0.0%

Key Data – LENSKART IN EQUITY

Current Market Price	INR487
Market cap (bn)	INR845.4/US$8.7
Free Float (%)	37.4
Shares in issue (mn)	1,736.4
Diluted share (mn)	1,736.4
3-mon avg daily val (mn)	INR2,173.2/US$22.5
52-week range	INR560/356
Sensex/Nifty	75,318/23,659
INR/US$	96.8

Price Performance

%	1M	6M	12M
Absolute	-8.6	16.8	0.0
Relative*	-3.8	32.2	0.0

*To the NSE Nifty 50

Exhibit 1: Consolidated quarterly performance

INR mn	Quarterly			Chg (%)	Chg (%)	Q4FY26E		Reported		Chg (%)
	Q4FY25	Q3FY26	Q4FY26	YoY	QoQ	JMFe	Chg (%)	FY25	FY26	YoY
Eye tests performed (mn)	4.7	6.3	6.8	45	8	-	-	16.1	23.8	48
Store Count EOP	2,724	3,144	3,327	22	6	3,334	(7)	2,724	3,327	603
Quarterly Transacting Users (mn)	4.2	5.0	5.3	26	6	5.1	4	10.1	12.3	22
Units/customer (x)	1.9	1.8	1.8	(1)	3	1.9	(6)	2.8	2.9	2
Eyewear sold (mn)	8	9	9.70	24	9	10	(2)	28	35	24
Net operating income	**17,899**	**23,077**	**25,157**	**41**	**9**	**24,517**	**3**	**68,031**	**90,022**	**32**
Material cost	(5,402)	(7,170)	(7,645)	42	7	(7,579)	1	(21,175)	(27,790)	31
Gross profit	**12,497**	**15,907**	**17,512**	**40**	**10**	**16,938**	**3**	**46,856**	**62,233**	**33**
Employee costs	(4,410)	(5,278)	(5,476)	24	4	(5,543)	(1)	(16,500)	(20,541)	24
Other Expenses	(4,755)	(5,988)	(6,652)	40	11	(6,160)	8	(18,802)	(23,753)	26
EBITDA	**3,332**	**4,641**	**5,384**	**62**	**16**	**5,235**	**3**	**11,554**	**17,939**	**55**
Pre Ind AS EBITDA	**1,624**	**2,666**	**3,238**	**99**	**21**	**3,173**	**2**	**5,159**	**10,135**	**96**
Other income	446	404	490	10	21	418	17	1,925	1,745	(9)
Interest expense	(500)	(487)	(435)	(13)	(11)	(513)	(15)	(1,575)	(1,783)	13
D&A	(2,165)	(2,703)	(2,875)	33	6	(2,967)	(3)	(8,639)	(10,498)	22
PBT	**1,113**	**1,855**	**2,564**	**130**	**38**	**2,173**	**18**	**3,265**	**7,402**	**127**
Provision for taxes	(220)	(470)	(506)	130	8	(628)	(19)	(975)	(1,911)	96
Adj. PAT	**893**	**1,384**	**2,058**	**130**	**49**	**1,545**	**33**	**2,290**	**5,490**	**140**
Share of Profit and Loss from JVs	(12)	(17)	(22)	453	29	-	-	(30)	(43)	**44**
Exceptional Items	1,553	(40)	-			40	(100)	1,553	(144)	
PAT after Share of Profit and JVs and EO	**2,442**	**1,327**	**2,036**	**(17)**	**53**	**1,585**	**28**	**3,813**	**5,303**	**39**
Minority interest	(12)	(17)	(33)	167	98	(10)	235	(12)	(73)	487
PAT after EO items	**2,430**	**1,310**	**2,003**	**(18)**	**53**	**1,575**	**27**	**3,801**	**5,230**	**38**
% of net operating revenues										
Product margin (%)	**69.8**	**68.9**	**69.6**	**-21 bps**	**68 bps**	**69.1**	**52 bps**	**68.9**	**69.1**	**25 bps**
EBITDA margin (%)	**18.6**	**20.1**	**21.4**	**278 bps**	**129 bps**	**21.4**	**4 bps**	**17.0**	**19.9**	**294 bps**
Pre IndAS EBITDA margin (%)	**9.1**	**11.6**	**12.9**	**379 bps**	**131 bps**	**12.9**	**-7 bps**	**7.6**	**11.3**	**367 bps**
Material cost	30.2	31.1	30.4	20 bps	-69 bps	30.9	-53 bps	31.1	30.9	-26 bps
Employee cost	24.6	22.9	21.8	-288 bps	-111 bps	22.6	-85 bps	24.3	22.8	-144 bps
Other expenditure	26.6	25.9	26.4	-13 bps	49 bps	25.1	131 bps	27.6	26.4	-126 bps
Income tax rate (% of PBT)	19.8	25.4	19.7	NM	-564 bps	28.9	-916 bps	29.9	25.8	-405 bps

Source: Company, JM Financial, Note: Basis proforma financials

Exhibit 2: India quarterly performance

INR mn	Quarterly			Chg (%)	Chg (%)	Q4FY26E		Reported		Chg (%)
	Q4FY25	Q3FY26	Q4FY26	YoY	QoQ	JMFe	Chg (%)	FY25	FY26	YoY
Eye tests performed (mn)	3.9	5.5	6.0	54	9	-	-	13.4	20.8	55
Store Count EOP	2,067	2,439	2,609	542	170	2,617	8	2,067	2,609	26
Quarterly Transacting Users (mn)	3.3	4.1	4.3	30	5	4.2	2	7.8	9.7	24
Units/customer (x)	1.9	1.8	1.8	(5)	2	2.0	(7)	2.9	3.0	1
Eyewear sold (mn)	6.4	7.4	7.9	23	7	8.3	(4)	22.9	28.8	26
Net operating income	**10,236**	**13,853**	**14,750**	**44**	**6**	**14,259**	**3**	**39,391**	**52,647**	**34**
Material cost	(3,681)	(5,025)	(5,303)	44	6	(5,298)	0	(14,349)	(19,123)	33
Gross profit	**6,555**	**8,828**	**9,447**	**44**	**7**	**8,961**	**5**	**25,042**	**33,524**	**34**
Employee costs	(2,059)	(2,530)	(2,568)	25	2	(2,699)	(5)	(7,588)	(9,570)	26
Other Expenses	(2,917)	(3,423)	(3,755)	29	10	(3,657)	3	(11,171)	(13,264)	19
EBITDA	**1,579**	**2,875**	**3,124**	**98**	**9**	**2,604**	**20**	**6,283**	**10,690**	**70**
Pre-IndAS EBITDA	915	2,067	2,261	147	9	1,748	**29**	2,938	5,289	**80**
% of net operating revenues										
Product margin (%)	**64.0**	**63.7**	**64.0**	**0 bps**	**32 bps**	**62.8**	**120 bps**	**63.6**	**63.7**	**10 bps**
EBITDA margin (%)	**15.4**	**20.8**	**21.2**	**575 bps**	**42 bps**	**18.3**	**291 bps**	**16.0**	**20.3**	**435 bps**
Pre IndAS EBITDA margin (%)	**8.9**	**14.9**	**15.3**	**638 bps**	**40 bps**	**12.3**	**307 bps**	**7.5**	**10.0**	**258 bps**
Material cost	36.0	36.3	36.0	-1 bps	-33 bps	37.2	-121 bps	36.4	36.3	-11 bps
Employee cost	20.1	18.3	17.4	-271 bps	-86 bps	18.9	-152 bps	19.3	18.2	-109 bps
Other expenditure	28.5	24.7	25.5	-304 bps	74 bps	25.6	-20 bps	28.4	25.2	-317 bps

