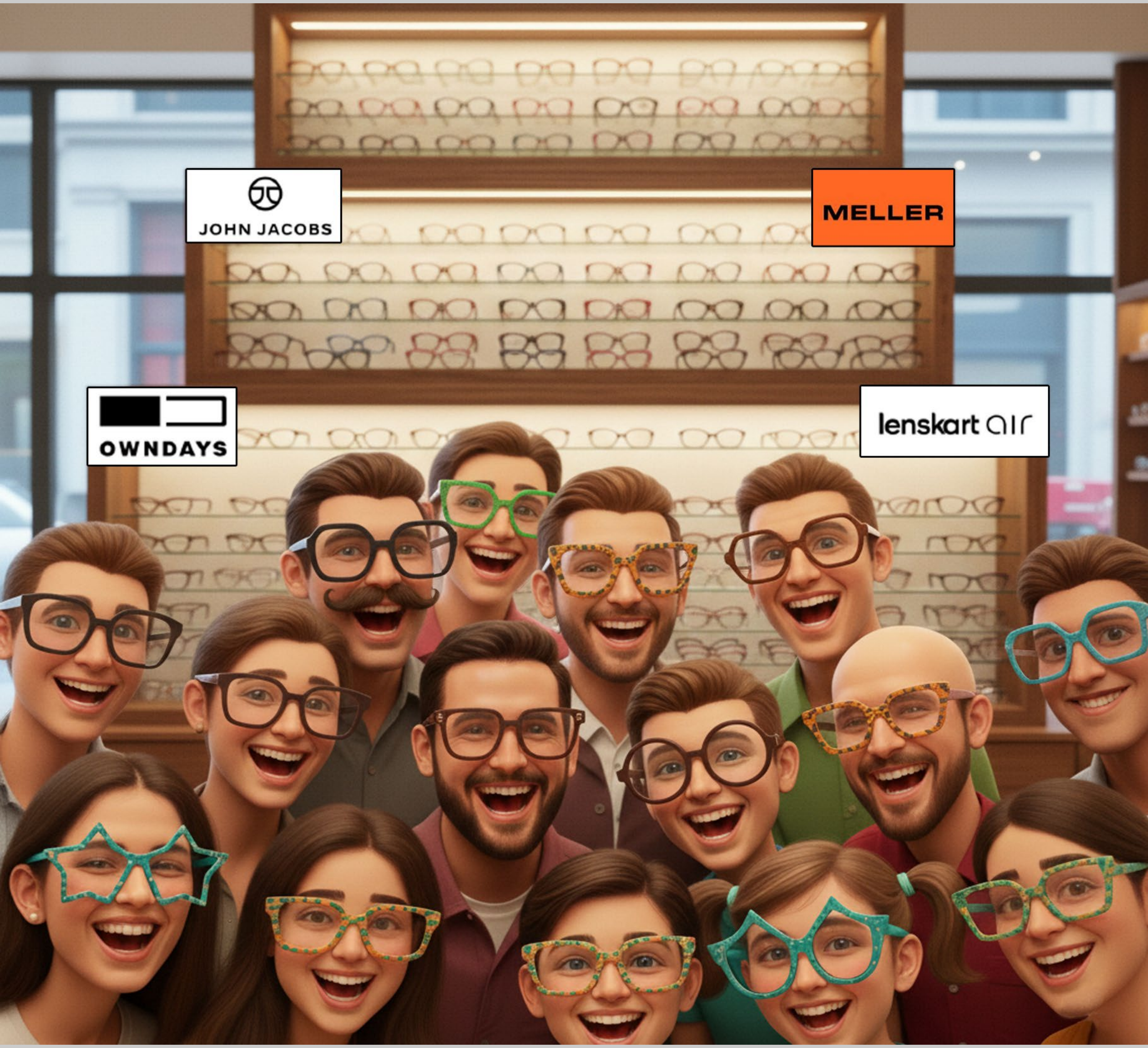
February 2026

Initiating Coverage | Sector: Retail

Lenskart Solutions



Clear vision, strong execution

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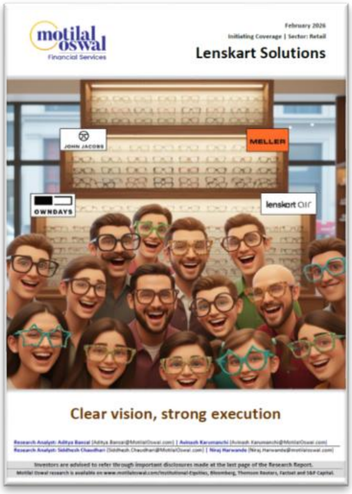


Clear vision, strong execution

- Lenskart is India's largest vertically integrated, technology-led, omnichannel eyewear platform, addressing a structurally underpenetrated eyewear category in India (53% of population impacted, modest ~35% penetration).
- Lenskart has built strong moats in a difficult-to-scale category through - i) a centralized, highly automated manufacturing facility and logistics network; ii) strong backward integration, which provides significant cost advantage; iii) large omnichannel presence; iv) leveraging technology to ease constraints in scaling up; and v) house-of-brands architecture spanning mass to premium eyewear, to achieve its goal of making quality eyewear accessible and affordable.
- We expect Lenskart to deliver a CAGR of 25%/53% in pro forma consol. revenue/pre-IND AS EBITDA, largely driven by volume growth, product margin improvement, and ~625bp operating leverage-driven margin expansion over FY25-28 (~320bp over 9MFY26-FY28).
- Lenskart's near-term FCF generation is impeded by upfront capex on the upcoming Hyderabad facility (to future-proof the business). However, we expect strong improvement in FCF generation (to 65-70% of pre-IND AS EBITDA) beyond FY28.
- We initiate coverage on Lenskart with a BUY rating and a TP of INR600, premised on DCF-implied 55x FY28E pre-INDAS EBITDA.
- Our valuations for Lenskart are at a premium to other leading retailers, but we believe the multiples are justifiable, given Lenskart's superior growth profile, limited organized competition and long growth runway.

Lenskart Solutions

BSE Sensex	S&P CNX
82,498	25,454

Stock Info

Bloomberg	LENSKART IN
Equity Shares (m)	1735
M.Cap.(INRb)/(USDb)	822.3 / 9.1
52-Week Range (INR)	533 / 356
1, 6, 12 Rel. Per (%)	7/-/-
12M Avg Val (INR M)	2973
Free float (%)	82.4

Financial Snapshot (INR b)

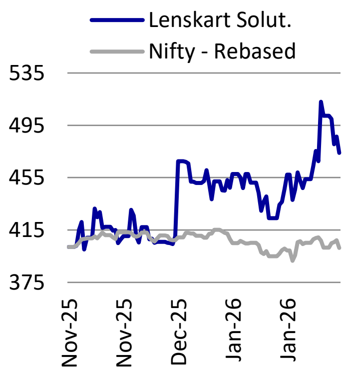
Y/E MARCH	FY26E	FY27E	FY28E
Sales	87.5	108.9	133.1
EBITDA (reported)	17.0	22.7	29.5
EBITDA (pre-IND AS)	9.3	13.3	18.4
Adj. PAT	4.6	7.2	10.4
EBITDA Margin (%)	19.5	20.8	22.2
Adj. EPS (INR)	2.6	4.1	6.0
BV/Sh. (INR)	50.8	55.0	61.1
Ratios			
Net D:E	-0.4	-0.4	-0.4
RoE (%)	6.1	7.8	10.4
RoCE (%)	4.5	5.5	7.2
Valuations			
P/E (x)	180	114	79
EV/EBITDA (x)	48.8	36.7	28.2
EV/pre-IND AS EBITDA (x)	85.2	59.0	42.2
EV/Sales (x)	9.5	7.7	6.2

Shareholding Pattern (%)

As on	Dec-25
Promoter	17.6
DII	15.9
FII	4.3
Others	62.3

Note: FII includes depository receipts

Stock performance (one-year)



CMP: INR474 TP: INR600 (+27%) Buy

Clear vision, strong execution

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- Lenskart has built strong moats in a difficult-to-scale category through – i) a centralized, highly automated manufacturing facility and logistics network; ii) strong backward integration through in-house frame and lens manufacturing, which provides significant cost advantage; iii) large omnichannel presence through its mobile app and a network of ~2,439 retail stores across 435+ cities in India and ~705 international stores; iv) leveraging technology to ease constraints in scaling up eye tests, store expansions and delivering superior store economics (33% store-level pre-IND AS EBITDA, 10 months payback); and v) house-of-brands architecture spanning mass to premium eyewear, to achieve its goal of making quality eyewear accessible and affordable.
- We expect Lenskart to deliver a CAGR of 25%/53% in pro forma consolidated revenue/pre-IND AS EBITDA, largely driven by volume growth, product margin improvement, and ~625bp operating leverage-driven margin expansion over FY25-28 (~320bp over 9MFY26-FY28).
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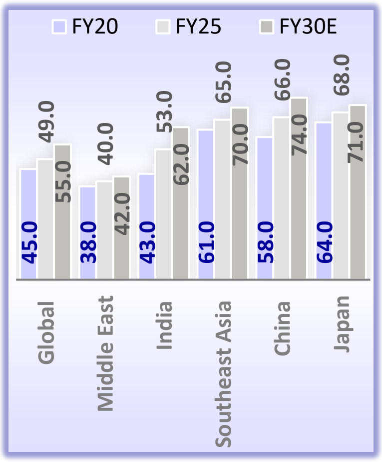
Large addressable markets with unique challenges in scaling up

- Refractive error incidences have risen to 49% (~4b) of the global population, with India and Southeast Asia accounting for ~30% (~1.2b) of such cases.
- The total addressable market (TAM) for Lenskart in its existing geographies stands at ~INR2.3t+, with its market share at ~5% in India and <2% in international markets, providing a large growth runway.
- Despite a large market size (INR790b in FY25) and strong latent demand (53% of the population requiring vision correction), India's eyewear market is significantly underpenetrated (~35% prescription eyeglass penetration in total incidences), with very low organized retail share in eyewear (~24%).
- The massive under-penetration reflects structural gaps such as significant customization needs to manufacture eyewear for each individual, import dependence, low awareness, limited access to optical stores (~60 per million population), shortage of trained optometrists (~35-50 per million population), lack of affordability, and standardized service delivery.

Incidences of refractive error globally and in select regions



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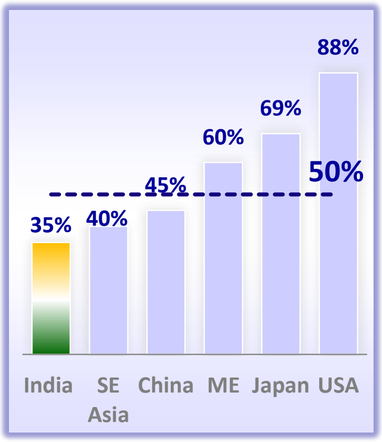


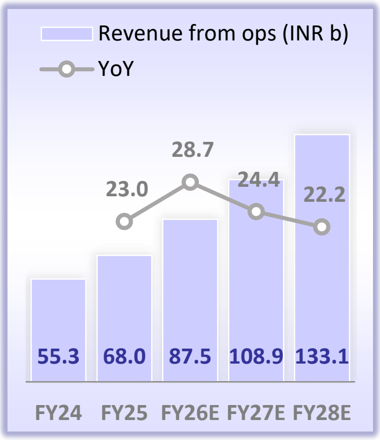
A scaled market leader with strong moats in eyewear market

- Lenskart's automated centralized just-in-time manufacturing, which replaces the fragmented, store-level lens cutting, allows the company to deliver micron-level precision at scale at lower costs and faster fulfilment timelines.
- The company's rising focus on vertical integration into manufacturing of lenses and frames allows it to launch new designs frequently and at ~35-40% lower costs compared to third-party procurement by eliminating huge retail mark-ups.
- Centralized manufacturing and vertical integration also position the company to drive margin expansion while maintaining complete control on product quality.
- Lenskart is investing ahead of the demand in the upcoming Hyderabad facility to extend its manufacturing capabilities to future-proof the business, tackle the large latent demand and improve turnaround times.
- Scaling up the eye-testing infrastructure remains an important KPI for Lenskart. The company is leveraging technologies such as remote optometry, self-eye checkup and rapid expansion in its omnichannel retail footprint.
- Lenskart's retail footprint spans 2,439 stores across 435+ cities in India and 705 stores internationally, primarily in Japan, Southeast Asia and the Middle East.
- Its house-of-brands architecture, supplemented by strategic acquisitions, spans mass to premium eyewear, allowing Lenskart to address multiple consumer cohorts and use cases. This has structurally increased customer engagement, with recent customer cohorts purchasing ~3.5 units within two years (vs. industry average of ~1.8), driving higher wallet share and repeat behavior.
- Lenskart has embedded technology in every area of its operations across customer engagement, supply chain, and retail store operations to achieve its goal of making quality eyewear accessible and affordable.
- This technology layer allows Lenskart to scale high-volume, standardized medical service delivery with fast-fashion speed while improving repeat rates and personalization. Structurally, Lenskart today operates as a manufacturing-scaled consumer-tech platform rather than a traditional optical retailer.

Superior store economics and under-penetration to drive store expansion

- Lenskart's stores function primarily as experience centers with eye-testing facilities, while the bulk (~75%) of its inventory is centrally managed under just-in-time framework, which makes it a capital-light and scalable model.
- The company's centralized inventory, in-house manufacturing, and technology-led expansion translate into best-in-class store economics, with ~33% store-level pre-Ind AS EBITDA margins, and a consistent ~10-month store payback period across tiers, materially superior to most discretionary retail formats.
- Store expansion has accelerated meaningfully in recent years. During FY23-25, Lenskart added ~760 stores, with incremental additions increasingly skewed toward tier-2+ markets (~215 stores).
- We expect a potential for Lenskart to add 4,200+ stores over the medium term, based on GeoIQ data on 6,400 viable pin codes for Lenskart stores in existing and new markets. Accordingly, we build in 1,480+ net store additions for Lenskart in India (~20% FY25-28 CAGR).
- International store expansion is likely to be more calibrated, with a focus on improving store throughputs. We build in modest ~65 net store additions annually for Lenskart in its international markets.

Overall, Consol. Proforma revenue to post ~25% revenue CAGR over FY25-28E



India: 27% revenue CAGR with scale-driven margin expansion over FY25-28

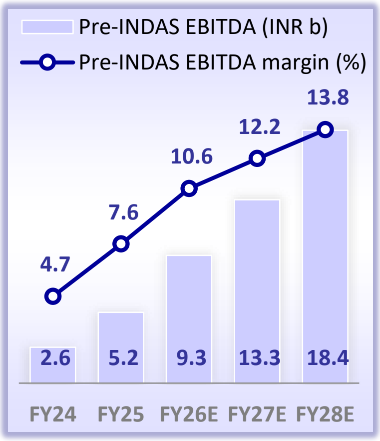
- We expect Lenskart's India segment to deliver a robust ~27% pro forma revenue CAGR over FY25-28, led primarily by volume growth (~24% CAGR) amid accelerated store expansions (~500 annually).
- Based on our estimates, Lenskart's market share in the Indian eyewear industry is likely to reach ~8.3% by FY30 from ~5% in FY25.
- Driven by rising backward integration and scale efficiencies, we build in ~95bp product margin expansion in India over FY25-28 (vs. 500bp expansion during FY23-25).
- Overall, we expect ~52% CAGR in pre-IND AS EBITDA, driven by ~700bp pre-IND AS EBITDA margin expansion over FY25-28 (~280bp over 9MFY26-FY28).
- The key driver for margin expansion would be ~95bp gross margin expansion and the remaining ~605bp from operating leverage (of which ~420bp gain is already reflecting in 9MFY26) especially on tech, central and marketing costs.

International: 22% revenue CAGR with 550bp margin gain over FY25-28

- We expect Lenskart's international business to deliver a ~22% pro forma INR revenue CAGR over FY25-28, led primarily by volume growth (~18% like-for-like volume CAGR).
- Unlike India, the growth in international markets would be driven by improved throughput amid calibrated store expansions.
- Based on our estimates, Lenskart's market share in the relevant international markets is likely to reach ~3.5% by FY30 from ~1.8% in FY25.
- Driven by the ramp-up in under-penetrated markets, we expect Lenskart's international product margins to improve ~165bp over FY25-28 (or modest ~60bp over 9MFY26-FY28 vs. ~390bp expansion over FY23-25).
- Overall, we expect ~65% CAGR in pre-IND AS EBITDA, driven by ~550bp pre-IND AS EBITDA margin expansion over FY25-28 (~305bp over 9MFY26 levels).
- The key driver for margin expansion would be ~165bp gross margin expansion and the remaining ~385bp from operating leverage (of which ~135bp improvement is already reflecting in 9MFY26).

