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PURPLE STYLE LABS LTD

LONG TERM SUBSCRIBE

IPO Report

31st Aug 26

Snapshot

Pernia's Pop-Up Shop ("**PPUS**") is one of the largest and fastest growing multi-brand luxury omni-channel fashion platform in India in terms of revenue in FY 2025, serving customers in India and abroad. Company's omni-channel platform includes Experience Centers, the online platforms of PPUS including website, mobile application, other telephonic and digital sales channels and events and exhibitions, among others. In Fiscal 2026, the PPUS Average Order Value ("**PPUS AOV**") was ₹75,504.88. Company provide carefully curated selections in luxury fashion, sourced from 1,109 Active Designer Brands, as of March 31, 2026. The Designer Brands for which products are available on its platform, include well-known Designer Brands such as Seema Gujral, Anushree Reddy, Amit Aggarwal, Rohit Gandhi & Rahul Khanna and its product categories span across womenswear, menswear.

VALUATION

Company is bringing the issue at price band of Rs 546-575 per share at p/b multiple of 7x on post issue FY26 basis.

Company is one of the largest and fastest growing multi-brand luxury omni-channel fashion platform in India in terms of revenue in Financial Year ended 2025, serving customers in India and abroad . Company have implemented an omnichannel model that seamlessly integrates its online platform with physical Experience Centers & have established a strong and growing international presence, serving a diverse global customer base across multiple countries. Also, company have established itself as a premier luxury fashion destination for Indian Designer Brands; Hence, we recommend "Long Term Subscribe" to issue.

Price Band (Rs./Share)	**546-575**
Opening date of the issue	**31st Aug '2026**
Closing Date of the issue	**02nd Sept '2026**
No of shares pre issue	6,82,35,000 Eq Shares
Issue Size	Rs 680 Cr
Fresh Issue	Rs 680 Cr
Face Value (Rs/ share)	Rs 10/share
Bid Lot	26
BIDDING DETAILS	
QIBs (Including Anchor)	75% of the offer (Approx 88,69,566 eq Shares)
Non-Institutional	15% of the offer (Approx 17,73,912 eq Shares)
Retail	10% of the offer (Approx 11,82,608 eq Shares)
Lead managers	Axis Capital, IIFL Capital Services
Registrar to the issue	KFin Technologies Ltd

WHAT WE LIKE

Multi-brand omni-channel luxury platform in India with a wide portfolio of products and strong designer relationships

Company is one of the largest and fastest growing multi-brand luxury omni-channel fashion platform in India in terms of revenue in FY 2025, serving customers in India and abroad. Company have 208,490 SKUs representing products from 1,109 Active Designer Brands available on its platform, as of March 31, 2026. Company's platform offers an extensive range of products across various categories, including womenswear, menswear, and others such as jewelry, accessories and kidswear. This wide product portfolio ensures that customers have access to a diverse selection of quality products, catering to different tastes and preferences.

Omni-channel business model with a focus on operational efficiency

Company have implemented an omni-channel model that seamlessly integrates company's online platform with physical Experience Centers. Company's platform's robust online presence, which garnered 19.14 million Unique Visitors in Fiscal 2026, combined with strategically located Experience Centers in key cities such as Mumbai, Delhi, Bengaluru, and Hyderabad in India, London in the UK and New York in the US, enhance customer convenience and engagement.

Powerful network effects resulting in robust customer retention and high monetization

Company's platform has 1,109 Active Designer Brands as of March 31, 2026, and its product categories span womenswear, menswear, and others such as jewelry, accessories and kidswear, highlighting company's ability to cater to a broad base of customer needs. Company's association with well-known Designer Brands such as Seema Gujral, Anushree Reddy, Amit Aggarwal, Rohit Gandhi & Rahul Khanna enhances its reputation, attracting more Designer Brands who want to be part of company's network.

COMPANY BACKGROUND

Company's Omni-channel Platform

In February 2018, company purchased the website, along with all related business intellectual property rights, goodwill, fixed and/or moveable assets of Pernia's Pop-Up Shop through an asset purchase agreement. At the time of the acquisition, Pernia's Pop-Up Shop was primarily an online-only platform and has since transformed into an omni-channel platform, with Experience Centers and a robust online presence. Company opened its first flagship Experience Center in Juhu, Mumbai in 2018 and as of the date of this Red Herring Prospectus, have expanded its physical store presence to 14 Experience Centers globally, 12 of which are in India, one Experience Center is in London, UK and one Experience Center is in New York, USA.