Source: Company, JM Financial, Note: basis proforma financials

Exhibit 3: International quarterly performance

INR mn	Quarterly			Chg (%)	Chg (%)	Q4FY26E		Reported		Chg (%)
	Q4FY25	Q3FY26	Q4FY26	YoY	QoQ	JMFe	Chg (%)	FY25	FY26	YoY
Eye tests performed (mn)	0.7	0.8	0.8	14	-	-	#DIV/0!	2.6	3.0	15
Store Count EOP	657	705	718	61	13	717	0	657	718	9
Quarterly Transacting Users (mn)	0.8	0.9	1.0	25	11	0.9	11	2.4	2.6	8
Units/customer (x)	1.8	1.7	1.8	3	8	1.8	(2)	2.3	2.5	13
Eyewear sold (mn)	1.4	1.5	1.8	29	20	1.7	9	5.4	6.6	22
Net operating income	**7,784**	**9,359**	**10,540**	**35**	**13**	**10,338**	**2**	**29,107**	**37,896**	**30**
Material cost	(1,931)	(2,268)	(2,463)	28	9	(2,518)	(2)	(7,378)	(9,105)	23
Gross profit	**5,853**	**7,091**	**8,077**	**38**	**14**	**7,820**	**3**	**21,729**	**28,791**	**33**
Employee costs	(2,351)	(2,748)	(2,909)	24	6	(2,845)	2	(8,912)	(10,972)	23
Other Expenses	(1,809)	(2,565)	(2,897)	60	13	(2,646)	9	(7,776)	(10,490)	35
EBITDA	**1,693**	**1,778**	**2,271**	**34**	**28**	**2,329**	**(2)**	**5,041**	**7,329**	**45**
Pre-IndAS EBITDA	649	611	988	52	62	1,127	**(12)**	1,075	2,661	**148**
% of net operating revenues										
Product margin (%)	**75.2**	**75.8**	**76.6**	**143 bps**	**86 bps**	**75.6**	**98 bps**	**74.7**	**76.0**	**132 bps**
EBITDA margin (%)	**21.7**	**19.0**	**21.5**	**-21 bps**	**254 bps**	**22.5**	**-99 bps**	**17.3**	**19.3**	**202 bps**
Pre IndAS EBITDA margin (%)	**8.3**	**6.5**	**9.4**	**103 bps**	**284 bps**	**10.9**	**-154 bps**	**3.7**	**7.0**	**332 bps**
Material cost	24.8	24.2	23.4	-144 bps	-87 bps	24.4	-99 bps	25.3	24.0	-133 bps
Employee cost	30.2	29.4	27.6	-261 bps	-177 bps	27.5	8 bps	30.6	29.0	-167 bps
Other expenditure	23.2	27.4	27.5	424 bps	7 bps	25.6	188 bps	26.7	27.7	96 bps

Source: Company, JM Financial, Note: basis proforma financials

Exhibit 4: We increase our pre-Ind AS EBITDA estimates by 3% over FY27/28E to factor in strong 4Q print

	FY27E			FY28E		
	Revised	Earlier	Chg (%)	Revised	Earlier	Chg (%)
Net revenues	1,14,216	1,10,006	3.8	1,36,645	1,32,223	3.3
Gross Margin (%)	69.3	69.1	22 bps	69.3	69.2	12 bps
EBITDA	24,477	23,963	2.1	30,192	29,617	1.9
EBITDA margin (%)	21.4	21.8	(35) bps	22.1	22.4	(30) bps
Adj. PAT	7,731	7,466	3.6	9,754	9,641	1.2
EPS (INR/share)	4.5	4.3	3.5	5.6	5.6	1.1
Pre IND AS						
EBITDA	14,956	14,516	3.0	18,813	18,277	2.9
EBITDA margin (%)	13.1	13.2	(10) bps	13.8	13.8	(6) bps
Adj. PAT	9,396	9,540	(1.5)	12,231	12,262	(0.2)
EPS (INR/share)	5.4	5.5	(1.6)	7.0	7.1	(0.3)

Source: Company, JM Financial, Note: basis proforma financials

Annual recap

- Revenue grew 32% YoY to INR 90bn. EBITDA rose 55% YoY to INR 17.9bn led by 34%/30% YoY growth in India and International business. EBITDA margin expanded 300bps YoY to 19.9% primarily led by 140bps/130bps reduction in employee cost/other expenses along with ~30bps YoY expansion in gross margin to 69.1%. On pre-Ind AS basis, margins stood at 11.3%, up 370bps YoY led by 70bps YoY decline in incremental rent to 8.7%. Net cash was INR 16bn as on 31st Mar'26. Cash conversion cycle improved to 11 days from 25 in FY25 largely led by reduction in inventory days to 42 from 58 in FY25 while debtor and payables days were broadly stable. Pre-Ind AS OCF/FCF stood at INR 9bn/0.6bn, with OCF up 50% YoY and FCF down 65% YoY.

Q4FY26 conference call takeaways

Company level

- **Guidance:** Management guided for net new store additions in FY27 to be at or around FY26 levels. Long-term steady-state EBITDA (pre-Ind AS 116) margin expectation is unchanged at ~25%.