Est. revenue/pre-INDAS EBITDA CAGR of 25%/53%; FCF to improve by FY28

Expect ~53% Consol. pre-IND AS EBITDA CAGR over FY25-28E, driven by ~625bp margin expansion



- Overall, we expect Lenskart to deliver a ~25% consolidated pro forma revenue CAGR over FY25-28, driven by steady store additions (~17% CAGR) and strong volume growth (~24% CAGR), supported by high repeat rates and rising category penetration.
- With improving gross margins, rapid fixed-cost absorption at scale, and capital-efficient store economics, we expect ~53% CAGR in pre-IND AS EBITDA with ~625bp margin expansion over FY25-28E (of which ~305bp improvement already reflecting in 9MFY26).
- With improving profitability, we expect Lenskart to generate cumulative pre-IND AS EBITDA of ~INR41b over FY25-28, with 70%+ conversion to OCF (~INR30b cumulative OCF generation over FY25-28).
- Near-term FCF generation will be impeded by elevated capex for Hyderabad facility and accelerated store expansions. However, beyond FY28, we expect capex to taper to ~INR5.5b annually, leading to improvement in FCF conversion to 65-70% of pre-IND AS EBITDA.

Ascribe a TP of INR600 based on based on ~55x FY28E pre-IND AS EBITDA

	EBITDA (INRb)	Multiple (x)	Value (INRb)
Enterprise value	**18.4**	**55**	**1,012**
Net debt (incl. leases)			-37
Equity value			**1,050**
TP (INR/sh)			**600**
CMP (INR/share)			474
Potential upside (%)			*27*

Valuations and view: Initiate coverage with BUY rating and TP of INR600

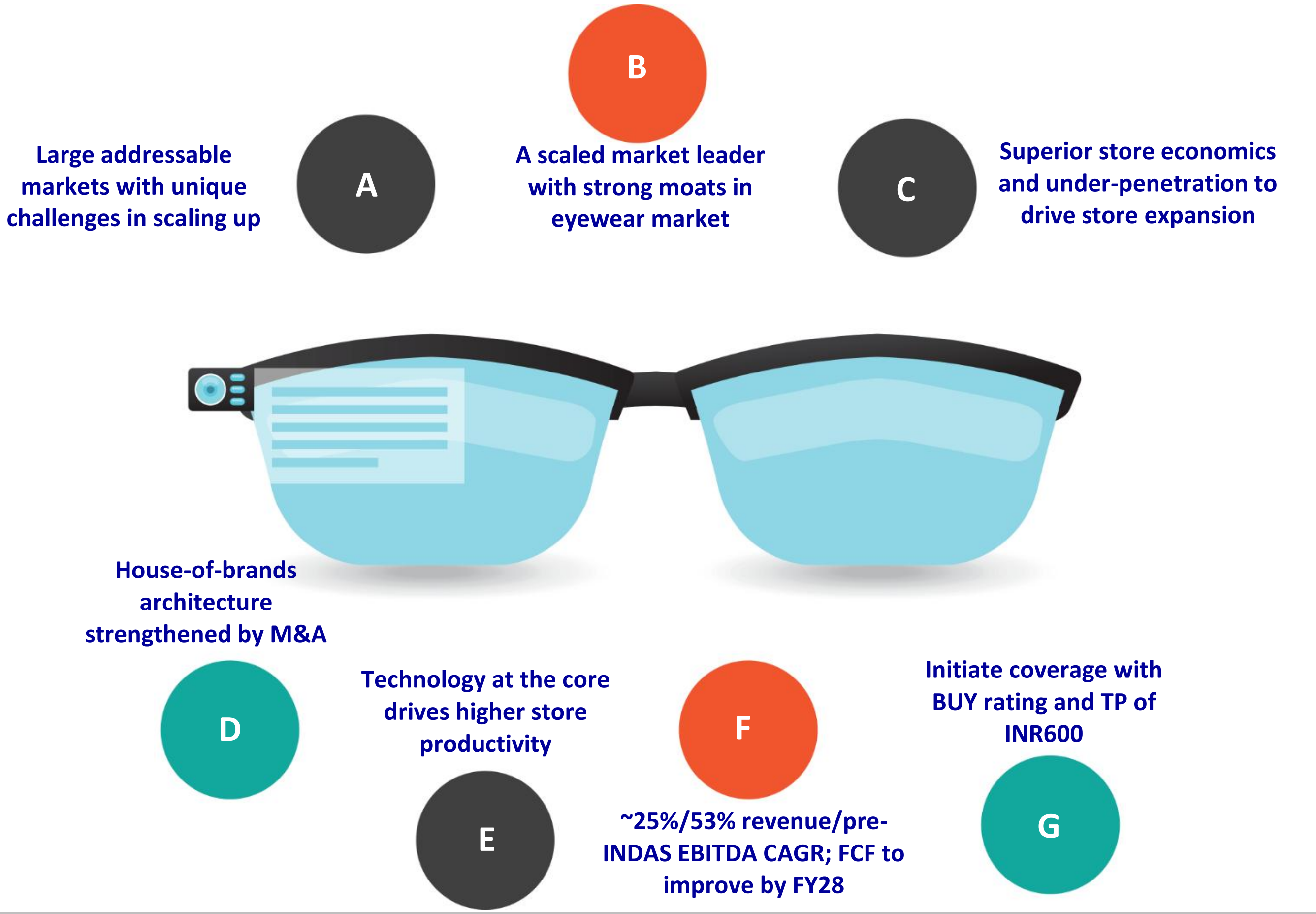
- We believe Lenskart's central manufacturing-led architecture, superior store economics, technology-led expansion, and house-of-brands strategy create durable moats in an under-penetrated industry.
- Lenskart trades at ~42x FY28E EV/pre-IND AS EBITDA (~18% premium to other large retailers in India), though we believe the multiples are justifiable, given its superior growth profile, limited organized competition in eyewear category and long growth runway.
- Lenskart trades at ~0.8x FY28E EV/EBITDA vs. FY25-28E EBITDA CAGR (lower vs. ~1.1-3.0x for leading fashion and grocery retailers and ~1.1x for Nykaa). While repeat purchases are less frequent in eyewear, the organized competition is also significantly lower vs. apparel, grocery and beauty & personal care, which could enable stronger growth runway, margin expansion and superior FCF generation.
- We **initiate coverage on Lenskart with a BUY rating and a TP of INR600**, based on DCF-implied ~55x FY28E consolidated pre-IND AS EBITDA (implies ~36x FY28E reported EBITDA and ~91x FY28E pre-IND AS EPS).
- Lenskart's valuations are highly sensitive to growth and margin expansion in the India business. We believe at CMP, the stock is pricing in ~23% India revenue CAGR (vs. our base case estimate of ~27%) and ~15.8% India pre-INDAS EBITDA margin (~100bp lower than our base case estimate).
- Stronger-than-expected revenue growth and/or sharper margin expansion could drive further upside risks to our TP, while lower growth and or weaker-than-expected margin expansion poses downside risks (bull case: INR735; bear case: INR395).

Key risks and concerns

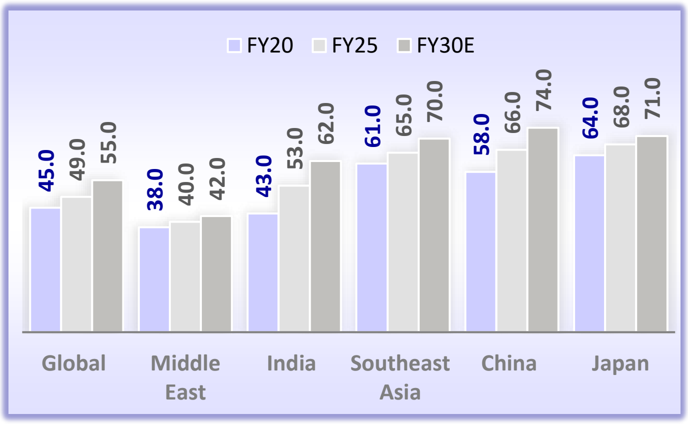
- Significant dependence on China for import of raw materials
- High concentration of manufacturing operations in North India
- Loss-making overseas subsidiaries dilute overall profitability
- Shortage of trained optometrists

STORY IN CHARTS

Investment arguments

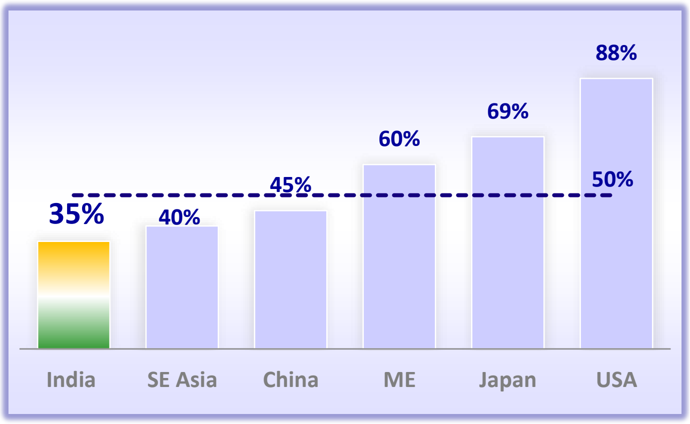


Incidences of refractive error globally and in select regions



Source: Company, MOFSL

Low penetration of prescription eyeglasses



Source: Company, MOFSL

Typical store economics of a Lenskart store in India

Based on FY25 actuals	Actual (INR m)	INR/sqft	INRm/store	% of sales
Revenue	**39,391**	**24,641**	**20.5**	
Product margin (%)	63.6	63.6	63.6	
Gross profit	**25,041**	**15,665**	**13.0**	**63.6**
Store employee costs	5,301	3,316	2.8	13.5
Rentals	**2,430**	**1,520**	**1.3**	**6.2**
Other expenses	4,307	2,694	2.2	10.9
Store pre-IND AS EBITDA	**13,003**	**8,134**	**6.8**	**33.0**
D&A	770	482	0.4	2.0
Store EBIT	**12,233**	**7,652**	**6.4**	**31.1**
PAT	**9,154**	**5,726**	**4.8**	**23.2**
Investments				
Store capex incl. equipment		4,819	4.0	
Implied breakeven (months)			**10.1**	
Company level economics				
Corporate expenses	9,152	5,725	4.8	23
Company pre-IND AS EBITDA	**3,847**	**2,407**	**2.0**	**9.8**

Source: MOFSL, Company

Significant headroom for accelerated store expansions to continue at least for the next 10 years

Cities	No of Pin codes with stores	Store per current pin code	Pin codes with no Lenskart stores	Assumed store/ Pin code	Potential stores
Top 8	539	1.8	690	1.50	1,035
Next 40	312	1.6	607	1.25	759
Next 375	666	1.2	1,524	0.8	1,219
Sub-total	**1,517**	**1.5**	**2,821**	**1.07**	**3,013**
Next 2000 towns			3,644	0.33	1,203
Total	**1,517**		**6,465**	**0.65**	**4,215**

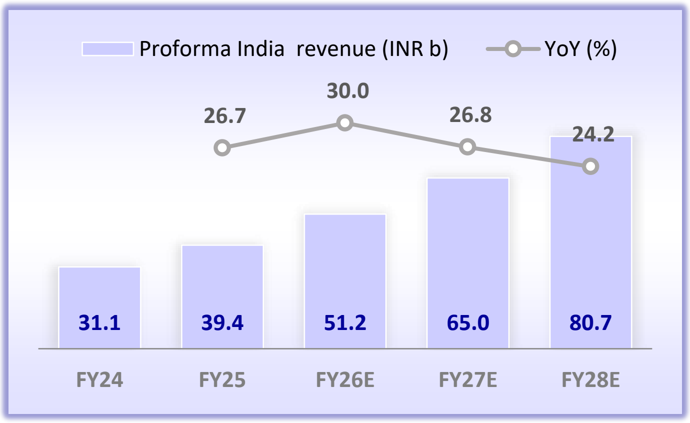
Source: Company, MOFSL

Comparison of store economics (INR/sqft) for scaled-up Indian retailers across categories

INR/sqft (Based on FY25 actuals)	Lenskart (India)	Trent	Metro	VMM
Store Count	2,067	1,043	908	611
Store Size	830	12,822	1,327	17,474
Revenue from ops	**24,641**	**14,023**	**21,514**	**9,251**
COGS	8,977	7,791	9,100	6,612
GP	**15,665**	**6,232**	**12,413**	**2,635**
GM (%)	***63.6***	***44.4***	***57.7***	***28.5***
Employee expenses	3,316	859	1,787	301
Other expenses (incl. variable rent)	2,694	2,178	3,429	495
COR ex- lease rentals (%)	24.4	21.7	18.5	8.6
EBITDA	**9,654**	**3,195**	**7,197**	**1,839**
EBITDA margin (%)	*39.2*	*22.8*	*33.5*	*19.9*
Lease payments (fixed rentals)	1,520	529	2,050	480
as % of revenue	*6.2*	*3.8*	*9.5*	*5.2*
Store Pre-IND AS EBITDA	**8,134**	**2,666**	**5,148**	**1,359**
Margin (%)	*33.0*	*19.0*	*23.9*	*14.7*
Depreciation	482	200	328	133
EBIT	**7,652**	**2,466**	**4,820**	**1,226**
Margin (%)	*31.1*	*17.6*	*22.4*	*13.3*
Investment	4,819	4,000	7,800	2,364
Capex	4,819	2,000	3,800	1,200
WC		2,000	4,000	1,164
Post-tax RoCE (%)	**119**	**46**	**46**	**39**
Payback (months)	*10*	*26*	*26*	*31*
Corporate costs				
Overheads	5,728	878	698	518
as % of revenue	*23.2*	*6.3*	*3.2*	*5.6*
Company EBITDA	**2,407**	**1,788**	**4,449**	**841**
Margin (%)	*9.8*	*12.8*	*20.7*	*9.1*

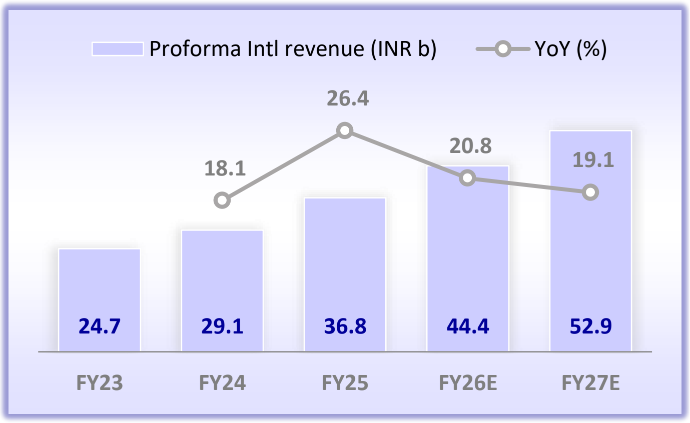
Source: Company, MOFSL

Build in ~27% revenue CAGR for Lenskart's India segment



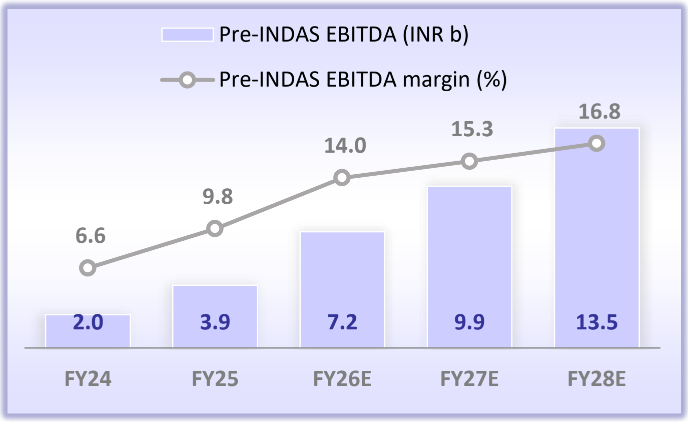
Source: Company, MOFSL

Expect ~22% Proforma international revenue CAGR over FY25-28, largely driven by volume growth