Company have also opened Experience Centers ranging in size from 20,000 to 60,000 square feet in built-up area ("**Large Format Experience Centers**"), allowing it to offer an immersive shopping environment for customers in its key luxury markets. Company's Large Format Experience Centers have been opened in Fort and Linking Road in Mumbai in July, 2025 and March, 2026, respectively, one in South Extension in Delhi in June, 2025 and one in Madison Avenue, New York City in February, 2026.
Company's customers can shop through its website, www.perniaspopupshop.com, through company's mobile application, available on both Android and iOS, or through company's Experience Centers. Through its omni-channel presence, company have served a global base of more than 200,000 Unique Customers from Fiscal 2024 to Fiscal 2026 and have had 19.14 million Unique Visitors on its online platform (i.e., its website and mobile application) in Fiscal 2026 alone. In Fiscal 2026, company served 66,713 customers with a total of 95,565 PPUS No. of Orders. The Total PPUS GMV stood at ₹7,215.62 million in Fiscal 2026, compared with ₹5,883.10 million in Fiscal 2025, reflecting a growth of 22.65% and the PPUS AOV was ₹75,504.88 in Fiscal 2026 compared with ₹56,106.44 in Fiscal 2025, reflecting a growth of 34.57%.

Market opportunity

According to the 1Lattice Report, India's luxury market is valued at ₹1,499 billion in FY 2026, growing at a CAGR of 13.5% from ₹699 billion in FY 2020. It is further expected to expand to ₹2,570 billion by FY 2031, at a CAGR of 11%. The sector is undergoing a significant transformation, driven by rising income levels and the evolving aspirations of the country's middle and upper classes.

Management Team

Company's management team is led by its Promoter, Whole-Time Director and Chief Executive Officer, Abhishek Agarwal. Abhishek is supported by the management team comprising professionals with experience in retail, sales, marketing and product management. Company's senior management team is characterized by its dynamism and adaptability, bringing a fresh and innovative approach to the luxury fashion industry.

OBJECTS OF OFFER

The Issue comprises of a fresh issue of Equity Shares aggregating up to ₹6,800.00 million. The net proceeds of the Issue, after deducting the Issue related expenses, are estimated.
Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects (collectively, referred to herein as the "Objects"):

- Investment in its wholly owned Subsidiary, PSL Retail for expenditure towards lease liabilities of Experience Centers, and back-end offices in India;
- Funding towards sales and marketing expenses to be incurred by Company; and
- General corporate purposes.

RISKS

Company have in the past incurred losses, negative retained earnings amounting to ₹7,102.86 million as of March 31, 2026 and negative net cash flows from operating activities. If company continue to face an increase in its losses or negative retained earnings or have negative cash flows over extended periods, it could have an adverse impact on company's results of operations, financial condition and cash flows.

Source:RHP

Consolidated Financials (Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	5043.73	4899.09	5578.38
Total Expenditure (B)	4784.05	4520.13	5367.04
EBIDTA	259.68	378.96	211.34
EBIDTA Margin	5.15	7.74	3.79
Other Income	56.60	40.92	92.31
Depreciation	385.81	546.30	1007.49
EBIT	-69.53	-126.42	-703.84
Interest	407.57	529.73	970.87
PBT	-477.10	-656.15	-1674.71
Share of profit in Asso	0.00	0.00	0.00
PBIT	-477.10	-656.15	-1674.71
Exceptional	0.00	1227.68	1179.28
PBT	-477.10	-1883.83	-2853.99
Tax	0.00	0.00	0.00
PAT	-477.10	-1883.83	-2853.99
NPM	-9.46	-38.45	-51.16
ROE%	-120.75	-160.33	---
EPS	-7.46	-29.00	-41.98
Eq Cap	0.29	0.41	682.35
Net Worth	395.10	1,174.97	-522.78

(Source: RHP)

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