- **Focus on embedding AI into operations and smart eyewear expansion**: Management highlighted that Lenskart is transitioning into a consumer-AI company by embedding AI across customer acquisition, merchandising, manufacturing, logistics, and store operations. It will invest more in hiring AI talent and R&D in future. The launch of "B by Lenskart" also marks the company's entry into AI-powered smart prescription eyewear, with 30K+ customers already on the waitlist, reinforcing management's long-term smart eyewear ambitions.

- **Improving customer experience remains core focus:** Customer experience remains central to Lenskart's strategy, with NPS reaching an all-time high of 81.4 in Q4FY26, driven by AI-enabled personalisation, faster delivery, and operational improvements. Management is also evolving stores into integrated community hubs functioning as fulfilment nodes, clinics, and service centres, leveraging its 3.3K+ store network to support faster delivery and deeper market penetration.

- **Meller driving sunglasses opportunity:** The acquisition and integration of Meller is helping Lenskart expand meaningfully into the sunglasses category in India and internationally which was historically underpenetrated for them within their network.

- **Collaborations driving consumer pull:** International growth continues to benefit from localised celebrity campaigns and global collaborations including Sanrio, Disney, Stranger Things, and DITA Lancier. These partnerships are strengthening premium positioning, increasing consumer engagement, and improving brand visibility across key markets.

India

- **Aggressive Tier 2+ expansion:** India store expansion accelerated sharply during FY26, particularly in Tier 2+ markets where the company added 254 stores and entered 157 new cities. Management also noted that smaller towns are proving structurally more attractive than initially anticipated due to limited organised eyewear access, lack of quality eye testing infrastructure, and poor customer experience from unorganised incumbents. New stores in underserved markets have shown strong throughput, reinforcing confidence in deeper geographic expansion.

- **Eye tests and remote optometry driving category expansion:** Eye tests remain the primary customer acquisition engine, with India eye tests growing 54% YoY in Q4FY26 and nearly half coming from first-time users, indicating continued category expansion and deeper penetration into underserved markets. Remote optometry store count expanded 3.7x YoY to 623 stores, helping address optometrist shortages and enabling scalable expansion into smaller towns.

- **Premiumisation driving rise in ASP:** India ASP expansion was driven by increasing contribution from premium frames, Owndays lenses, progressive lenses, and higher-ticket purchases. At the same time, strong volume growth across value and premium segments indicates that premiumisation is occurring alongside.

International

- **Broad-based growth driven by SSSG:** Growth was driven largely by same-store performance rather than aggressive expansion, indicating improving brand strength and operating maturity across markets. Growth remained broad-based across Japan, Southeast Asia, and the Middle East, with Japan emerging as the strongest-performing market despite being considered mature.

- **International expansion faster than India:** International business is scaling ahead of India's earlier expansion curve, with the segment already operating at ~7% EBITDA pre-Ind AS margin at ~718 stores versus India's ~0.3% margin at a comparable scale in FY23. Saudi Arabia (KSA) is scaling materially ahead of where Dubai operations were at a similar stage.

- **Supply chain integration driving margin expansion:** Management highlighted that deeper integration of international markets into Lenskart's centralised manufacturing and sourcing ecosystem is steadily reducing average product cost, improving store economics, and supporting continued margin expansion across international geographies.

Exhibit 5: Key revenue assumptions

YE March		FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	CAGR %	
									FY23-26	FY26-29E
India business										
No of stores at the end of year		1,416	1,785	2,067	2,609	3,159	3,709	4,309	23	18
Net store additions			369	282	542	550	550	600		
Annual transacting users (mn)	A	6.3	8.1	9.9	12.3	15.3	18.4	21.7	25	21
Units/customer (x)	B	2.2	2.2	2.3	2.3	2.4	2.4	2.4		
Unit sold (mn)	C=A*B	14	18	23	29	36	44	52	28	21
Avg Realisation (INR)	D	1,638	1,761	1,719	1,828	1,874	1,883	1,902	4	1
Revenue (INR mn)	**E=C*D**	**22,418**	**31,086**	**39,390**	**52,648**	**67,568**	**82,073**	**98,231**	**33**	**23**
YoY growth %			*39*	*27*	*34*	*28*	*21*	*20*		
International business										
No of stores at the end of year		543	604	657	718	783	853	928	NA	9
Net store additions			61	53	61	65	70	75		
Annual transacting users (mn)	A	1.4	2.1	3.0	3.5	3.9	4.4	4.9	NA	12
Units/customer (x)	B	1.6	1.7	1.8	1.9	1.9	1.9	2.0		
Unit sold (mn)	C=A*B	2	4	5	7	7	9	10	NA	14
Avg Realisation (INR)	D	6,353	6,327	4,887	5,830	6,297	6,422	6,615	NA	4
Revenue (INR mn)	**E=C*D**	**15,504**	**24,651**	**29,108**	**37,896**	**47,169**	**55,093**	**64,271**	**35**	**19**
YoY growth %			*59*	*18*	*30*	*24*	*17*	*17*		
Consolidated										
No of stores at the end of year		1,959	2,389	2,724	3,327	3,942	4,562	5,237	19	16
Net store additions			430	335	603	615	620	675		
Annual transacting users (mn)	A	7.7	10.2	12.9	15.8	19.3	22.8	26.6	27	19
Units/customer (x)	B	2.0	1.9	1.9	1.9	2.0	2.0	2.0		
Unit sold (mn)	C=A*B	15	19	25	31	38	46	54	26	20
Avg Realisation (INR)	D	2,484	2,862	2,753	2,936	3,009	3,002	3,020	6	1
Revenue (INR mn)	**E=C*D**	**37,993**	**55,303**	**68,030**	**90,023**	**1,14,216**	**1,36,645**	**1,61,981**	**33**	**22**
YoY growth %			*46*	*23*	*32*	*27*	*20*	*19*		

