

PSL
PURPLE STYLE LABS

PERNIA'S
POP-UP SHOP

Before the Bell: IPO Edition

by

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Company Overview

- Purple Style Labs (‘PSL’) platform Pernia’s Pop-up Shop (‘PPUS’) is one of India’s largest and fastest growing multi-brand luxury omni-channel fashion platforms, offering womenswear, menswear and including jewelry, accessories and kidswear, with a focus on wedding and occasion wear.
 - The company operates as a curated discovery platform for Indian luxury designer brands across multiple product categories, accessible both online and through their Experience Centers. The digital channels drive store visits, while Experience Centers allow customers to interact with products, try on apparel, and assess quality and craftsmanship. In-store stylists further enhance the experience by offering personalized styling support.
 - The Company was primarily an online-only platform and then transformed into an omni-channel platform with Experience Centers and have expanded their physical store presence to 14 Experience Centers globally, out of which 13 are in India and 1 in London, UK.
- **Competitive Advantages:**
 - **Multi-brand omni-channel luxury platform:** PSL aggregates a wide selection of premium Indian designers, giving customers access to curated luxury fashion from multiple established and emerging brands.
 - **Acquisition-led Growth Strategy:** Strategic acquisitions, including Pernia’s Pop-Up Shop and designer labels such as Wendell Rodricks and Hemant Trivedi, help PSL expand its portfolio, strengthen brand equity, and increase market share.
 - **Risks/Challenges:**
 - **Fragmented Consumer buying behavior:** Consumers visit multiple stores before making a purchase, leading to longer sales cycles and lower conversion rates.
 - **Low Brand Loyalty & High CAC:** Consumers prioritize design and price over brand loyalty, requiring continuous investment in new customer acquisition and retention strategies.
 - **Competition from Unorganized sector:** Local unbranded players dominate occasion and wedding wear spending by offering competitive pricing and customization, making it difficult for structured brands to gain market share.

Financial Overview

(Amount in INR Crores)

Income Statement	FY 2022A	FY 2023A	FY 2024A	FY 2025A
Revenue from Operations	175	369	504	490
EBITDA	(45)	2	32	42
PBT	(52)	(52)	(48)	(66)
PAT	(52)	(41)	(48)	(189)

Key Points:

- The Company has shown tremendous revenue growth from INR 175 crores in FY 2022 to INR 504 crores in FY 2024, with a fall in revenue in FY 2025
- The company has turned EBITDA positive for the first time in FY 2023, with EBITDA margins increasing from 1% in FY 2023 to 9% in FY 2025.
- The company has reported continuous losses from FY 2022 to FY 2025 along with negative cash flow from operations from FY 2022 to FY 2025.
- The company has incurred exceptional expenditure of INR 123 crores in FY 2025 on account of employee compensation expenses accounted towards grant of employee stock options.

Important Points

- In August 2025, there has been secondary transfer of 9,25,000 equity shares between the existing shareholders of the Company at the rate of INR 500 per equity share.
- The Company's business is highly concentrated on Indian wedding and occasion wear and vulnerable to changes in consumer preferences which could have an adverse impact on the business.
- The Company's full-time employee attrition rate is approximately ~45%. In simple words, roughly 2 out of every 5 employees leave the Company every single year.
- The company's business is heavily focused on Indian weddings and occasion wear and with changes in consumer preferences among the younger generation consumers in India towards different styles, could have an adverse impact on the business.
- Approx ~23% of the Company's buyers are repeat buyers. Any failure to attract new customers or retain existing customer may have an adverse impact on the business.
- Although the Company operates in a competitive industry, there are no listed companies in India or internationally with a comparable size, scale, and business model. As a result, limited public peer data is available, making it difficult to benchmark financial performance. Investors must therefore rely on their own analysis of the Company's financial metrics when evaluating for investment purposes.
- The IPO is a 100% Fresh issue with no Offer for Sale component, with majority of funds to be utilized for investments in wholly-owned subsidiary and lease liabilities expenditure followed by sales and marketing expenditure.

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