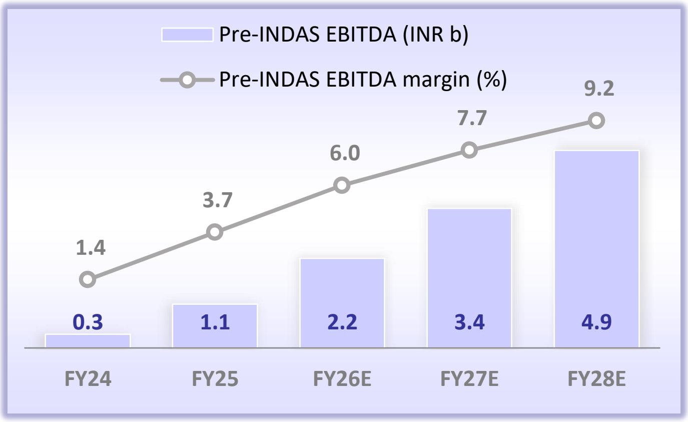
Source: Company, MOFSL

Expect ~700bp expansion in India pre-IND AS EBITDA margin over FY25-28E



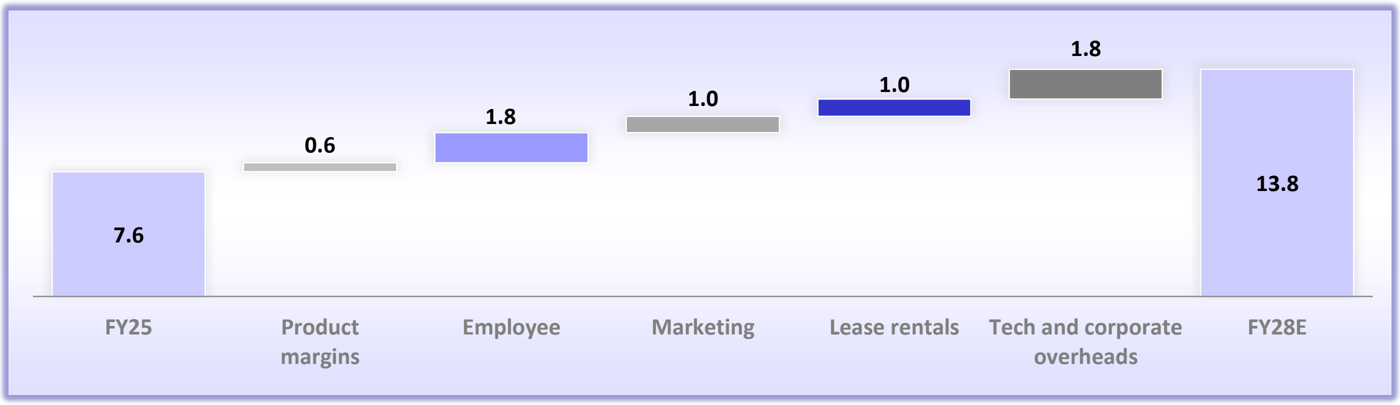
Source: Company, MOFSL

Expect ~550bp expansion in International pre-IND AS EBITDA margin over FY25-28E to reach ~9.2%



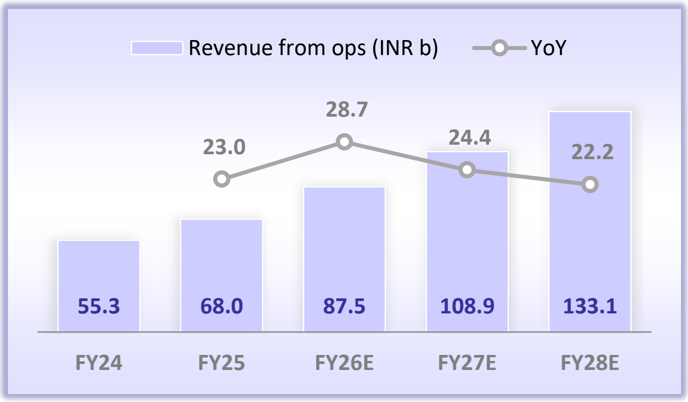
Source: Company, MOFSL

Lenskart's margin expansion drivers over FY25-28E



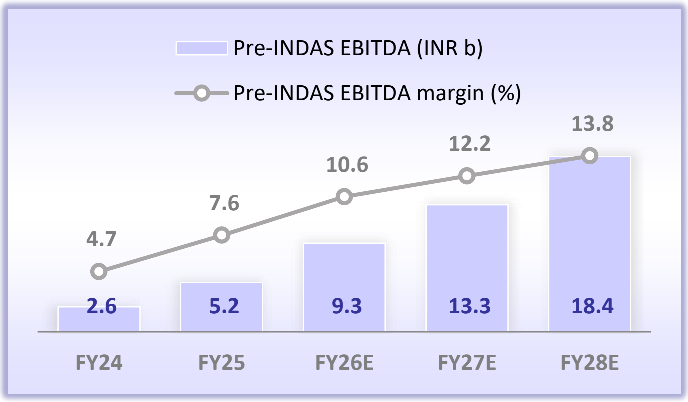
Source: Company, MOFSL

Overall, Consol. Proforma revenue to post ~25% revenue CAGR over FY25-28E



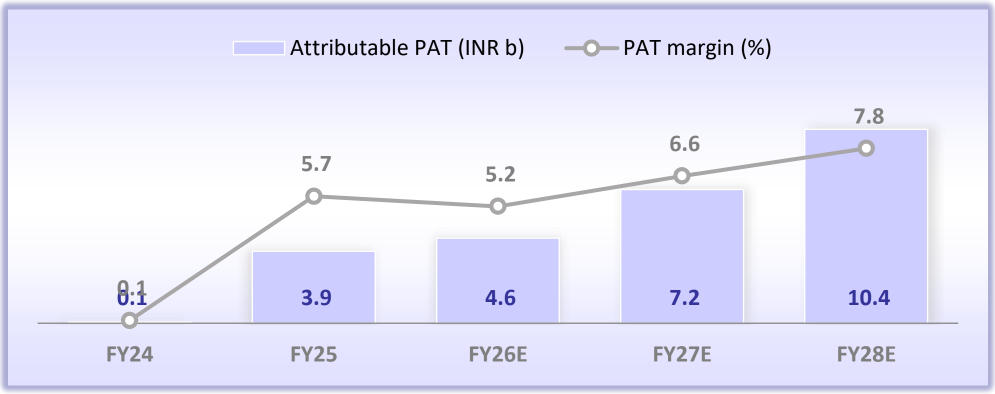
Source: Company, MOFSL

Expect ~53% Consol. pre-IND AS EBITDA CAGR over FY25-28E, driven by ~625bp margin expansion



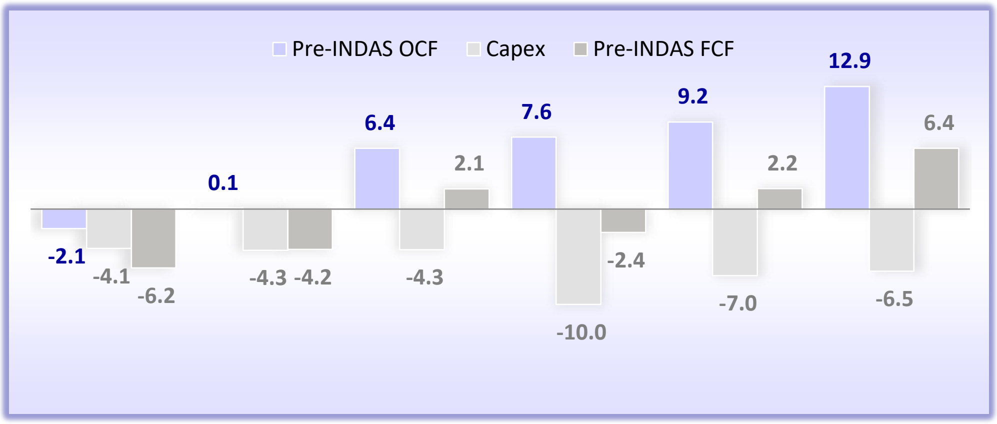
Source: Company, MOFSL

Expect FY28 attributable reported PAT of INR10.4b (FY25-28E CAGR of ~39%)

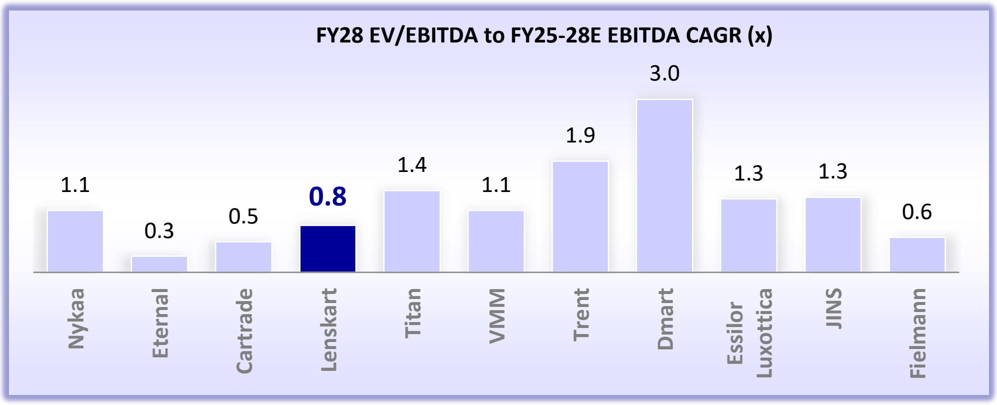


Source: MOFSL, Company

Lenskart's FCF to EBITDA could reach 65-70% once the plant capex tapers off by FY28



Lenskart's valuations not overly expensive in context of the expected growth



Source: MOFSL, Company, pre-IND AS EBITDA

Ascribe a TP of INR600 based on ~55x FY28E pre-IND AS EBITDA

INR b	EBITDA (INR b)	Multiple (x)	Value (INR b)
Enterprise value	**18.4**	**55**	**1,012**
Net debt (incl. leases)			-37
Equity value			**1,050**
TP (INR/share)			**600**
CMP (INR/share)			474
Potential upside (%)			*27*

Source: Company, MOFSL

Lenskart's valuations are highly sensitive to India business growth and profitability

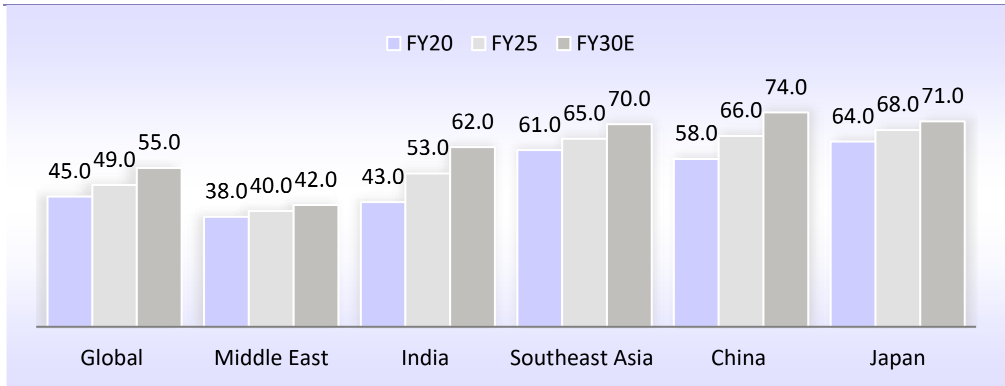
FY28 consolidated pre-IND AS EBITDA		FY25-28E India revenue CAGR				
		22.0%	**24.5%**	**27.0%**	**29.5%**	**32.0%**
FY28 India pre-IND AS EBITDA margin	**14.8%**	413	453	497	540	602
	15.8%	455	499	546	598	650
	16.8%	499	547	**600**	656	717
	17.8%	546	599	656	718	784
	18.8%	596	649	715	782	855

Source: Company, MOFSL

Large TAM category with unique challenges in scaling up

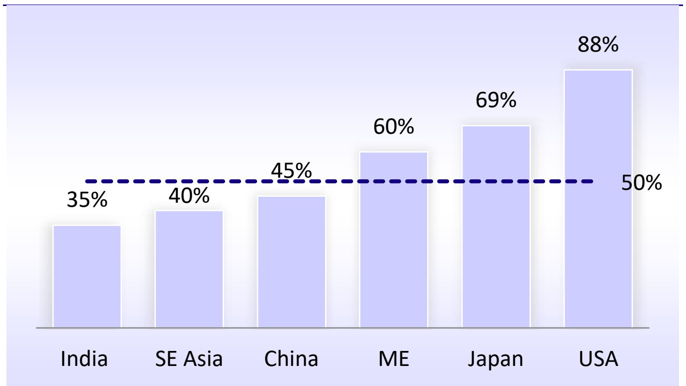
Globally, evolving lifestyles (particularly increasing screen time, shorter sleep cycles, poor dietary practices, rising air pollution), coupled with an ageing population, have led to refractive error becoming a public health challenge. Global incidences of refractive errors have risen from ~45% of the world population in FY20 (~3.5 billion) to ~49% (~4 billion) by FY25 and is projected to rise to ~55% (or ~4.7 billion) by FY30. India and Southeast Asia together account for ~30% (~1.2 billion) of refractive error incidences, yet the penetration of prescription eyeglasses remains low in these markets at 35-40% of total incidences (vs. ~50% on average globally), due to limited awareness, lack of affordability and insufficient access to optometrists and stores.

Exhibit 1: Incidences of refractive error globally and in select regions



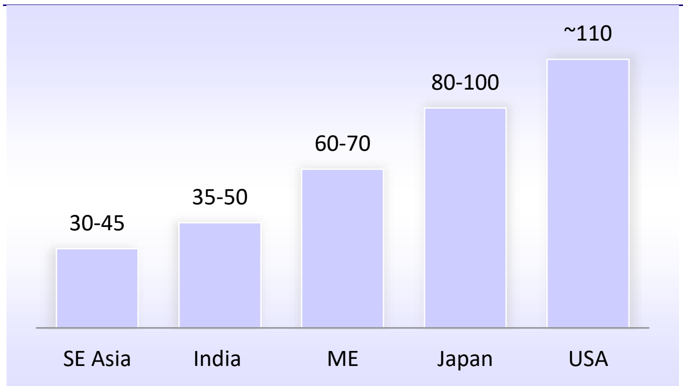
Source: MOFSL, Company

Exhibit 2: Low penetration of prescription eyeglasses



Source: Company, MOFSL

Exhibit 3: Limited availability of optometrists a constraint



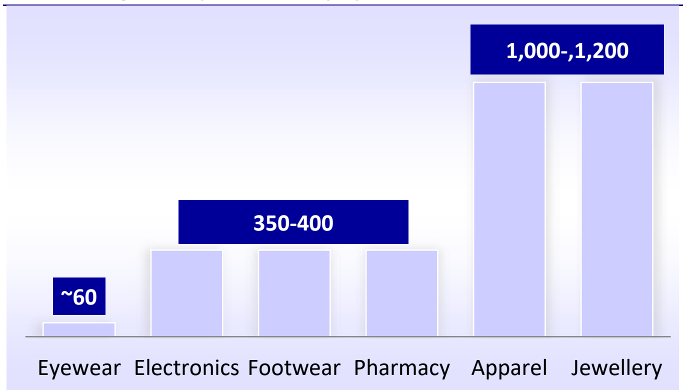
Source: Company, MOFSL

India's eyewear market remains significantly underpenetrated despite its large latent and growing needs for vision correction. As of FY25, 777m people (53% of population) require vision correction, a number that is expected to rise to 943m (62%) by FY30E owing to increasing screen exposure and ageing demographics. Yet only 35% of this demand is met, well below 70-80% penetration in developed markets and ~50% global average. The gap is driven by pervasive challenges such as:

- **Low awareness and trust gap:** Low health literacy, a reactionary approach to the need for vision correction and the social stigma attached to wearing eyeglasses often lead to delays and deferment of prescription eyewear purchases. Further, with only ~24% of the market served by organized players, retail is dominated by unstandardized, small-format outlets with inconsistent product quality, limited SKUs, and opaque pricing. This leads to limited consumer confidence and thereby significant under-penetration.

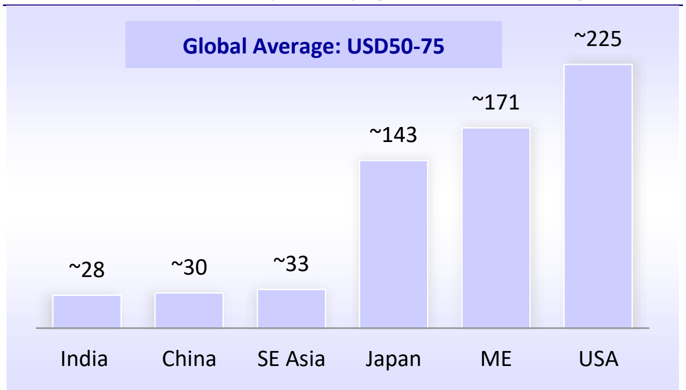
- **Lack of access to optometrists:** As opposed to the recommended optical benchmark of 100 optometrists per million population, India and Southeast Asia have ~30-50 optometrists per million population, restricting access to affordable eye tests, which can help detect the need for vision correction.
- **Limited accessibility due to low optical store density:** Penetration of prescription eyeglasses is constrained by low optical store density, especially in India and emerging Southeast Asian countries. The optical store density in India for eyewear category is at ~60 optical stores per million population, which is significantly lower than other retail categories such as pharmacy and electronics (~400 stores per million) and apparel and jewelry (~1,100 stores per million). Optical retail requires infrastructure such as diagnostic equipment, edging and fitting machinery, which increases setup and operating costs (vs. other retail formats). This, coupled with a shortage of trained optometrists and technicians, limit scalable expansion and leave tier-2+ regions underserved. A lack of physical optical stores in the vicinity is one of the biggest reasons for lower penetration of this category in India.
- **Lack of affordability:** Economy single vision eyeglasses retail in India starts at ~INR1,500, which is a big expense for people requiring vision correction. While ASP for prescription eyewear in India at INR2,370 (USD28) is lower than global average of USD50-75, it is still expensive for many consumers.
- **Concentrated supply chain for frames and lenses:** Global supply chain of lenses is dominated by few manufacturers from developed markets. While frames are more widely manufactured, the branded and premium variants are still imported through multiple intermediaries from China. This fragmented and import dependent supply chain adds up to markups and raises the cost of prescription eyeglasses. Frames are priced at 3-4x the trade value, while lenses are marked up 2.7-4x, with higher rates for progressive and unbranded variants. Branded lenses carry retailer margins of 40-50%, while unbranded ones can reach 100%. These factors combine to keep prices high and limit access for price-sensitive buyers.
- **Customization for individual's eye makes eyewear a difficult category to scale up:** Prescription eyewear is inherently bespoke, with millions of lens (power, coating, single vision, bifocal, progressive) and frame (type, material, 15-20k SKUs) combinations and precision requirements for fit and alignment. Each order is unique (vs. standardized SKUs in other retail categories) and requires skilled opticians for measurement, edging, and adjustment, making consistency and scale difficult for unorganized retailers. This lack of standardization results in bottlenecks in production with quality variability, and poor customer experience, further reinforcing low penetration and consumer hesitancy, especially in tier-2 towns.