Source: Company, JM Financial, Note: Basis proforma financials

Exhibit 6: Key margin assumptions

YE March (INR mn)	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	CAGR %	
								FY23-26	FY26-29E
India									
Gross Profit	13,264	19,155	25,041	33,524	43,264	52,757	63,664	36	24
EBITDA	1,647	3,917	6,281	10,692	14,527	18,056	22,593	87	28
Pre IndAS EBITDA	NA	2,041	3,851	7,552	10,462	13,024	16,396	NM	29
International									
Gross Profit	11,260	18,055	21,729	28,790	35,970	42,054	49,309	37	20
EBITDA	1,893	3,874	5,041	7,329	10,031	12,218	15,122	57	27
Pre IndAS EBITDA	NA	335	1,076	2,665	4,576	5,871	7,769	NM	43
Consolidated									
Gross Profit	24,314	37,239	46,856	62,232	79,152	94,730	1,12,891	37	22
EBITDA	3,203	8,033	11,554	17,939	24,477	30,192	37,633	78	28
Pre IndAS EBITDA	NA	2,618	5,159	10,135	14,956	18,813	24,083	NM	33
India									
Gross profit margin %	59.2	61.6	63.6	63.7	64.0	64.3	64.8		
EBITDA margin %	7.3	12.6	15.9	20.3	21.5	22.0	23.0		
Pre IndAS EBITDA margin %	NA	6.6	9.8	14.3	15.5	15.9	16.7		
International									
Gross profit margin %	72.6	73.2	74.6	76.0	76.3	76.3	76.7		
EBITDA margin %	12.2	15.7	17.3	19.3	21.3	22.2	23.5		
Pre IndAS EBITDA margin %	NA	1.4	3.7	7.0	9.7	10.7	12.1		
Consolidated									
Gross profit margin %	64.0	67.3	68.9	69.1	69.3	69.3	69.7		
EBITDA margin %	8.4	14.5	17.0	19.9	21.4	22.1	23.2		
Pre IndAS EBITDA margin %	NA	4.7	7.6	11.3	13.1	13.8	14.9		

Source: Company, JM Financial, Note: Basis proforma financials

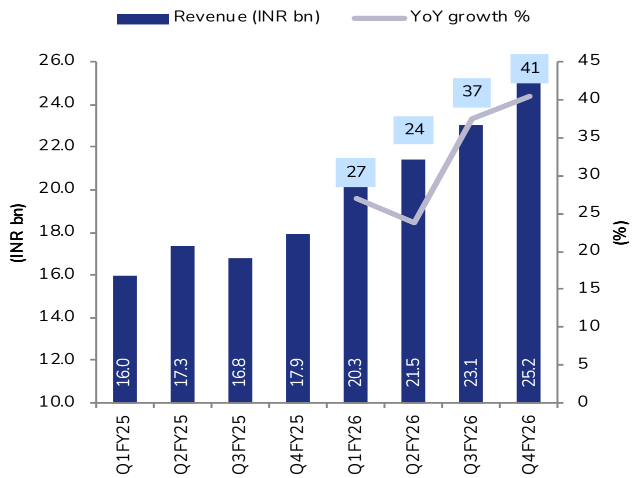
Exhibit 7: Consolidated pro-forma financials

Y/E March (INR mn)	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Profit & Loss							
Revenue from operations	37,993	55,303	68,030	90,023	1,14,216	1,36,645	1,61,981
Less: Cost of Materials	(13,679)	(18,064)	(21,174)	(27,791)	(35,065)	(41,916)	(49,089)
Gross Profit	**24,314**	**37,239**	**46,856**	**62,232**	**79,152**	**94,730**	**1,12,891**
Less: Expenses							
- Employee benefit expenses	(9,056)	(13,405)	(16,500)	(20,540)	(25,202)	(29,656)	(34,278)
- Other operating expenses	(12,055)	(15,801)	(18,802)	(23,753)	(29,473)	(34,882)	(40,980)
EBITDA	**3,203**	**8,033**	**11,554**	**17,939**	**24,477**	**30,192**	**37,633**
Less: Depreciation and amortization expense	(5,012)	(7,594)	(8,640)	(10,498)	(13,306)	(15,844)	(18,462)
Less: Finance Costs	(1,043)	(1,408)	(1,575)	(1,785)	(1,940)	(2,697)	(3,237)
Add: Other Income	1,433	1,854	1,925	1,745	1,602	1,845	2,620
PBT	**(1,419)**	**885**	**3,264**	**7,401**	**10,834**	**13,499**	**18,557**
Less: Taxes	330	(695)	(975)	(1,911)	(3,033)	(3,685)	(4,936)
Minority Interest	(60)	(120)	(62)	(73)	(73)	(73)	(73)
Share of profit and loss JV	(34)	(2)	(30)	(43)	5	15	25
Adj. PAT	**(1,182)**	**68**	**2,197**	**5,373**	**7,732**	**9,756**	**13,572**
Recurring EPS (INR)	**(7.3)**	**0.1**	**1.4**	**3.1**	**4.5**	**5.6**	**7.8**
Growth, YoY (%)							
Net revenues		45.6	23.0	32.3	26.9	19.6	18.5
EBITDA		150.8	43.8	55.3	36.4	23.4	24.6
PAT		(105.8)	3,108.6	145.2	43.5	26.2	39.1
Margin (%)							
Gross margin	64.0	67.3	68.9	69.1	69.3	69.3	69.7
EBITDA margin	8.4	14.5	17.0	19.9	21.4	22.1	23.2
PAT margin	(3.1)	0.1	3.2	6.0	6.8	7.1	8.4
Cost as % of revenues							
Cost of Materials	36.0	32.7	31.1	30.9	30.7	30.7	30.3
Employee benefit expenses	23.8	24.2	24.3	22.8	22.1	21.7	21.2
Other operating expenses	31.7	28.6	27.6	26.4	25.8	25.5	25.3
Effective tax rate (%)	23.3	78.5	29.9	25.6	28.0	27.3	26.6
Pre Ind AS							
EBITDA	811	2,618	5,159	10,135	14,956	18,813	24,083
Adj. PAT	(151)	(486)	2,986	6,547	9,396	12,231	16,424
EPS (INR)	(0.9)	(0.5)	1.9	3.8	5.4	7.0	9.5

Source: Company, JM Financial

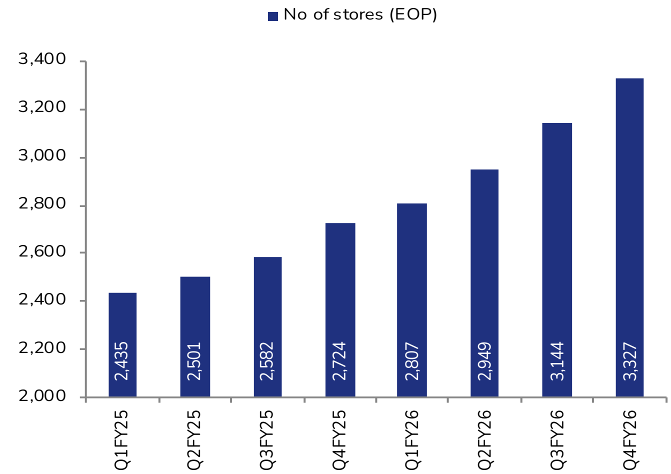
Consolidated business performance

Exhibit 8: Revenue increased 41% YoY to INR 25.2bn



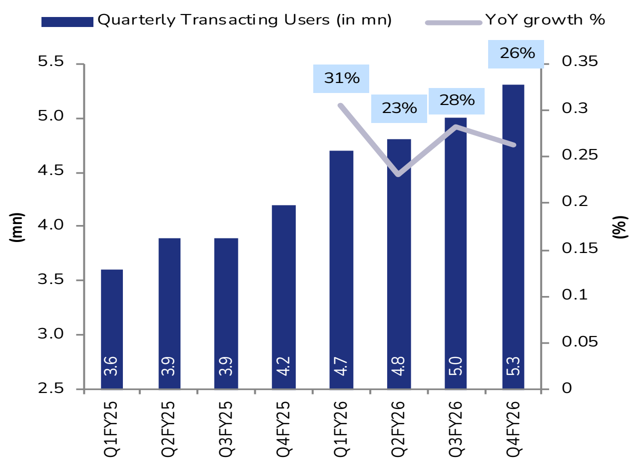
Source: Company, JM Financial

Exhibit 9: Added 183 stores during the quarter



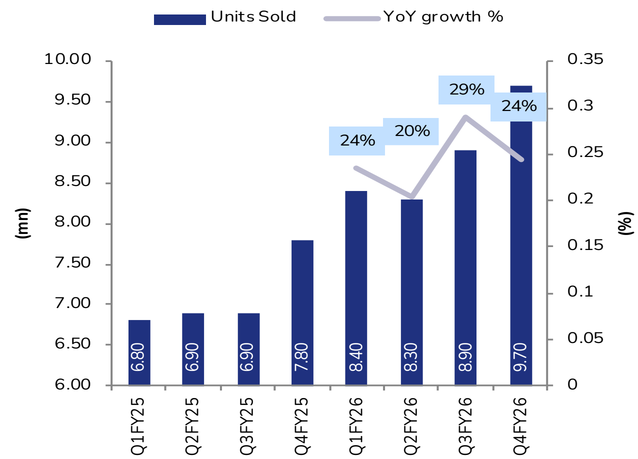
Source: Company, JM Financial

Exhibit 10: Quarterly transacting customers rose 26% YoY



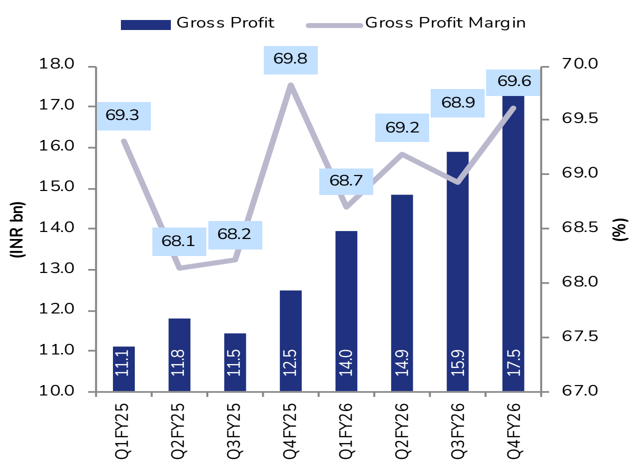
Source: Company, JM Financial

Exhibit 11: Units sold during the quarter went up 24% YoY



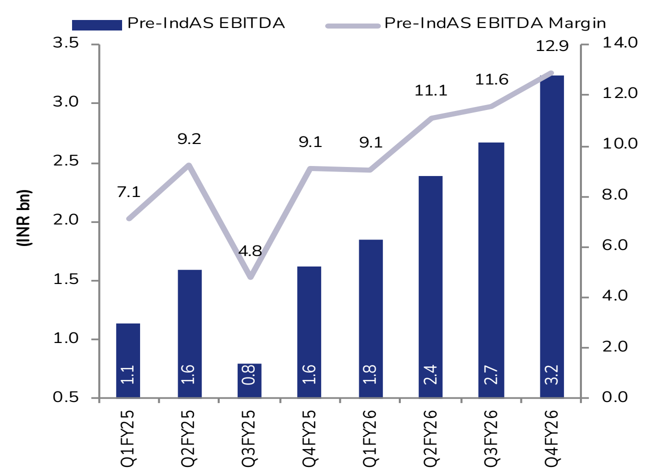
Source: Company, JM Financial

Exhibit 12: Gross margins fell 20bps YoY in the quarter



Source: Company, JM Financial

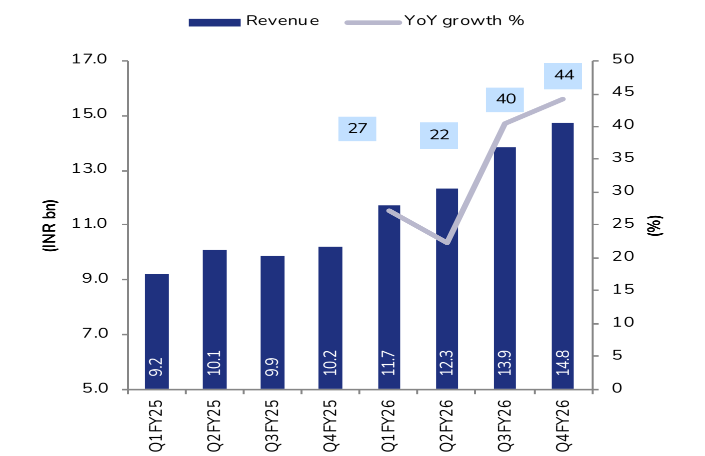
Exhibit 13: Pre-Ind AS EBITDA grew 380bps YoY to 12.9%