Exhibit 4: Optical store count significantly lower vs. other retail categories (per million population) in India



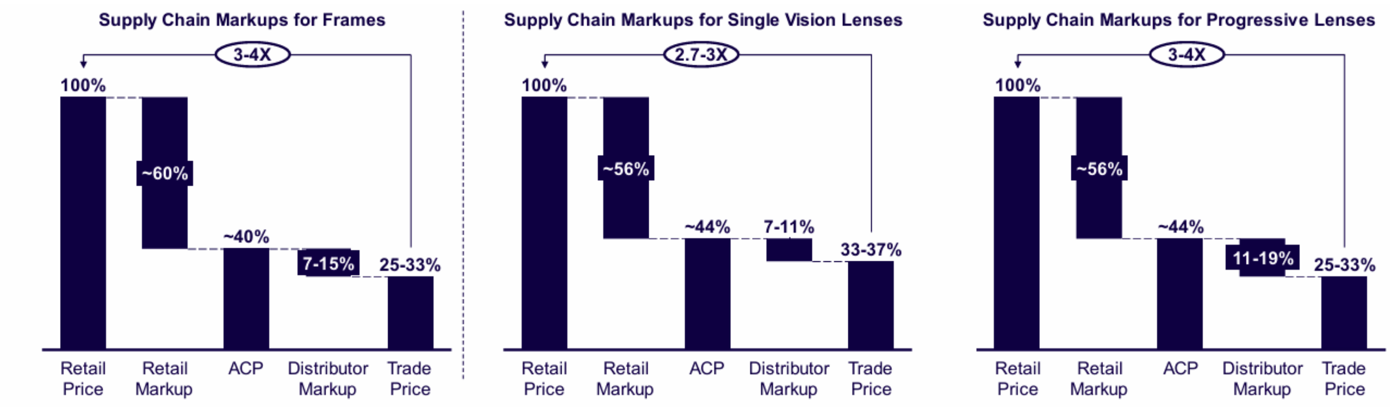
Source: Company, MOFSL

Exhibit 5: ASP of prescription eyeglasses remains high



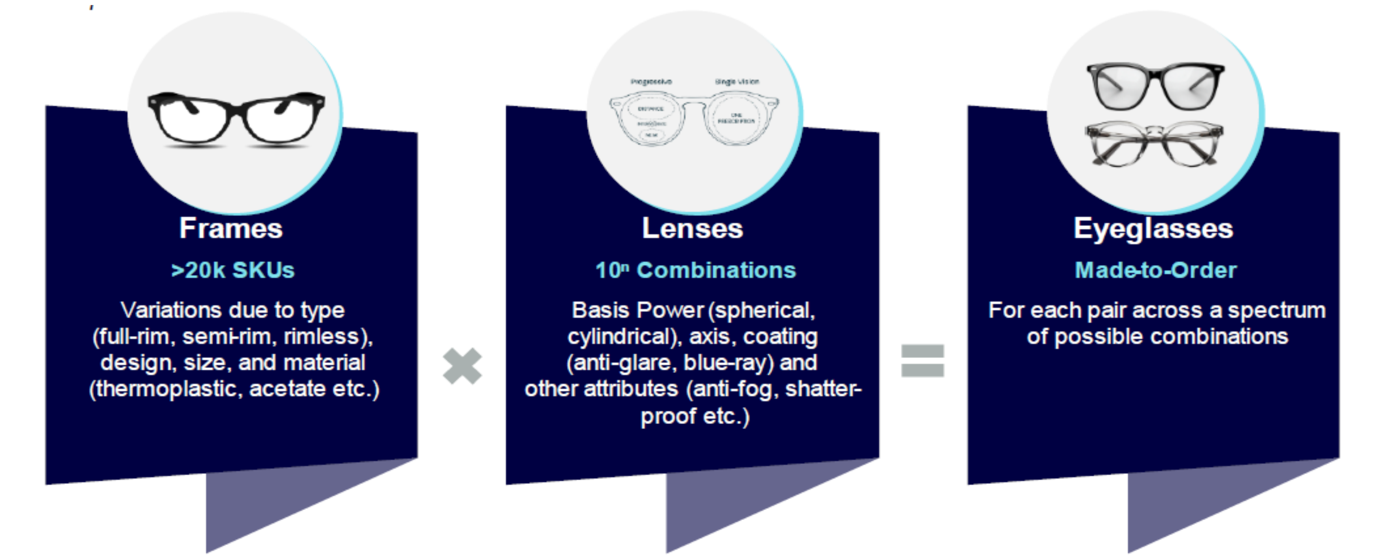
Source: Company, MOFSL

Exhibit 6: Mark-ups for frames and lenses in India



Source: Company, MOFSL

Exhibit 7: Eyewear requires significant customization to manufacture a single piece



Source: Company, MOFSL

Lenskart – A scaled market leader with strong moats

Lenskart is a vertically integrated, omnichannel eyewear platform, spanning designing, manufacturing, branding, retailing, and digital distribution. Founded in 2010, the company has repositioned eyewear from a low-frequency medical purchase into a high-repeat lifestyle category, built around affordability, design, and accessibility. The company sells prescription eyeglasses, sunglasses and other products such as contact lenses and eyewear accessories. Lenskart is India's largest organized retailer of prescription eyeglasses.

Over time, Lenskart has expanded its presence in international markets such as Japan, Southeast Asia and the Middle East. It operates a multi-brand portfolio across mass, premium, fashion, kids, contact lenses, and smart eyewear, giving it full-spectrum coverage of consumer price points and use cases. The company's distribution spans retail stores (across India and international geographies), own website and mobile app (100m+ downloads).

Exhibit 8: Lenskart's select brands and sub brands

Source: MOFSL, Company

Lenskart's centralized just-in-time manufacturing, technology-led ecosystem and industry-leading retail footprint provide the company with strong moats, enabling it to scale up in an industry traditionally dominated by unorganized players.

Centralized manufacturing addresses customization with higher precision

Prescription eyewear requires precision fitting and millions of combinations, which traditional retailers struggle to manage. Lenskart solves this through centralized, automated production hubs. Lenskart owns and operates frame and lens design and prescription eyeglass manufacturing facilities in Bhiwadi (RJ) and Gurugram (HR) in India, which are supplemented by regional facilities in Singapore and the UAE. With robotic edging and polishing, Lenskart delivers micron-level precision at scale while fulfilling 75% of orders via just-in-time manufacturing. The centralized automated manufacturing facilities allow Lenskart to deliver eyewear at lower costs with faster fulfilment times.

Lenskart operates a centralized, automation-led manufacturing and hub-and-spoke supply chain that combines in-house frame and lens manufacturing, along with procurement from third-party suppliers. All components, whether self-made or procured, flow into centralized manufacturing hubs at Bhiwadi and Gurugram, where the critical value-addition occurs through automated lens surfacing, coating, edging, and fitting. These facilities act as the company's primary quality gatekeepers, standardizing output regardless of input source.

This model structurally replaces the fragmented, store-level lens-cutting system used by legacy opticians. For Lenskart, retail stores function as experience and eye-testing centers rather than production points, while inventory is largely centralized under a just-in-time framework. Finished products are dispatched directly from manufacturing hubs, enabling faster turnaround, lower inventory obsolescence, and high SKU variety without store-level complexity. Sourcing remains materially import-dependent, while production is largely India-centric with selective international capacity.

Rising vertical integration improves affordability and boosts margins

Over time, Lenskart has also vertically integrated by establishing in-house capabilities to manufacture both frame and lenses. The in-house frame mould design, frame and lens manufacturing capabilities allow the company to launch new designs frequently and at lower cost compared to third-party procurement. In-house production of ~6.4m frames and ~4.1m lenses in FY25 reduced material costs by 35-40% and eliminated huge retail markups. This enabled affordable eyewear for a much larger demographic. Lenskart's vertical integration positions the company to drive margin improvement while maintaining greater control on product quality.

Lenskart has spent ~USD100m overall on its plants (~INR6b in Bhiwadi facility and remaining in Gurgaon and other regional facilities in Dubai and Singapore). The Bhiwadi factory has enough space to modularly expand to meet the rising demand (~64% capacity utilization based on current setup). The upcoming Hyderabad mega-facility extends this architecture to the next phase of scale. Designed as a 50m-pair export-oriented hub, it adds a second large manufacturing node outside the Gurugram cluster while deepening backward integration into frames, lenses, and selected raw materials that are currently imported. Its airport-proximate location should enable faster domestic replenishment and export readiness, further supporting an asset-light store model, tighter working capital, and improved RoCE. Together, Bhiwadi, Gurugram, and Hyderabad form a de-risked, globally scalable manufacturing backbone for Lenskart's next leg of growth.

Exhibit 9: Lenskart's centralized supply chain enables scalability and faster turnaround, strengthening its moat

Source: Company, MOFSL

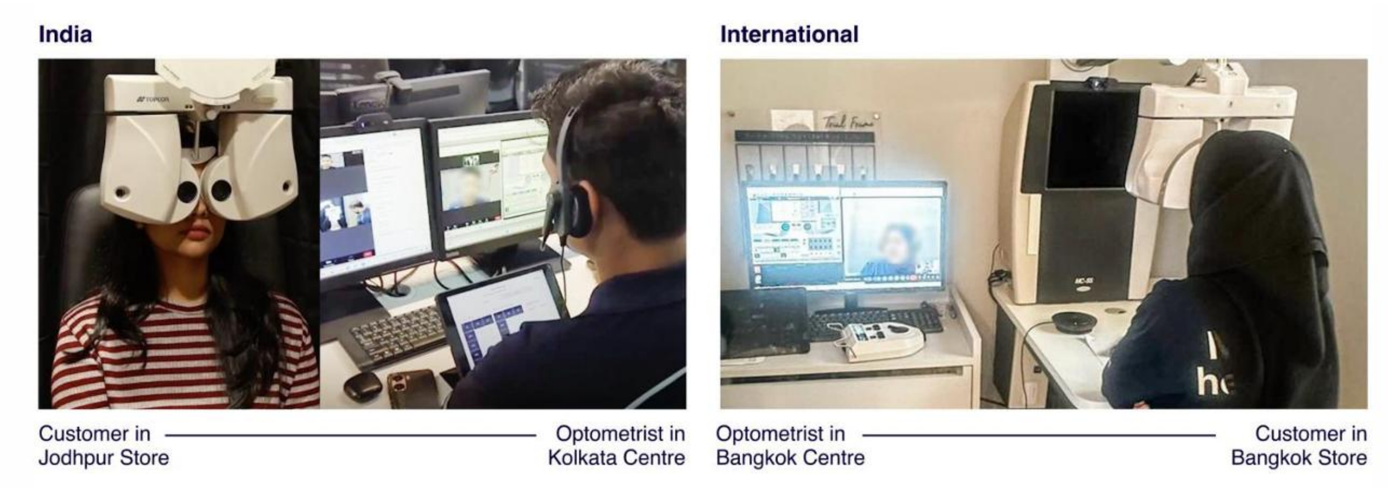
Exhibit 10: Lenskart's manufacturing capabilities

Units Sold (in m)	FY23	FY24	FY25	1QFY25	1QFY26
India	13.7	17.7	22.9	5.3	6.7
International	2.3	3.6	4.3	1.0	1.1
Total	**16.0**	**21.2**	**27.2**	**6.4**	**7.9**
Production (in m)	**FY23**	**FY24**	**FY25**	**1QFY25**	**1QFY26**
In-house	7.2	10.1	13.2	2.9	3.9
Manufactured in-house	**FY23**	**FY24**	**FY25**	**1QFY25**	**1QFY26**
Frames	4.4	5.4	6.4	1.3	1.9
Lenses	2.1	2.5	4.1	0.9	1.3

Source: MOFSL, Company

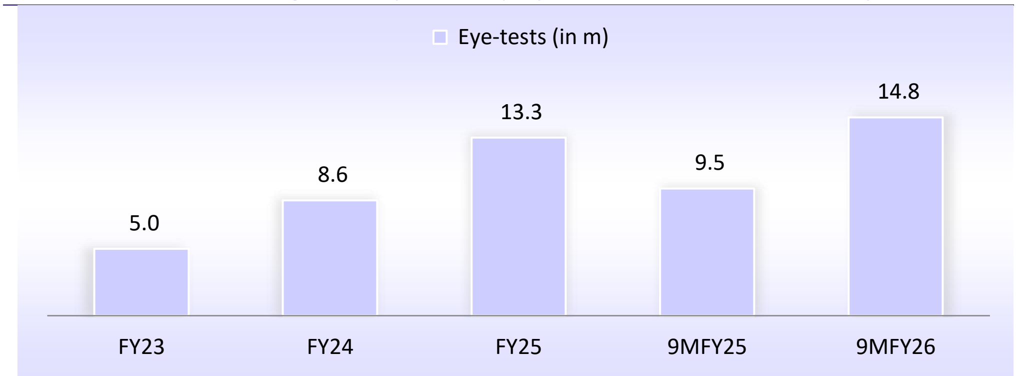
Access to testing: Shortage of optometrists and low store density are addressed through a hybrid model of **remote optometry** and **retail footprint expansion**. Live video-led eye testing in 168 stores enables clinical-grade diagnostics even in Tier-2+ regions, where skilled professionals are scarce. Apart from improving the access to eye tests, remote optometry improves the utilization of optometrists. Scaling up eye tests has been an important KPI for Lenskart toward fulfilling its mission of providing vision to a billion people. Through remote optometry, retail footprint expansion, self-eye tests, etc., Lenskart has been able to scale up eye testing from ~5m in FY23 to 13.3m in FY25 (at ~63% CAGR) in India. Further, out of 14.8m eye tests conducted by Lenskart in India during 9MFY26, ~47% of these were first-time tests, resulting in expansion of Lenskart's addressable customer base. Lenskart also provides home eye tests and frame try-on services in 30 cities in India (as of 1QFY26) to provide convenience to its customers, especially senior citizens, corporate employees, and families. Along with leveraging technology, Lenskart added ~1,200 stores during FY23-25, with nearly 65% in non-metro markets, scaling up its existing network to 2,067 stores across 399 cities by FY25.

Exhibit 11: Remote optometry and self-eye check-up (currently in Japan) enabling scale-up of eye tests



Source: Company, MOFSL

Exhibit 12: Lenskart has significantly scaled up eye tests in India over last few years



Source: MOFSL, Company

Large omnichannel presence for customer demand fulfilment

To achieve the company's goal of making quality eyewear accessible and affordable, Lenskart has established a presence across multiple channels – network of physical stores, mobile applications and websites. The company's mobile app has 100m+ cumulative app downloads. Lenskart has built one of the largest organized eyewear footprints across India and Asia, with deep penetration in Tier-1 to Tier-3 cities. Centralizing lens assembly and manufacturing also keeps stores asset-light (~75% inventory at central manufacturing facilities) and focused on retail experience and diagnostics, not production, making the model scalable and more capital efficient. Lenskart's omnichannel model allows its customers to purchase, collect, receive or return products across any of its touchpoints.

India remains the growth engine, while international markets, particularly Japan, Southeast Asia, and the Middle East, drive brand premiumization through Owndays. International operations now contribute a material share of revenue (40%+), positioning Lenskart not just as an Indian eyewear leader but as a pan-Asian optical platform with manufacturing-backed scalability.

Exhibit 13: Large and growing store network in India, Southeast Asia, Japan and Middle East

Retail stores	FY23	FY24	FY25	9MFY26
India (A)	1,416	1,785	2,067	2,439
Metropolitan Cities	656	791	900	1,006
Tier-1 Cities	277	385	469	571
Tier-2 & beyond	483	609	698	862
Japan (B)	232	259	267	285
Southeast Asia (C)	214	229	251	274
Middle East (D)	17	28	39	41
Others (E)	80	88	99	105
Total	**1,959**	**2,389**	**2,723**	**3,144**
	FY23	**FY24**	**FY25**	**1QFY26**
India	1,036	1,417	1,749	1,823
International	383	433	475	488
Total COCO	**1,419**	**1,850**	**2,224**	**2,311**
India	380	368	318	314
International	160	171	181	181
Total Franchisee	**540**	**539**	**499**	**495**

Source: MOFSL, Company

Trust and consumer experience: By integrating design, manufacturing, pricing, and faster delivery, Lenskart ensures consistent customer experience – a quality missing in the largely unorganized market. Its D2C model enforces transparent pricing, while free eye tests across 2,000+ stores drive early diagnosis and conversion. Lenskart differentiates itself through technology-led customer experience, like AI-driven virtual try-ons, AI-led frame recommendations, access to 79k+ SKUs, centralized remote optometry, computer vision-enabled store analytics, and data-led expansion planning. This technology layer allows the company to scale high-volume, standardized medical service delivery with fast-fashion speed while improving asset productivity, personalization, and repeat consumption. Structurally, Lenskart today operates as a manufacturing-scaled consumer-tech platform rather than a traditional optical retailer.