Source: Company, JM Financial

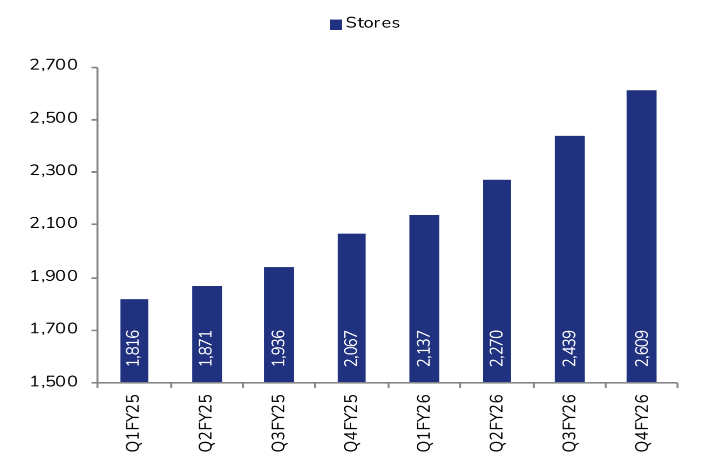
India business performance

Exhibit 14: Revenue grew 44% YoY to INR 14.8bn



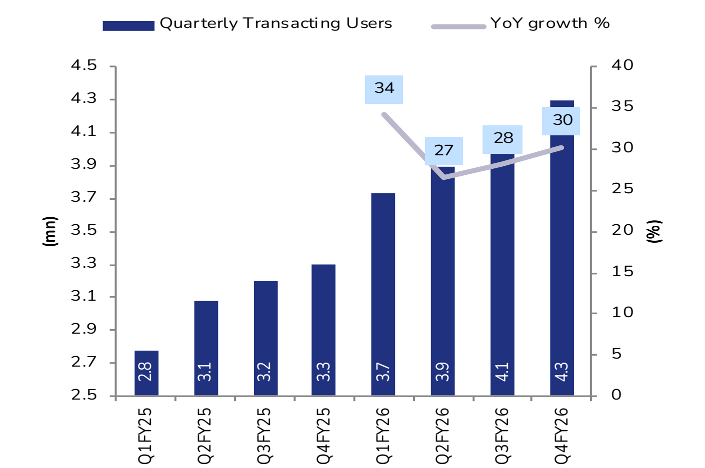
Source: Company, JM Financial

Exhibit 15: Added 170 stores in India during the quarter



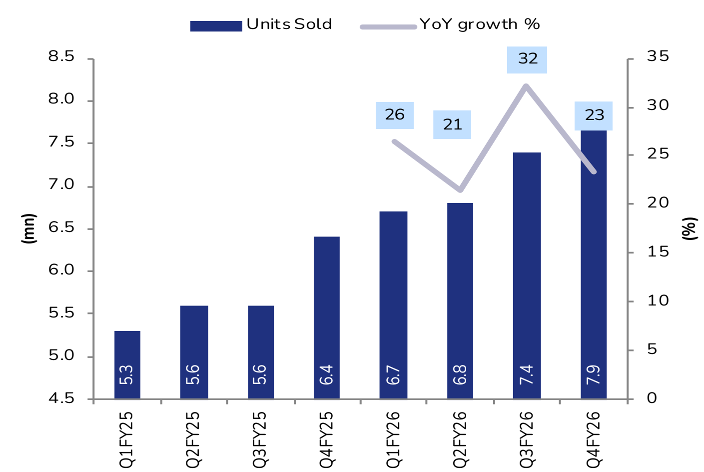
Source: Company, JM Financial

Exhibit 16: Quarterly transacting users went up 30% YoY



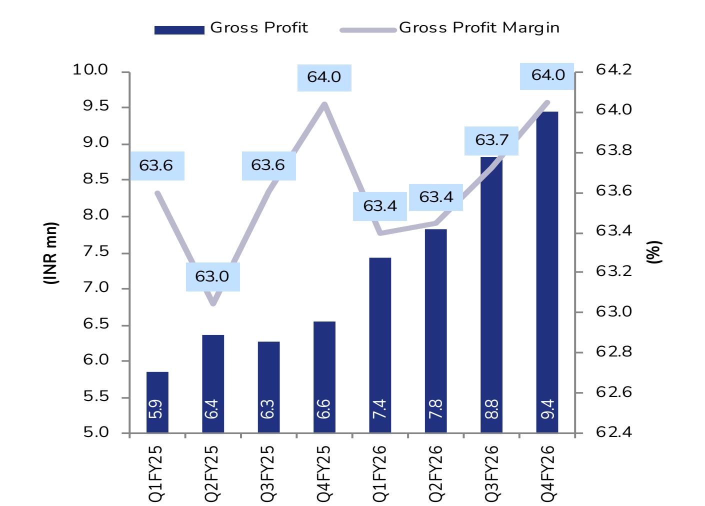
Source: Company, JM Financial

Exhibit 17: Units sold in quarter rose 23% YoY



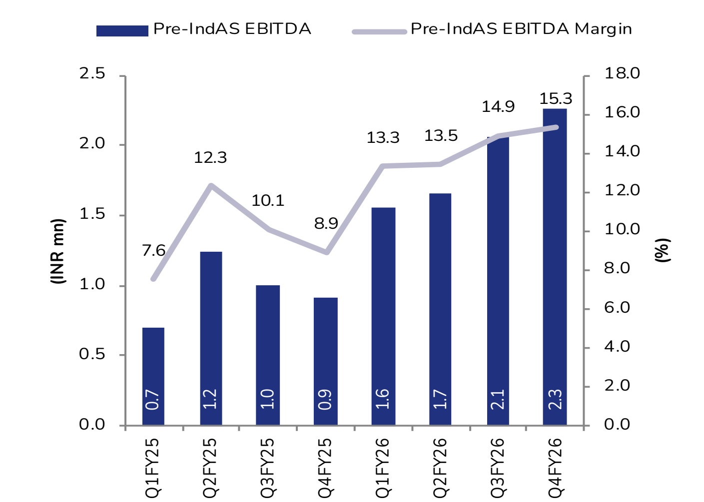
Source: Company, JM Financial

Exhibit 18: Gross margins flat at 64%



Source: Company, JM Financial

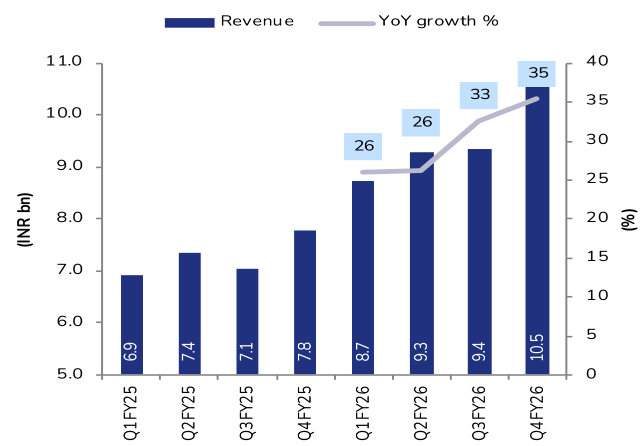
Exhibit 19: Pre-Ind AS margin grew 640bps to 15.3%



Source: Company, JM Financial

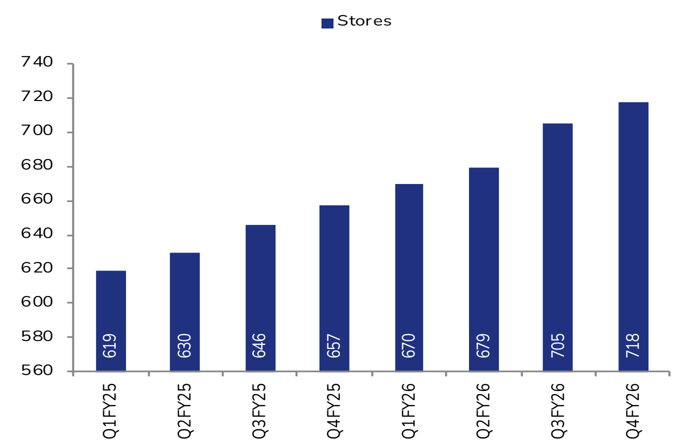
International performance charts

Exhibit 20: Revenue rose 35% YoY to INR 10.5bn



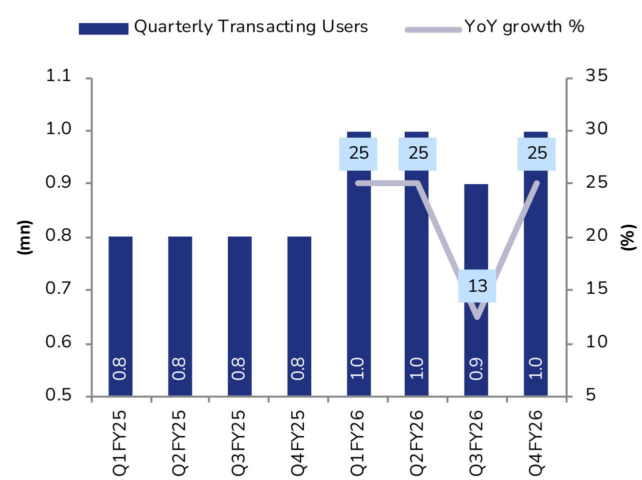
Source: Company, JM Financial

Exhibit 21: Added 13 stores during the quarter



Source: Company, JM Financial

Exhibit 22: Quarterly transacting users rose 25% YoY

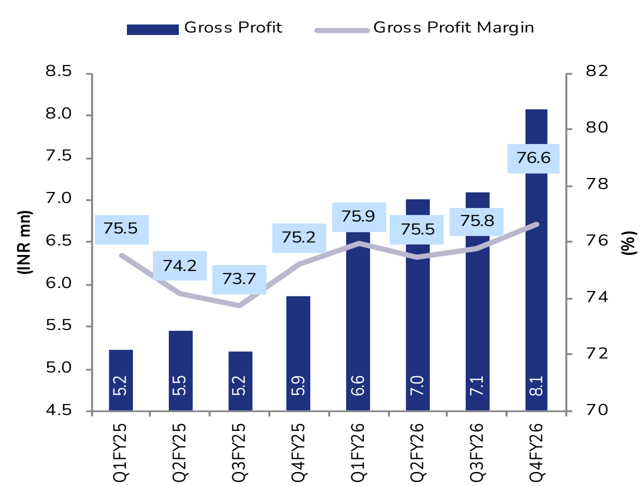


Source: Company, JM Financial

Exhibit 23: Units sold grew 29% YoY to 1.8mn units in Q4FY26

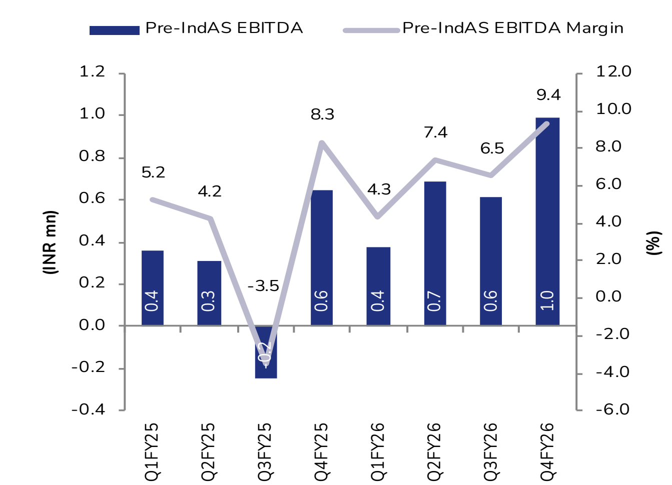
Source: Company, JM Financial

Exhibit 24: Gross margin went up 140bps YoY to 76.6%



Source: Company, JM Financial

Exhibit 25: Pre-Ind AS margin expanded 100bps YoY to 9.4%



Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	68,030	90,023	114,216	136,645	161,981
Sales Growth (%)	23.0	32.3	26.9	19.6	18.5
Other Operating Income	-	-	-	-	-
Total Revenue	**68,030**	**90,023**	**114,216**	**136,645**	**161,981**
Cost of Goods Sold/Op. Exp	21,174	27,791	35,065	41,916	49,089
Personnel Cost	16,500	20,540	25,202	29,656	34,278
Other Expenses	18,802	23,753	29,473	34,882	40,980
EBITDA	**11,554**	**17,939**	**24,477**	**30,192**	**37,633**
EBITDA Margin (%)	17.0	19.9	21.4	22.1	23.2
EBITDA Growth (%)	43.8	55.3	36.4	23.4	24.6
Depn. & Amort.	8,640	10,498	13,306	15,844	18,462
EBIT	2,914	7,441	11,170	14,349	19,171
Other Income	1,925	1,745	1,603	1,847	2,622
Finance Cost	1,575	1,785	1,940	2,697	3,237
PBT before Excep. & Forex	3,264	7,401	10,834	13,499	18,557
Excep. & Forex Inc./Loss(-)	-	-	-	-	-
PBT	3,264	7,401	10,834	13,499	18,557
Taxes	975	1,911	3,033	3,685	4,936
Extraordinary Inc./Loss(-)	1,553	-144	-	-	-
Assoc. Profit/Min. Int.(-)	31	30	78	88	98
Reported Net Profit	3,750	5,230	7,732	9,756	13,572
Adjusted Net Profit	**2,197**	**5,373**	**7,732**	**9,756**	**13,572**
Net Margin (%)	3.2	6.0	6.8	7.1	8.4
Diluted Share Cap. (mn)	1,607	1,736	1,736	1,736	1,736
Diluted EPS (INR)	**1.4**	**3.1**	**4.5**	**5.6**	**7.8**
Diluted EPS Growth (%)	1,720.5	126.4	43.9	26.2	39.1
Total Dividend + Tax	-	-	-	-	-
Dividend Per Share (INR)	-	-	-	-	-