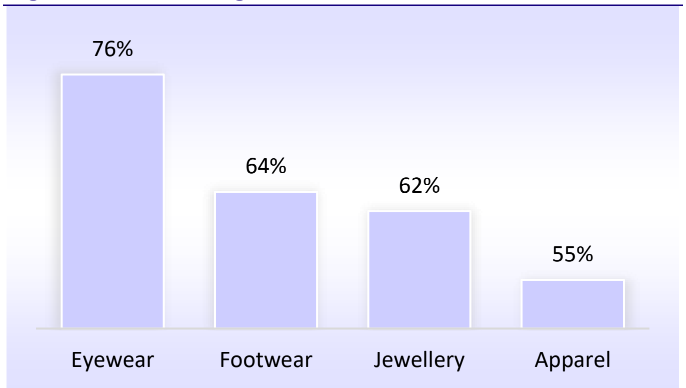
Significant headroom for store expansion-led growth

Category under-penetration and best-in-class store economics provide long growth runway

Lenskart's store expansion is anchored to structural under-penetration of organized eyewear retail. We note that despite ~15% CAGR in organized industry size over FY20-25, the share of organized retailers in eyewear industry remains relatively lower at ~24% (up ~200bp since FY20-25), indicating the fragmented nature of the industry.

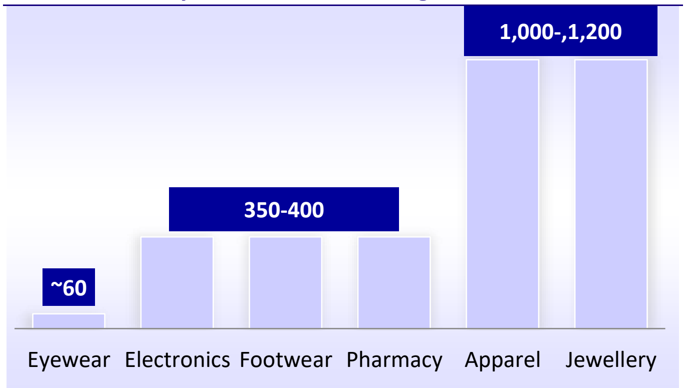
Penetration of prescription eyeglasses has also been constrained by relatively low density of optical stores. Emerging markets in Southeast Asia have less than 100 optical stores per million population, while the penetration in India is even lower at ~60 optical stores per million population. India's optical store penetration is significantly lower compared to ~1,000+ jewelry and apparel stores per million, despite eyewear being an essential category. Lenskart, with ~2,439 stores in 435+ cities as of 9MFY26, is already among the largest branded networks in India (across the retail formats), and yet holds only a low single-digit share of the addressable market, implying substantial headroom for expansion before saturation risks become relevant.

Exhibit 14: Share of unorganized retail in eyewear relatively higher vs. other categories



Source: Company, MOFSL

Exhibit 15: Number of stores per million population in India also lower for eyewear vs. other categories



Source: Company, MOFSL

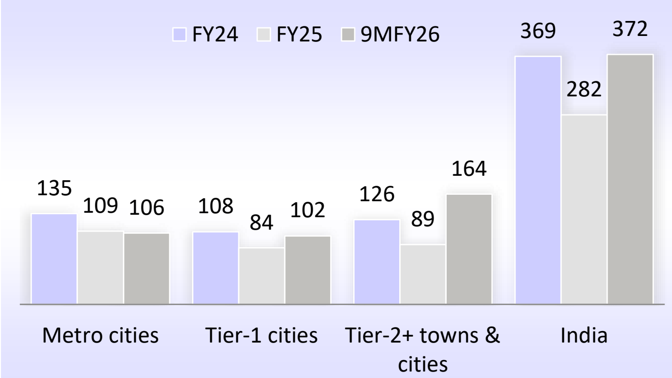
Lenskart has materially deepened its retail penetration over the past few years, yet it remains early in the context of India's eyewear opportunity. As of 9MFY26, the company's retail footprint stood at 2,439 stores across 435+ cities in India and 705 stores internationally, primarily in Japan, Southeast Asia and the Middle East. Lenskart's overall store base expanded at a ~18% CAGR (FY23-25), with incremental store rollout focused on deepening presence in Tier-2+ markets in India. ~35% of Lenskart's India footprint is already in Tier-2+ cities, and these markets accounted for ~44% of its incremental store additions in India during 9MFY26, reflecting management's confidence in demand beyond metros/tier 1 cities.

Exhibit 16: Snapshot of Lenskart's store footprint across India and international operations

	FY23	FY24	FY25	9MFY26
India	**1,416**	**1,785**	**2,067**	**2,439**
Metro cities	656	791	900	1,006
Tier-1 cities	277	385	469	571
Tier-2 & beyond	483	609	698	862
Japan	232	259	267	285
Southeast Asia	214	229	251	274
Middle East	17	28	39	41
Others	80	88	99	105
Total	**1,959**	**2,389**	**2,723**	**3,144**

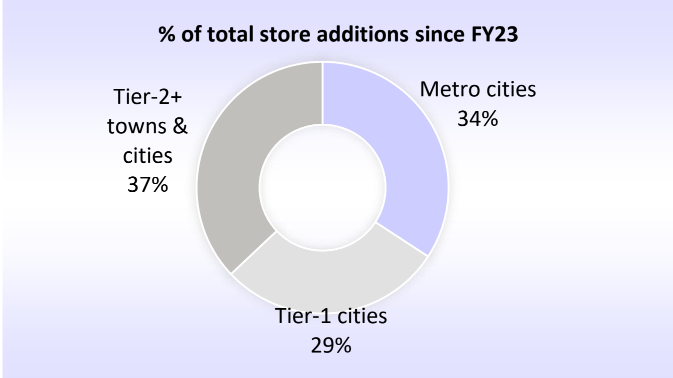
Source: MOFSL, Company

Exhibit 17: ~44% of Lenskart's net store additions were in Tier 2+ & beyond towns during 9MFY26



Source: Company, MOFSL

Exhibit 18: ~66% of Lenskart's new store additions since FY23 have been outside Metro cities



Source: Company, MOFSL

Leveraging technology to drive store expansion; potential to add 4,200+ stores over medium term

Lenskart's expansion is driven by algorithmic site selection (GeoIQ, a proprietary retail GeoAnalytic platform) rather than heuristic real estate decisions, enabling predictable outcomes and rapid densification without cannibalization, as evidenced by robust same pin-code sales growth (SPSG). The strategic shift to a predominantly COCO-led model after the Dealskart acquisition further tightens control over customer experience, technology deployment, and cost structures, allowing uniform execution at scale. This combination of data-led expansion, and market under-penetration sets the foundation for industry-leading unit economics.

A GeoIQ-driven location study highlights significant headroom for expansion. Lenskart has identified 6,400+ viable pin codes, including ~2,800 within its existing cities with no store presence and a meaningful pipeline across emerging Tier 2-4 towns, supporting a multi-year growth runway independent of category expansion.

Beyond the potential densification in the existing pin codes, we see significant growth opportunities for Lenskart over the medium term. Even at 60-80% of the current pin-code-level penetration (for example assuming 1.5 stores per pin code with no Lenskart stores in Metros vs. 1.8 stores in serviced pin codes), there is potential for ~3,000 additional stores in the current cities. Assuming a store in one out of three pin codes in the next 2,000 cities, there is potential of adding ~1,200 stores in next 2,000 towns, highlighting a significant potential for stable scalability without saturation risk, at least for the next 10 years.

Exhibit 19: Significant headroom for accelerated store expansions to continue at least for the next 10 years

Cities	No of Pin codes with stores	Store per current pin code	Pin codes with no Lenskart stores	Assumed store/ Pin code	Potential stores
Top 8	539	1.8	690	1.50	1,035
Next 40	312	1.6	607	1.25	759
Next 375	666	1.2	1,524	0.8	1,219
Sub-total	**1,517**	**1.5**	**2,821**	**1.07**	**3,013**
Next 2000 towns			3,644	0.33	1,203
Total	**1,517**		**6,465**	**0.65**	**4,215**

Source: Company, MOFSL

Best-in-class store economics with ~10 months of store payback across tiers

Lenskart's store-level unit economics are structurally differentiated from traditional retail, anchored to a centralized inventory and in-house manufacturing model that materially lowers capital intensity and execution risk. With ~75% of inventory held centrally at manufacturing hubs and only ~25% at stores, retail stores function primarily as experience and customer acquisition centers rather than eyewear production units. In-store stock is largely for display, eliminating dead stock, obsolescence, and shrinkage, which compresses margins in conventional retail.

- Lenskart's store productivity of ~INR24,000 per sq. ft. is among the highest across retail peers, enabled by an "endless aisle"/omnichannel model, decoupling sales from store size.
- Product margins remain robust at ~63.6% in India, with further expansion potential, driven by rising vertical integration. Even after accounting for ~6% of logistics and factory costs (reported as part of other expenses), gross margins remain healthy at ~57.5%.
- Store operating costs (including lease rentals) remain competitive at ~INR630 per sq. ft. per month.
- Lenskart's operating model translates into superior **store-level pre-IND AS EBITDA margins of 33%.**
- Centralized inventory and structurally higher store-level margins enable **~10-month store payback** across city tiers, while in-house manufacturing and efficient logistics create a highly replicable store template that supports network expansion without margin dilution.

Exhibit 20: Typical store economics of a Lenskart store in India

Based on FY25 actuals	Actual (INR m)	INR/sqft	INRm/store	% of sales
Revenue	**39,391**	**24,641**	**20.5**	
Product margin (%)	63.6	63.6	63.6	
Gross profit	**25,041**	**15,665**	**13.0**	**63.6**
Store employee costs	5,301	3,316	2.8	13.5
Rentals	**2,430**	**1,520**	**1.3**	**6.2**
Other expenses	4,307	2,694	2.2	10.9
Store pre-IND AS EBITDA	**13,003**	**8,134**	**6.8**	**33.0**
D&A	770	482	0.4	2.0
Store EBIT	**12,233**	**7,652**	**6.4**	**31.1**
PAT	**9,154**	**5,726**	**4.8**	**23.2**
Investments				
Store capex incl. equipment		4,819	4.0	
Implied breakeven (months)			**10.1**	
Company level economics				
Corporate expenses	9,152	5,725	4.8	23
Company pre-IND AS EBITDA	**3,847**	**2,407**	**2.0**	**9.8**

Source: MOFSL, Company

Exhibit 21: Consistent store payback of ~10 months across tiers

Tier	New stores in FY23&FY24	New stores achieving payback	% of new stores achieving payback	Average payback period (months)
Metro	276	224	81.2	10.4
Tier 1	200	157	78.5	10.4
Tier 2	227	187	82.4	10.1
Total	**703**	**568**	**80.8**	**10.3**

Source: Company, MOFSL

Exhibit 22: Comparison of store economics (INR/sqft) for scaled-up Indian retailers across categories

INR/sqft (Based on FY25 actuals)	Lenskart (India)	Trent	Metro	VMM
Store Count	2,067	1,043	908	611
Store Size	830	12,822	1,327	17,474
Revenue from ops	**24,641**	**14,023**	**21,514**	**9,251**
COGS	8,977	7,791	9,100	6,612
GP	**15,665**	**6,232**	**12,413**	**2,635**
GM (%)	***63.6***	***44.4***	***57.7***	***28.5***
Employee expenses	3,316	859	1,787	301
Other expenses (incl. variable rent)	2,694	2,178	3,429	495
COR ex- lease rentals (%)	24.4	21.7	18.5	8.6
EBITDA	**9,654**	**3,195**	**7,197**	**1,839**
EBITDA margin (%)	*39.2*	*22.8*	*33.5*	*19.9*
Lease payments (fixed rentals)	1,520	529	2,050	480
as % of revenue	*6.2*	*3.8*	*9.5*	*5.2*
Store Pre-IND AS EBITDA	**8,134**	**2,666**	**5,148**	**1,359**
Margin (%)	*33.0*	*19.0*	*23.9*	*14.7*
Depreciation	482	200	328	133
EBIT	**7,652**	**2,466**	**4,820**	**1,226**
Margin (%)	*31.1*	*17.6*	*22.4*	*13.3*
Investment	4,819	4,000	7,800	2,364
Capex	4,819	2,000	3,800	1,200
WC		2,000	4,000	1,164
Post-tax RoCE (%)	**119**	**46**	**46**	**39**
Payback (months)	*10*	*26*	*26*	*31*
Corporate costs				
Overheads	5,728	878	698	518
as % of revenue	*23.2*	*6.3*	*3.2*	*5.6*
Company EBITDA	**2,407**	**1,788**	**4,449**	**841**
Margin (%)	*9.8*	*12.8*	*20.7*	*9.1*

Source: Company, MOFSL

House-of-brands architecture strengthened by M&A

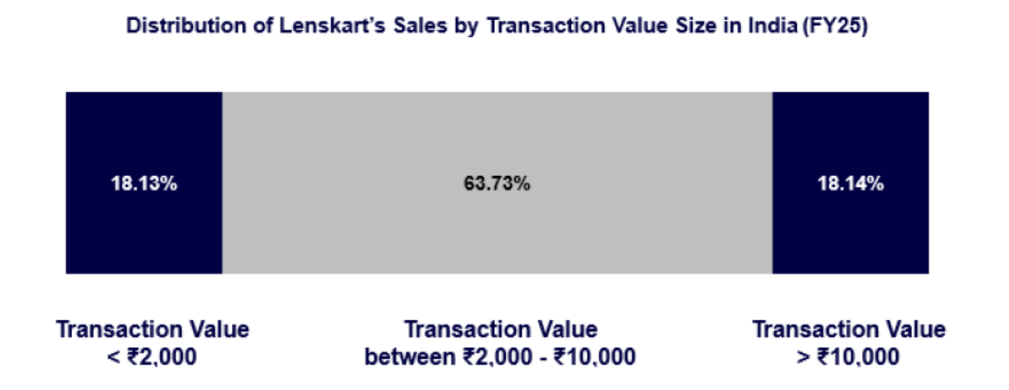
- Lenskart has evolved into a vertically integrated house of brands to address a structurally polarized eyewear market, split between high-priced licensed luxury brands and an unorganized mass market with limited differentiation. By owning design, manufacturing and retail, the company targets the under-penetrated mid-premium layer, enabling aspirational pricing with trendy designs. The strategy is anchored in repositioning eyewear from a low-frequency, medical purchase to a lifestyle category, thereby increasing repeat rates and lifetime customer value.
- The portfolio is organized around consumer personas rather than product categories, with 24 brands and sub-brands spanning mass to premium segments. This architecture allows Lenskart to address distinct psychographics and use-cases while minimizing internal cannibalization and expanding wallet share across life stages.
- Lenskart keeps expanding and diversifying its brand, product portfolio, offerings and geographical presence both organically and through selective brand collaboration, investments and acquisitions. Among major acquisitions, Lenskart acquired a Japanese optical retail brand, Owndays, in Aug'22 to expand its footprint in Japan and Southeast Asia. In 2024, the company invested in a French brand, Le Petit Lunetier, and launched its products in Lenskart stores in India. Recently, Lenskart's Singapore subsidiary acquired an ~84.2% stake in Stellio, which sells fashion sunglasses and related accessories under the brand Meller.
- In FY25, Lenskart launched 105 new in-house designed and engineered collections globally, some of them in collaboration with popular brands and celebrities. Further, the company creates localized collections, catering to festive occasions such as Navratri in India, Ramadan in the Middle East, and Lunar New Year in Southeast Asia to drive repeat behavior. In addition, the company has launched add-ons such as frame swaps and bitz (similar to Jibbitz strategy adopted by Crocs), among others, to upsell and improve the fashion quotient in a category otherwise seen as a medical purchase.
- Lenskart also launched the smart glass category under 'Phonic', audio-enabled smart glasses with UPI functionality. In 4QFY26, the company plans to soft-launch 'B', AI-powered camera smart glasses, wherein the company is designing the hardware and developing the software and mobile app in-house, which will be powered by Gemini AI platform. The smart glasses will have features such as UPI payments, health monitoring with food logging and recommendations, photo and video capture, real-time object scanning, translations, and personalized recommendations.
- Lenskart's expanding brand portfolio and wider assortment have directly translated into structurally higher repeat behavior. With more styles, price points and use-cases available, eyewear is increasingly consumed as a lifestyle product rather than a one-time medical purchase. This is reflected in steadily rising purchase frequency, with new customer cohorts buying 3.6 units within two years (FY23 cohort) vs. 2.3 units for FY17 cohorts and an industry average of ~1.8 units.

Exhibit 23: Lenskart's major brands and their positioning

Segment	Brand	Positioning	Key Differentiators
Premium & Fashion-Forward	**John Jacobs**	Design-led premium fashion brand for aspirational professionals	✓ It offers "ramp fashion" designs and materials like Italian acetate. ✓ Currently one of the top three eyeglass brands in India by sales value.
	Owndays	Bridge-to-luxury minimalist brand focused on elegant comfort	✓ A Japanese D2C brand known for minimalist design, high-quality manufacturing (Titanium frames), and simple pricing.
Mass & Fast Fashion	**Vincent Chase**	Fast-fashion volume engine targeting value-conscious youth	✓ A fast-fashion brand focused on value-driven, trendy styles. ✓ Like John Jacobs, it is one of top-three brands in India by volume and value. ✓ In FY25, Lenskart released over 35 collections under this brand.
	Lenskart Air	Comfort-first brand for office and all-day wear	✓ Value proposition is centered on functionality, utilizing ultra-lightweight and durable materials designed for long-duration wear.
Niche & Emerging	**Hustlr**	Street-style brand for Gen-Z and creators	✓ Features bold designs and is fully manufactured in India. ✓ It has become one of the most popular frame series by volume.
	Hooper/ Hooper Creatr	Pediatric eyewear focused on safety and durability	✓ Unbreakable, self-adjustable frames, compatible with myopia-control lenses.
	Phonic	Smart-audio eyewear for tech enthusiasts	✓ In-house hardware & firmware; Bluetooth audio, pilot UPI payment integration.
	Meller	Digitally native Gen-Z sunglasses brand	✓ European design aesthetics, strengthens sunglasses and accessories portfolio.

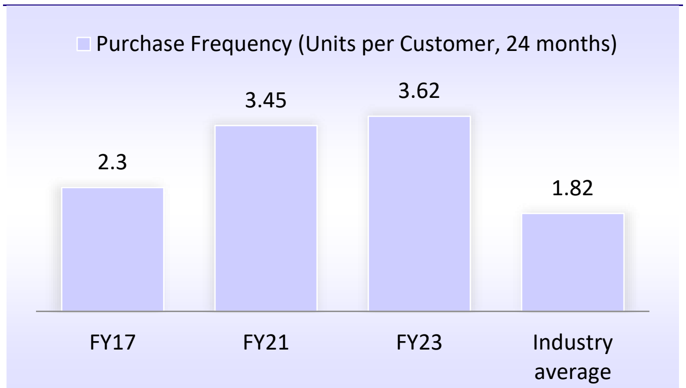
Source: MOFSL, Company

Exhibit 24: Lenskart's diversified product mix caters to customers across price points



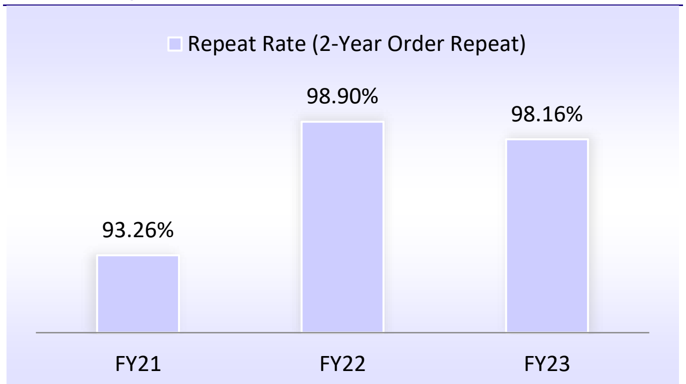
Source: MOFSL, Company

Exhibit 25: Steady increase in purchase frequency among Lenskart customers



Source: Company, MOFSL

Exhibit 26: Lenskarts' two-year customer repeat rate consistently above 90%

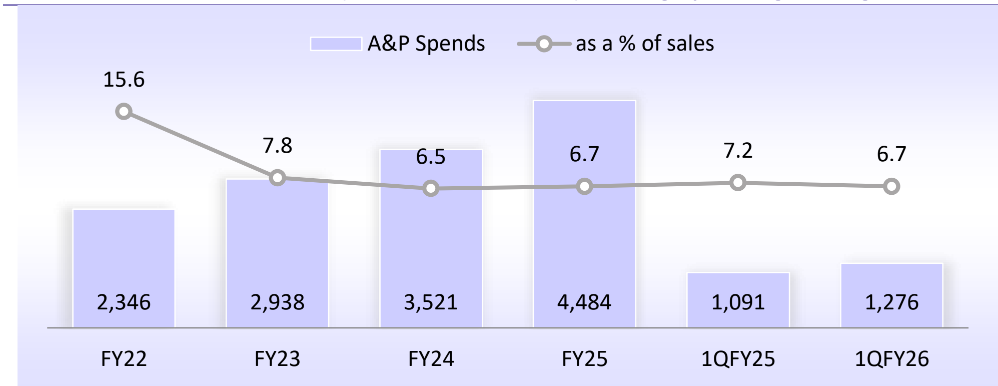


Source: Company, MOFSL

In parallel with brand-led portfolio expansion, Lenskart has demonstrated improving marketing efficiency. While absolute A&P spend has increased with scale, it has moderated as a share of revenue, from ~15.6% in FY22 to ~6.7% in FY25, indicating rising brand pull and lower reliance on paid acquisition. Nearly 45% of India revenue in FY25 was digitally influenced, highlighting the effectiveness of its omnichannel model.

Additionally, its **Gold membership program**, with 8.1m members as of 9MFY26, converts brand affinity into upfront subscription revenue (INR1.1b in FY25) while driving higher frequency via the buy-one get-one free (BoGo) incentive. Digital tools such as **38.6m virtual try-ons in FY25**, influencer-led capsule collections, and social commerce further reinforce engagement at low incremental costs. Collectively, these initiatives turn A&P into a flywheel, supporting repeat purchases and premiumization without pressuring margins.

Exhibit 27: Despite a ~24% CAGR in absolute spends over FY22-25; A&P spends as % of sales declined to 6.7% in FY25 (from ~15.6% in FY22), driving operating leverage



Source: Company, MOFSL

Owndays acquisition expanded Lenskart's footprint in international markets

- **Owndays** is a vertically integrated eyewear retailer with a strong footprint across Japan and Southeast Asia (Singapore, Taiwan, Thailand, and Malaysia). The brand operates in the premium, minimalist segment, targeting working professionals who value durability, comfort, and understated design. These markets are structurally attractive, with high myopia prevalence and eyewear demand that is non-discretionary, repeat-led, and well organized.
- Lenskart acquired Owndays Co. in Aug'22 to fast-track its transition from an India-centric retailer to a pan-Asian eyewear platform. The acquisition of Owndays, a brand with strong brand equity, regulatory expertise and established retail network, fast-tracked Lenskart's expansion into Southeast Asia and Japan while adding a premium, design-led label to its house of brands. The acquisition materially reshaped the revenue mix, with international revenue rising from ~10% of sales in FY22 to ~42% by FY25.
- The transaction was executed via Lenskart Solutions Pte. Ltd (Lenskart Singapore), with an initial 92.3% stake acquired for ~INR25.1b. A substantial portion of the consideration was attributable to brand identity and expected synergies, resulting in ~INR18b of goodwill being recognized on the balance

sheet. Owndays contributed **~INR13.1b in revenue and INR586m in profit** between August'22 and March'23 (4.5% PAT margin). Lenskart further acquired a ~4.4% stake for ~INR1.3b, significantly lower than deferred consideration at the time of the initial stake purchase (~INR4.15b for remaining ~7.7% stake), which resulted in ~INR1.67b gain in other income during FY25.

- After the acquisition, Owndays has been retained as an independent brand while being integrated into Lenskart's manufacturing, procurement, and technology stack. Centralized sourcing and Indian manufacturing arbitrage have driven material cost efficiencies, while technology interventions such as remote optometry and inventory optimization have improved store productivity. The integration has resulted in **~400bp expansion in international product margins between FY23 and FY25**, supporting rapid earnings accretion and validating Owndays as a strategically and financially accretive acquisition reinforcing Lenskart's global positioning.

Exhibit 28: Lenskart acquired ~92.3% stake in Owndays for ~INR25b in Aug'22 (INR m)

Stake Acquired	**92.27%**		
Value	29,276	Net Assets Acquired	3,705
Paid	**25,128**	Net Identifiable Intangibles	7,919
Deferred	4,148	Non-controlling interest	959
Enterprise Value (100%)	28,838	Goodwill	18,612
Equity Value	29,276		

Source: Company, MOFSL

Exhibit 29: Owndays played a big role in scaling up Lenskart's international business

	FY22	FY23	FY24	FY25
Revenue by geography	**15,027**	**37,880**	**54,262**	**68,030**
India	13,514	22,319	31,545	39,391
Japan		4,789	7,826	
Singapore	1,023	4,448	6,525	
Taiwan		2,262	3,511	
Thailand		1,463	2,477	
Other geographies	490	2,600	2,378	29,108
Contribution from Int'l ops	**10.1**	**41.1**	**41.9**	**42.1**

* Owndays was acquired in mid-FY23; it contributed INR13b in revenue | Source: Company, MOFSL

Meller acquisition fills the whitespace in Lenskart's portfolio through designer sunglasses

- Meller is a Spain-based, digital-first eyewear brand positioned in the affordable-premium sunglasses segment, with strong resonance among Gen Z and millennial consumers. Headquartered in Barcelona, the brand focuses on bold, fast-fashion design, rapid product refresh cycles, and social-media-led customer acquisition. The business operates largely online across multiple international markets and has been extremely profitable (77% product margin, ~16% pre-IND AS EBITDA margins).
- Lenskart acquired Meller to strengthen its house-of-brands architecture and accelerate its entry into the underpenetrated, high-frequency sunglass category, where fashion credibility and brand differentiation matter more than prices. The acquisition, executed via Lenskart Singapore, involved an 84%+ stake in Stellio Ventures S.L. and was funded entirely through internal cash, with deferred consideration aligned to performance.

- After the acquisition, Meller operates as an independent brand within Lenskart's ecosystem. Its design and brand identity integrated into Lenskart's vertically integrated manufacturing and global logistics platform, enabling lower unit costs without diluting its fashion quotient. Production has been shifted to India, improving unit economics, while distribution has been expanded across India, Southeast Asia, and the Middle East.
- Financially, Meller is a profitable, high-growth brand, with revenue of INR2.7b in FY25 and a 54% CAGR over FY23-25. Despite operating at relatively lower ASPs (vs. Lenskart's international ASPs), Meller maintains a strong margin profile, with product margins of ~76-78% and pre-IND AS EBITDA margins of ~16% in FY25. Since sunglasses are a seasonal purchase, Meller performs better in 1H (vs. 2H).

Exhibit 30: Meller condensed financials

INR m	FY23	FY24	FY25
Revenue	1,146	2,002	2,720
% YoY	-	75	36
Product margin	865	1,572	2,090
% Margin	75.5	78.5	76.8
Pre-IND AS EBITDA	193	444	432
% Margin	16.9	22.2	15.9
PAT	143	333	322
% Margin	12.4	16.6	11.8

Source: Company, MOFSL

Exhibit 31: Lenskart's Meller acquisition & valuations (INR m)

Stake Acquired	84.2%
Value	4,125
Paid	3,574
Deferred	551
Enterprise Value (100%)	4,899
Equity Value	5,430
Valuation (based on FY25 actuals)	
EV/EBITDA	11.3
P/E	16.9

Source: Company, MOFSL

Technology at the core drives higher store productivity

Technology is a crucial component of Lenskart's operations across customer engagement, supply chain, post-order fulfilment and retail store operations. Lenskart uses proprietary retail technology platforms to enhance customer experience, drive store expansion and boost store productivity and SSSG.

GeoIQ: Geo analytics platform that drives store expansion strategy

Lenskart owns a ~96.2% stake in Quantduo Technolgies, which develops retail analytics solutions such as GeoIQ. GeoIQ is a strategic, proprietary geo-analytics platform that underpins Lenskart's disciplined store expansion and omnichannel growth strategy. By replacing intuition-led decisions with machine learning-driven insights, GeoIQ enables precise site selection and market densification. The platform analyses over 3,000 variables across 350 million hyperlocal grids, incorporating diverse datasets such as mobility patterns, satellite imagery, traffic flows, and localized economic indicators (including proxy measures like meal price for two) to estimate income levels and demand potential. This enables revenue prediction for specific latitude-longitude locations with over 90% accuracy, significantly lowering risk of selecting unprofitable store locations. GeoIQ also offers its services to several retailers such as Giva, Swiggy, CultFit, The Sleep Company, Urban Company, etc.

GeoIQ directly enhances capital efficiency and scalability. The platform has mapped ~5,000 potential store locations, identified 2,800+ unserved pin-codes within existing cities, and flagged 2,000+ emerging towns aligned with Lenskart's profitability thresholds. GeoIQ's insights support Lenskart's market densification strategies that create incremental demand without materially cannibalizing existing stores. Operationally, GeoIQ has shortened the average store payback period from ~13 months to ~10 months and streamlined property acquisition through the Retail IQ app, enabling faster decision-making and deployment. The system's perpetual learning loop fed by real-time performance data from 2,000+ operating stores further strengthens forecast accuracy over time, reinforcing Lenskart's ability to scale up profitably and sustainably.