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Shareholders Fund	62,062	88,517	96,249	106,005	119,577
Share Capital	3,214	3,473	3,473	3,473	3,473
Reserves & Surplus	57,773	83,912	91,644	101,400	114,972
Preference Share Capital	-	-	-	-	-
Minority Interest	1,074	1,132	1,132	1,132	1,132
Total Loans	4,095	2,838	2,838	2,838	2,838
Def. Tax Liab. / Assets (-)	-220	-1,104	-1,339	-1,527	-1,725
Other non-current liabilities / Lease Liabilities	24,033	32,468	40,573	49,318	58,952
Total - Equity & Liab.	**90,190**	**123,824**	**139,661**	**158,161**	**181,368**
Net Fixed Assets	42,297	51,382	54,676	57,832	57,612
Gross Fixed Assets	21,661	29,945	37,186	44,912	49,873
Intangible Assets	27,823	31,777	31,287	30,822	30,380
Less: Depn. & Amort.	8,256	11,459	14,916	19,021	23,760
Capital WIP	1,069	1,119	1,119	1,119	1,119
Investments	10,378	5,711	5,711	5,711	5,711
Current Assets	30,135	58,220	68,959	81,413	101,684
Inventories	10,814	10,370	18,462	22,088	26,183
Sundry Debtors	1,259	1,747	2,190	2,621	3,106
Cash & Bank Balances	8,649	15,437	13,364	19,121	32,332
Loans & Advances	2,799	21,028	24,011	25,853	27,582
Other Current Assets	6,614	9,638	10,932	11,731	12,480
Current Liab. & Prov.	13,005	18,583	22,909	26,220	29,813
Current Liabilities	11,113	14,447	18,068	20,912	24,050
Provisions & Others	1,892	4,136	4,842	5,308	5,763
Net Current Assets	13,417	34,711	40,499	49,257	65,571
Other Non Current Assets/ROU Assets	24,798	32,060	38,816	45,402	52,514
Total - Assets	**90,190**	**123,824**	**139,661**	**158,161**	**181,368**

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Profit before Tax	3,264	7,401	10,834	13,499	18,557
Depn. & Amort.	8,640	10,498	13,306	15,844	18,462
Net Interest Exp. / Inc. (-)	-351	40	337	850	614
Inc (-) / Dec in WCap.	3,084	983	-8,196	-3,319	-3,435
Others	-1,274	247	5	15	25
Taxes Paid	-1,057	-2,473	-3,033	-3,685	-4,936
Operating Cash Flow	**12,306**	**16,696**	**13,252**	**23,203**	**29,287**
Capex	-4,164	-8,285	-7,240	-7,727	-4,961
Free Cash Flow	8,142	8,411	6,012	15,476	24,326
Inc (-) / Dec in Investments	2,365	-14,951	-	-	-
Others	-859	-4,012	1,603	1,847	2,622
Investing Cash Flow	**-2,659**	**-27,248**	**-5,637**	**-5,879**	**-2,339**
Inc / Dec (-) in Capital	1,573	21,761	19	-	-
Dividend + Tax thereon	-	-	-	-	-
Inc / Dec (-) in Loans	-833	-1,285	-	-	-
Others	-6,088	-8,470	-9,707	-11,566	-13,737
Financing Cash Flow	**-5,348**	**12,005**	**-9,688**	**-11,566**	**-13,737**
Inc / Dec (-) in Cash	**4,300**	**1,453**	**-2,073**	**5,757**	**13,211**
Opening Cash Balance	2,200	8,649	15,437	13,364	19,121
Closing Cash Balance	8,649	15,437	13,364	19,121	32,332

Source: Company, JM Financial

Dupont Analysis					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Margin (%)	3.2	6.0	6.8	7.1	8.4
Asset Turnover (x)	0.8	0.8	0.9	0.9	0.9
Leverage Factor (x)	1.5	1.5	1.5	1.5	1.5
RoE (%)	3.7	7.2	8.5	9.8	12.2

Source: Company, JM Financial

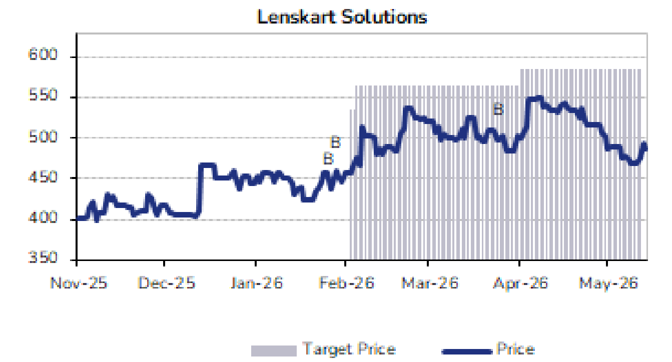
Key Ratios					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
BV/Share (INR)	37.9	50.3	54.8	60.4	68.2
ROIC (%)	5.0	9.4	10.7	12.7	16.7
ROE (%)	3.7	7.2	8.5	9.8	12.2
Net Debt/Equity (x)	-0.2	-0.2	-0.1	-0.2	-0.3
P/E (x)	208.7	161.7	109.3	86.7	62.3
P/B (x)	12.8	9.7	8.9	8.1	7.1
EV/EBITDA (x)	72.0	46.3	34.0	27.4	21.6
EV/Sales (x)	12.2	9.2	7.3	6.1	5.0
Debtor days	7	7	7	7	7
Inventory days	58	42	59	59	59
Creditor days	40	39	40	40	52

Source: Company, JM Financial

Recommendation History Table

Date	Recommendation	Target Price	% Chg.
9-Apr-26	Buy	585	3.5
12-Feb-26	Buy	565	5.7
10-Feb-26	Buy	535	

Recommendation History Chart



APPENDIX I

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click here to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (332) 900 4956 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.

JM Financial Institutional Securities Limited
Corporate Identity Number: U67100MH2017PLC296081
Member of BSE Ltd. and National Stock Exchange of India Ltd.
SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com
Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com
Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com