Exhibit 32: GeoIQ helps business identify locations based on income levels

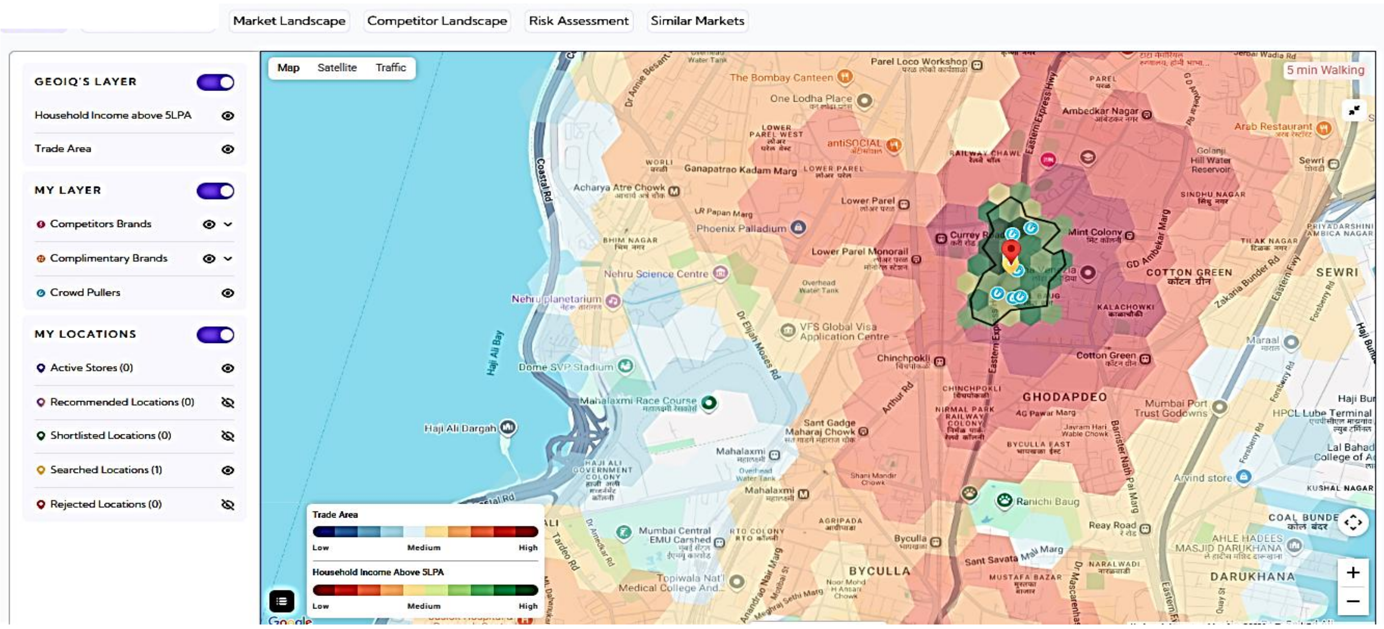


Exhibit 33: GeoIQ helps business identify locations based on footfalls

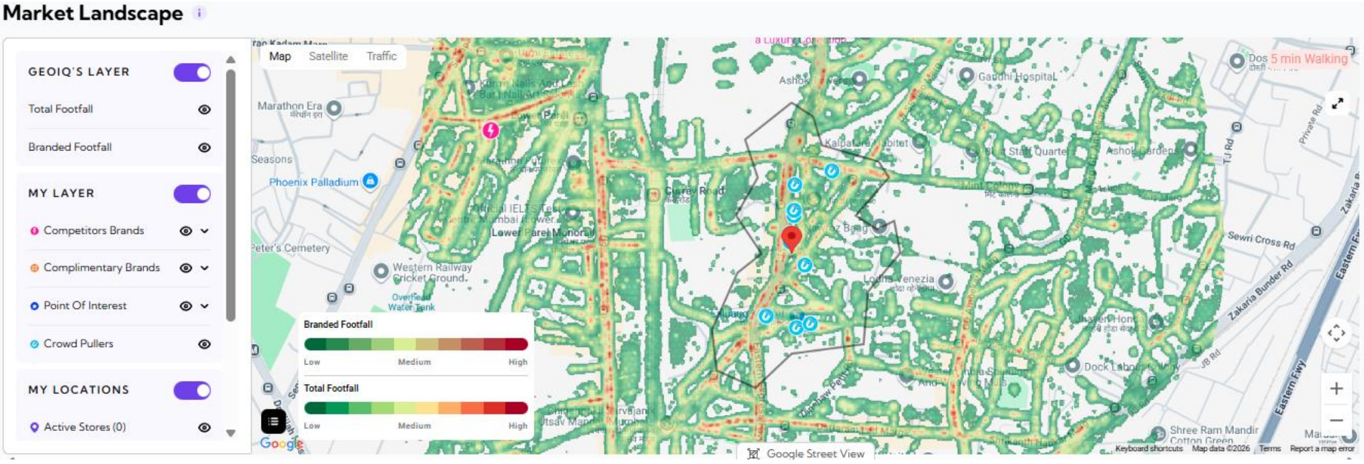


Exhibit 34: AAI-based revenue cluster and street-level mapping

Tango IT: End-to-end video analytics and insights to deliver higher SSSG

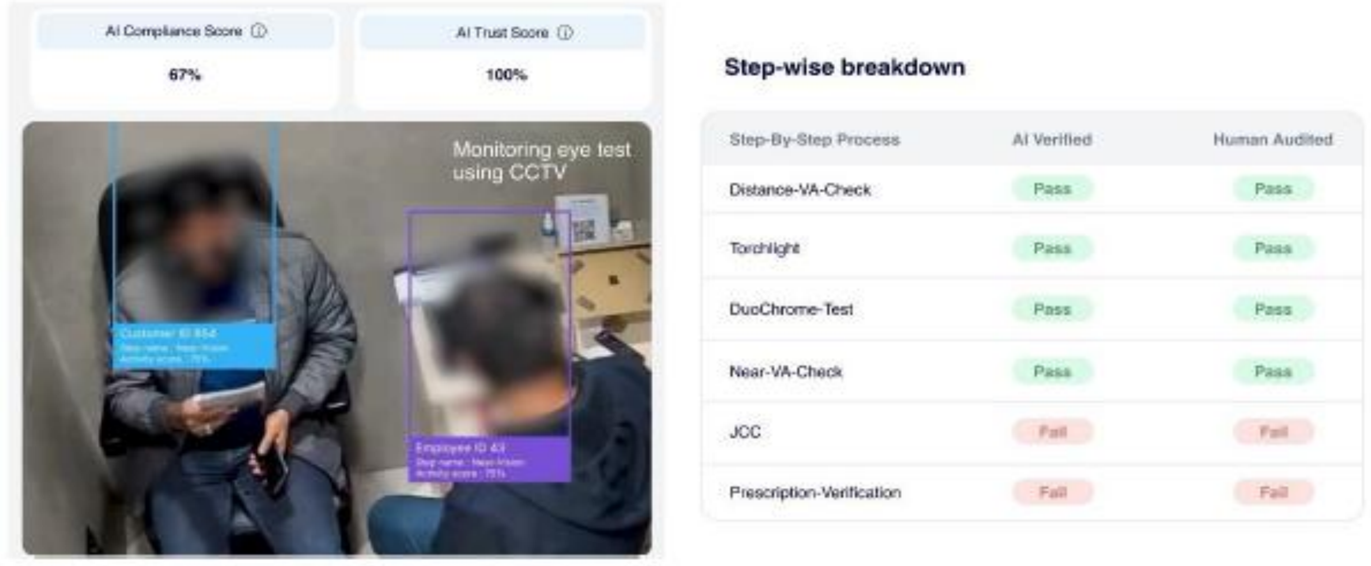
Tango IT Solutions, a wholly owned subsidiary of Lenskart, is engaged in AI-driven computer vision technology, offering end-to-end video analytics solutions. Tango IT plays a critical role in improving Lenskart's in-store productivity, conversion efficiency, and manufacturing precision. Through its TangoEye platform, the company analyzes real-time CCTV footage to monitor customer movement within stores, enabling higher footfall-to-sale conversion. By codifying each stage of the customer journey, Tango provides granular insights into traffic patterns, dwell time, and conversion bottlenecks, supporting assortment planning and deliver consistent volume-led SSSG. Lenskart has deployed Tango Eye across its stores globally, including the stores acquired as part of the Owndays acquisition.

Exhibit 35: AAI-based computer-vision enabled store conversion analytics

Source: Company, MOFSL

Tango's analytics enable data-backed decisions on merchandise placement and store layout by tracking brand and product-level engagement (e.g., which customers visit the Vincent Chase section vs. the John Jacobs section) ensuring optimal visibility of high conversion assortments. Beyond the retail store, Tango's computer vision is deployed in manufacturing facilities to automatically analyze footage. It acts as a quality gateway by detecting deviations from standard operating procedures (SOPs) to ensure precision and process adherence. The system is also used to audit eye tests conducted in stores, ensuring that the diagnostic processes follow company's standards.

Exhibit 36: AI based computer-vision enabled eye test quality assurance



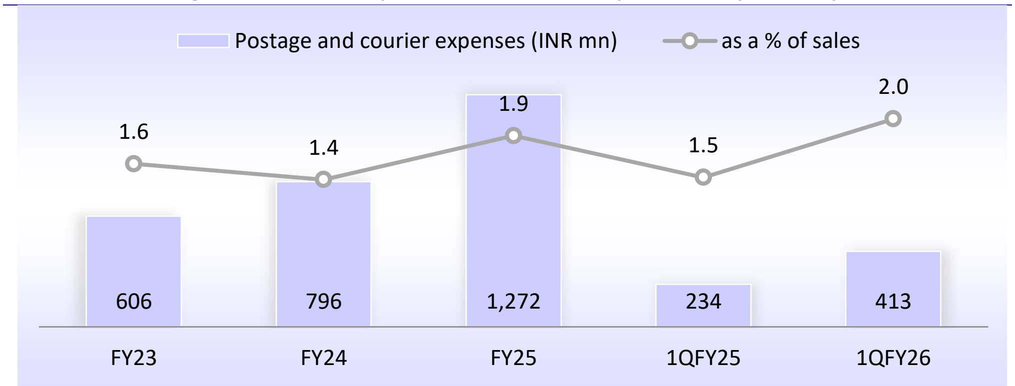
Source: Company, MOFSL

Further, Lenskart is also leveraging technology to improve access to eye tests through remote optometry, and self-tests. In addition, Lenskart has pioneered virtual frame try-on and AI-enabled frame recommendations in India, which drive higher customer engagement and conversions. In FY25, Lenskart conducted ~38.6m virtual try-ons and ~37.9m face/frame size measurements for its customers in India.

Logistics edge enables next day delivery and home delivery, boosting customer convenience and loyalty

- Lenskart's just-in-time centralized manufacturing and self-designed/dedicated logistics operations enable the next-day delivery (NDD) of eyeglasses for orders placed up to 9pm in 67 cities for single-vision eyeglasses in India. NDD program is a structural differentiator, designed to eliminate industry lead times and materially enhance customer experience. The model replicates FMCG-like speed in eyewear through centralized manufacturing, inventory pooling, and automation, reinforced by service guarantee (up to 50% cashback on delayed delivery). The upcoming Hyderabad mega-facility (2028E), located near a major airport hub, is designed to further scale up this high-speed model domestically and for exports.
- Execution is built around overnight manufacturing and early-morning air logistics, with the company directly managing air cargo by booking commercial flight capacity to ~50 airports rather than relying on standard courier routing. Shipments move from destination airports to regional hubs, followed by last-mile delivery to stores or homes via Lenskart's delivery ecosystem.
- Lenskart has scaled up its NDD network meaningfully, which is now available in **67 cities,** and three-day delivery in **69 cities**. In select international markets such as Singapore and the UAE, the company also offers NDD from its regional facilities. Strong volume momentum (27.2m units in FY25; +25% YoY in 9MFY26) is driven by the rapid scale-up of NDD and direct-to-home fulfilment.
- In FY25, ~41% of eyewear sold in India was shipped directly to customers' personal addresses, reducing reliance on in-store collection and materially improving customer convenience and loyalty, which has supported higher customer adoption and repeat purchases despite higher last-mile costs. While logistics costs have risen (postage expenses up ~60% YoY in FY25; +43bp to 1.9% of sales), these are offset by 35-40% lower manufacturing costs vs. unorganized peers and reduced store-level inventory risk from centralized stocking.

Exhibit 37: Postage and courier expenses have inched up, driven by scale-up of NDD



Source: Company, MOFSL

Competitive benchmarking in India and internationally

- India's eyewear market remains highly fragmented, with unorganized market still accounting for 75%+ of total market share. Even the organized incumbents operate partially integrated, inventory-heavy models. Lenskart's competitive edge stems from structurally positioning eyewear as a manufacturing-led, tech-enabled category rather than a store-led retail business.
- Centralized inventory and automated manufacturing decouple selling from stocking, enabling significantly higher assortment, faster fulfilment, and lower working capital intensity. Deep vertical integration lowers unit costs significantly vs. peers, allowing reinvestment into rapid design refreshes and higher purchase frequency. Remote optometry and an omnichannel strategy remove key bottlenecks faced by peers. Collectively, these factors create a durable advantage in cost, scale, speed, and capital efficiency, underpinning Lenskart's stable market share gains and superior financial trajectory.

Exhibit 38: Financial snapshot of key eyewear retailers in India; Lenskart is by far the biggest organized eyewear retailer in India

(INR m)	Lenskart (India - Proforma)		Titan Eyewear			GKB Opticals			Specsmakers		
	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY25
Revenue	31,086	39,390	6,890	7,260	8,010	1,565	1,836	2,054	976	935	1,038
YoY %	**-**	***26.7***	***33.3***	***5.4***	***10.3***	-	***17.3***	***11.9***	-	***-4.2***	***11.1***
GP	19,155	25,041				907	1,066	1,181	715	700	787
GP %	*61.6*	*63.6*				*57.9*	*58.0*	*57.5*	*73.3*	*74.9*	*75.8*
EBITDA	3,909	6,277	1,480	1,470	1,550	433	507	553	152	209	218
EBITDAM %	*12.6*	*15.9*	*21.5*	*20.2*	*19.4*	*27.7*	*27.6*	*26.9*	*15.6*	*22.4*	*21.0*
Pre-IND AS EBITDA	**2,033**	**3,847**				**224**	**236**	**252**	**(51)**	**13**	**23**
EBITDAM %	*6.5*	*9.8*				*24.7*	*22.2*	*21.3*	*-7.2*	*1.8*	*2.9*

Source: Company, MOFSL

Exhibit 39: Financial snapshot of key eyewear retailers in India; other smaller eyewear retailers struggling to grow

(INR m)	Reliance Vision Express			Gangar Eyenation			Luxottica India (B2B)		Eyegear Optics		Lawrence & Mayo	
	FY23	FY24	FY25	FY23	FY24	FY25	FY23	FY24	FY23	FY24	FY23	FY24
Revenue	856	765	815	985	920	922	6,456	7,458	2,672	2,862	753	678
YoY %	***12.3***	***(10.6)***	***6.5***	***21.9***	***(6.6)***	***0.2***	***59.8***	***15.5***		***7.1***		***(9.9)***
GP	581	512	580	622	571	578	1,859	1,966	1,946	2,112	291	296
GP %	*67.9*	*67.0*	*71.1*	*63.1*	*62.0*	*62.7*	*28.8*	*26.4*	*72.8*	*73.8*	*38.6*	*43.6*
EBITDA	(705)	45	106	264	173	179	470	313	127	48	47	21
EBITDAM %	*(82.3)*	*5.8*	*13.0*	*26.8*	*18.8*	*19.4*	*7.3*	*4.2*	*4.7*	*1.7*	*6.2*	*3.1*
Pre-IND AS EBITDA	**(809)**	**(61)**	**(23)**	**96**	**(0)**	**2**	**440**	**280**	**97**	**9**	**6**	**(22)**
EBITDAM %	*(139.3)*	*(11.9)*	*(4.0)*	*15.5*	*(0.0)*	*0.4*	*23.7*	*14.2*	*5.0*	*0.4*	*2.1*	*(7.5)*

Source: Company, MOFSL

Lenskart India outperforms peers on scale, growth consistency, and profitability trajectory, reflecting a structurally differentiated operating model. Lenskart's FY25 revenue was nearly 3x Titan Eyewear's UCP of ~INR13b and materially ahead of other organized players. Lenskart delivered 26.7% YoY revenue growth in FY25, which is far ahead of its peers' low-to-mid single-digit growth or volatile growth trends.

At the gross margin level, Lenskart's ~63-64% product margin is structurally superior to peers despite lower ASPs, driven by vertical integration and centralized manufacturing. While Specsmakers reports higher gross margins, its smaller scale, weaker profitability consistency, and limited growth visibility reduce comparability. Although operating margins (9.8% in FY25) trail legacy retailers that benefit from low central investments, margins are expanding rapidly through operating leverage. Remarkably, Lenskart is scaling and expanding margins simultaneously, unlike peers that either optimize margins at low growth or pursue growth with weak economics. This positions Lenskart structurally ahead in India's organized eyewear market.

International competition

- **Essilor Luxottica** is the global leader in eyewear, with vertical integration across lenses, frames, manufacturing, wholesale, and ~18,000 retail stores in 150 countries. Its portfolio includes Ray-Ban, Oakley, and major luxury licenses. Essilor's revenue base is ~USD30b with ~20%+ margins. Growth is steady in mid-single-digit CAGR, led by smart glasses, myopia management, and emerging market ramp-up, though scale limits upside vs. penetration-led players.
- **Fielmann Group** is Europe's leading value optical retailer with 40%+ share in Germany and ~1,200 stores, undergoing a strategic transformation. It is evolving from a DACH-centric retailer to a global omnichannel platform, with global markets now contributing ~40% of sales, led by acquisitions. CY24 revenue was USD2.5b with ~20%+ EBITDA margins, supported by vertical integration, mix shift toward progressive lenses and audiology, and operational efficiency.
- **JINS** is Japan's leading fast-fashion eyewear retailer with ~18-20% share of the domestic spectacles market and ~789 stores. It has pivoted from a volume-led, low-price strategy toward high-value products and productivity-led growth, driving a sharp profitability inflection (operating margins up ~500bp over FY23-25). FY25 revenue was USD650m with ~15%+ EBITDA margins. Growth is aided by mix improvement, digital-led store efficiency, and measured expansion in Asia and the US, partially offset by Japan's mature demand environment.
- **Warby Parker** is a US-focused D2C eyewear brand with ~223 stores across the US and Canada, deriving 70%+ revenue from online channels. It holds ~1% share of the USD40b US eyewear market. CY24 revenue was USD771m with modest profitability at EBITDA levels. It aims to post ~15-20% CAGR depending on store rollout, insurance partnerships, and subscription lenses. Market maturity and rising CAC constrain scalability relative to emerging-market players.

Lenskart is relatively smaller in scale in the international markets relative to global peers. However, it is on faster growth trajectory driven by deepening presence in Japan, Southeast Asia, the Middle East and strong backward integration. The company is still in a scale-up phase, with revenues compounding materially faster than mature optical retailers. While EBITDA margins remain lower at this stage, gross margins are already comparable to international leaders, reflecting optimized sourcing and India-centric manufacturing advantages. As the company completely integrates Owndays with its domestic manufacturing and store throughput increases, the operating leverage will kick-in, leading to higher profitability over the medium term.

Exhibit 40: Financial and operational snapshot of international eyewear retailers

(USD m)	Lenskart (International Proforma)		Essilor Luxottica			Fielmann Group			JINS Holdings			Warby Parker		
	FY24	FY25	CY22	CY23	CY24	CY22	CY23	CY24	CY22	CY23	CY24	CY22	CY23	CY24
Revenue	**298**	**344**	**25,809**	**27,467**	**28,692**	**1,854**	**2,132**	**2,451**	**529**	**551**	**654**	**598**	**670**	**771**
YoY %		*15.6*	*23.6*	*3.7*	*4.4*	*4.8*	*12.0*	*14.9*	*9.5*	*13.3*	*17.1*	*10.6*	*12.0*	*15.2*
GP	218	257	16,197	17,091	17,940	1,454	1,697	1,961	407	428	510	341	365	427
GP %	*73.2*	*74.6*	*62.8*	*62.2*	*62.5*	*78.4*	*79.6*	*80.0*	*76.8*	*77.6*	*78.0*	*57.0*	*54.5*	*55.3*
EBITDA	**4**	**12**	**5,387**	**5,597**	**6,020**	**252**	**317**	**379**	**56**	**71**	**101**	**(76)**	**(30)**	**17**
% Margin	*1.4*	*3.6*	*20.9*	*20.4*	*21.0*	*13.6*	*14.9*	*15.5*	*10.6*	*13.0*	*15.5*	*-12.7*	*-4.5*	*2.2*
PAT	-	-	2,268	2,476	2,553	109	135	165	13	31	56	-110	-63	-20
% Margin	-	-	*14.0*	*14.5*	*14.2*	*7.5*	*8.0*	*8.4*	*3.1*	*7.2*	*11.0*	*-32.4*	*-17.3*	*-4.8*
Stores	604	656	17,687	17,589	17,638	968	1,086	1,240	700	736	789	200	237	276
YoY %		*8.6*	*-1.3*	*-0.6*	*0.3*	*6.0*	*12.2*	*14.2*		*5.1*	*7.2*		*18.5*	*16.5*
Volume	4.6	5.4				8.9	8.9	9.3						
YoY %		*17.7*				*6.8*	*0.4*	*4.4*	-	-	-	-	-	-
ASP	65	64				209	240	264						

Source: Company, MOFSL

India: Expect 27% revenue CAGR with ~700bp pre-IND AS EBITDA margin expansion over FY25-28

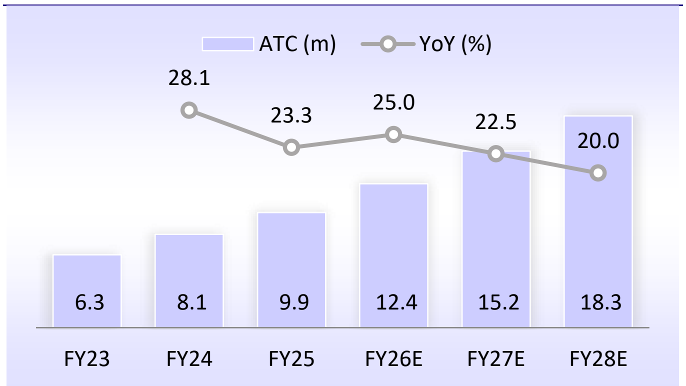
We expect Lenskart's India segment to deliver a robust 27%/52% CAGR in pro forma revenue/pre-IND AS EBITDA over FY25-28E, led by (i) ~24% volume CAGR, (ii) ~90bp product margin expansion from backward integration, and (iii) ~610bp operating leverage-led pre-IND AS EBITDA margin expansion to ~16.8% by FY28E.

Expect ~27% revenue CAGR over FY25-28E, primarily volume led

Lenskart delivered 29% volume growth over FY23-25, led by a 26% CAGR in annual transacting customer accounts and its high repeat-purchase rate (~98% over two-year period). During FY23-25, Lenskart added ~650 stores at a CAGR of ~21% to reach 2,067 stores. As discussed in earlier sections, we believe there is still significant room for store expansion for Lenskart and we model ~1,480 net store additions over FY25-28, bringing the total store count to 3,550 (at ~20% CAGR). With deepening store penetration, we expect customer account additions at ~22.5% CAGR over FY25-28E, translating into a ~24% volume CAGR, with only a modest increase in purchasing frequency. Lenskart's focus remains on volume-led growth; however, we also see headroom for ASP growth, driven by premiumization, and build in a modest ~2.5% annual ASP increase.

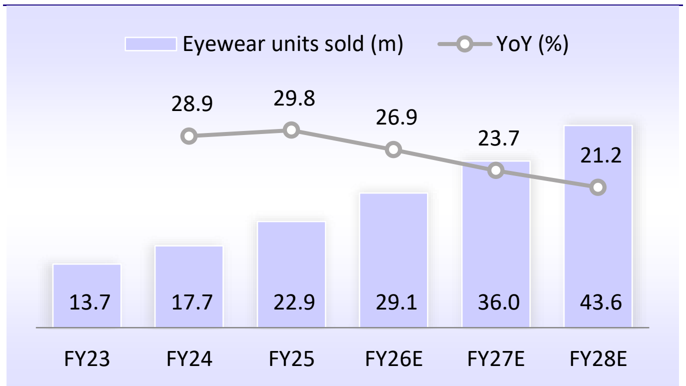
***Overall, we build in ~27% CAGR in Lenskart's India revenue over FY25-28E.* Based on our estimates, Lenskart's market share in the Indian eyewear industry is likely to rise to ~8.3% by FY30 (vs. ~5% in FY25).**

Exhibit 41: Expect ~22.5% CAGR in transacting customer accounts…



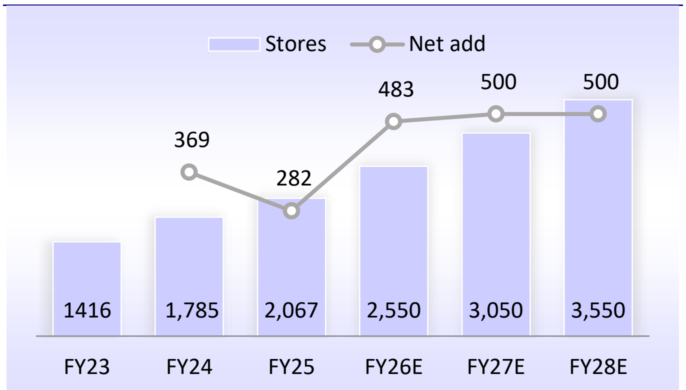
Source: Company, MOFSL

Exhibit 42: …to drive ~24% volume CAGR over FY25-28



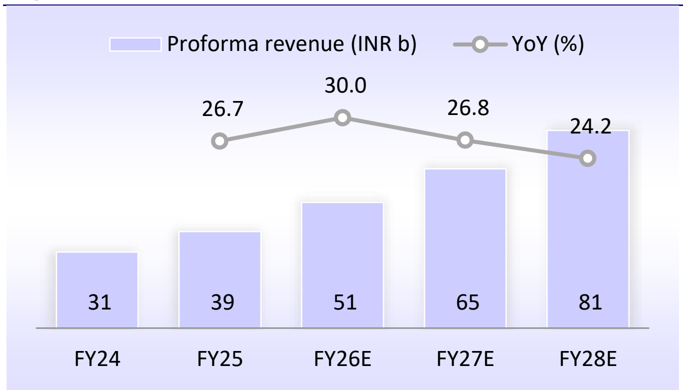
Source: Company, MOFSL

Exhibit 43: Build in ~1,480 net store additions (~20% CAGR) over FY25-28



Source: Company, MOFSL

Exhibit 44: Build in ~27% revenue CAGR for Lenskart's India segment



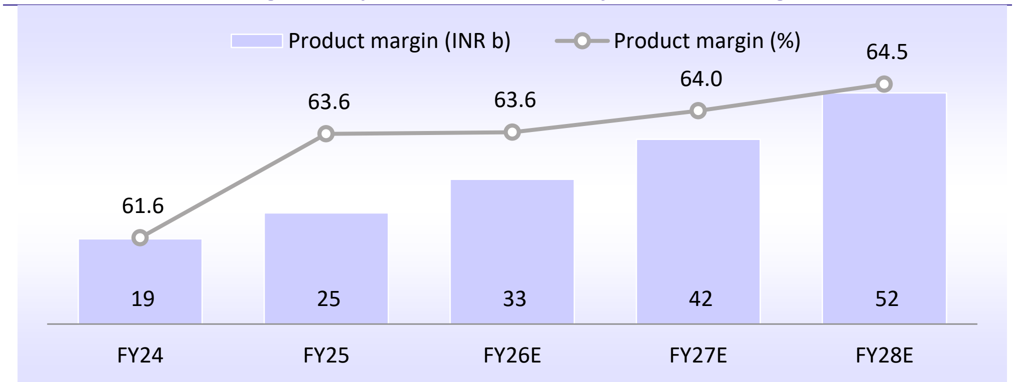
Source: Company, MOFSL

Build in ~90bp gross margin expansion through backward integration

Lenskart's India business pro forma product margins stood at ~63.6% in FY25, lower than the ~74.6% product margins in international business, largely reflecting materially higher ASPs overseas (international ASPs are ~3x India ASPs). We build in a modest ~2.5% annual increase in ASP over the medium, mainly driven by product and lens mix upgrades rather than price hikes. The cost per piece declined ~7% YoY in FY25 to INR626 in India and management sees further headroom for cost optimization in India, driven primarily by backward integration, scale efficiencies and in-house manufacturing (~20% cost savings on import duties and logistics). The product margin improvement from backward integration has been offset by adverse currency movement in 9MFY26, but the margin improvement story remains structural. This is evidenced by product margin expansion from ~58.2% in FY23 to 63.4% in FY25, underpinned by 35-40% cost advantages vs. industry benchmarks and continuous manufacturing efficiencies.

Compared to ~520bp improvement over FY23-25, we build in gradual ~90bp product margin expansion over FY25-28E to reach ~64.5%, with gross profit posting ~28% CAGR over FY25-28E. We believe there could be further upside to product margin expansion, driven by increasing backward integration and a potential increase in contribution from higher-margin brands such as Meller.

Exhibit 45: Product margin to expand further driven by backward integration



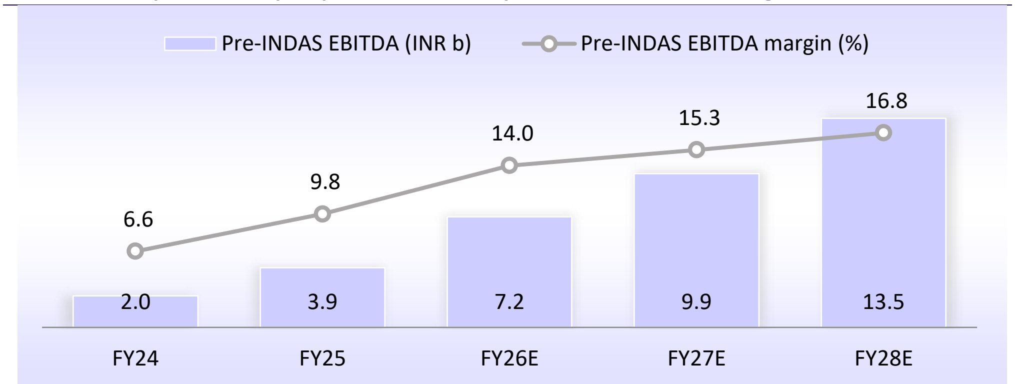
Source: MOFSL, Company

Operating leverage and scale benefits to drive ~700bp pre-IND AS EBITDA margin expansion over FY25-28E

Lenskart's pre-IND AS EBITDA margins expanded by ~320bp YoY in FY25 to 9.8%, driven by ~195bp product margin expansion and ~125bp operating leverage benefits. With Lenskart incrementally focusing on CoCo-led store expansion, we believe the commissions paid to franchise will reduce over time (from ~3.4% in 3QFY26). Further, while A&P spends on an absolute basis might increase, we believe there would be operating leverage and should reduce from ~7.5% of sales in FY25. As we noted in earlier sections, Lenskart's store-level EBITDA margin of ~33% is among the best in class; however, high corporate-level overheads pull down the entity-level margins to ~10%. We note the company is already benefitting from better fixed-cost absorption, with **India pre-IND AS EBITDA margin already rising by ~420bp to 14% in 9MFY26. The bulk of margin gain is driven by operating leverage**, especially on A&P spends (-200bp), other expense (-125bp), employee expenses (-80bp) and rentals (-20bp). We see further room for operating leverage to play out with scale benefits, especially in A&P spends (~5-6% of sales), tech costs (~5% of sales), SG&A costs (~3% of sales) and corporate overheads (~4-5% of sales).

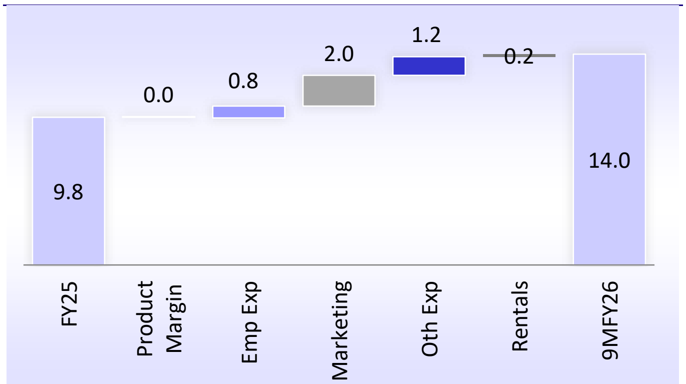
Going ahead, we build in a ~700bp expansion in pre-IND AS EBITDA margin in India over FY25-28E, driven by ~90bp product margin expansion and ~610bp from operating leverage (of which ~420bp is already reflecting in 9MFY26). Overall, we expect ~52%/43% CAGR in India pre-IND AS/reported EBITDA over FY25-28E.

Exhibit 46: Expect ~700bp expansion in India pre-IND AS EBITDA margin over FY25-28E



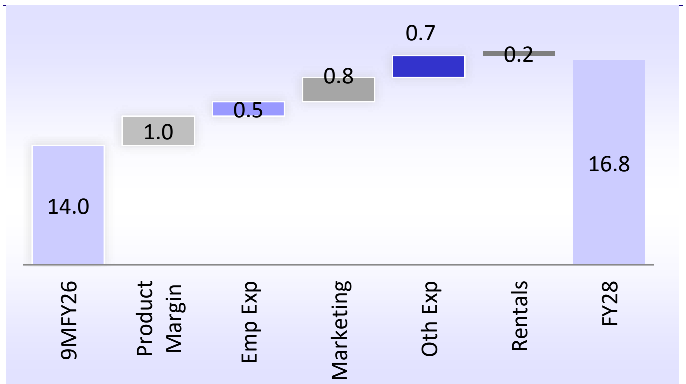
Source: MOFSL, Company

Exhibit 47: Lenskart's India pre-IND AS EBITDA margin expanded ~420bp in 9MFY26, driven by operating leverage



Source: Company, MOFSL

Exhibit 48: We build in ~280bp pre-IND AS EBITDA margin expansion over 9MFY26-28 for Lenskart India



Source: Company, MOFSL

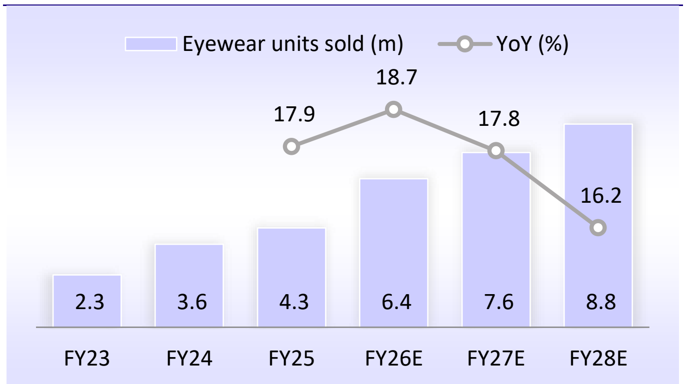
International: Expect ~22% revenue CAGR with ~550bp pre-IND AS EBITDA margin expansion over FY25-28

We expect Lenskart's international segment to deliver a robust ~22%/65% CAGR in pro forma revenue/pre-IND AS EBITDA over FY25-28E, led by (i) ~27% volume CAGR (~17.5% CAGR on like for like basis including Meller in base), (ii) ~165bp product margin expansion from synergies in recent acquisitions, and (iii) ~385bp operating leverage led pre-IND AS EBITDA margin expansion to ~9.2% by FY28E.

Expect ~22% revenue CAGR over FY25-28E, primarily volume led

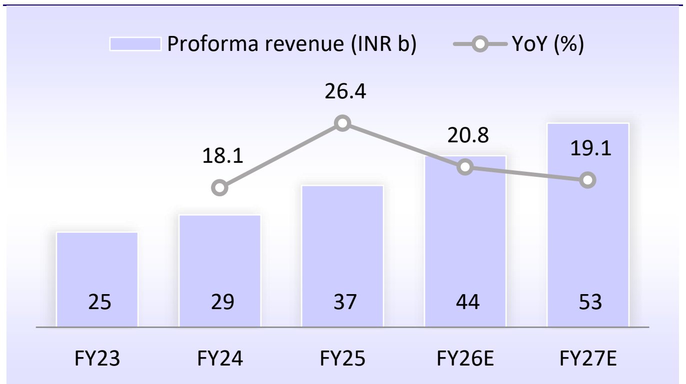
- Lenskart delivered 38% volume growth over FY23-25, led by a 32% CAGR in annual transacting customer accounts and ramp-up of its international footprint after the Owndays acquisition. During FY23-25, Lenskart added ~113 stores at a CAGR of ~10% to reach 656 stores across international markets by FY25.
- Lenskart's international footprint is a mix of relatively mature markets such as Singapore and Dubai, and markets under scale-up phase such as Japan, South East Asia and Saudi Arabia. Going ahead, we model calibrated ~65 annual net store additions over FY25-28, bringing the total international store count to 850 (at ~9% CAGR). With Lenskart brand strengthening internationally and relatively lower pricing (vs. peers), we expect customer account additions at ~19% CAGR over FY25-28E, translating into a ~17.5% volume CAGR on a like-for-like basis (and ~27% CAGR, excluding Meller acquisition in base). Lenskart's ASP in international market is already ~3x India ASP and we build in modest ~4% annual ASP increase, with bulk of the benefit already reflecting in 9MFY26.
- ***Overall, we build in ~22% CAGR in Lenskart's international revenue over FY25-28E, largely driven by improved store productivity rather than store additions.*** Lenskart's international operation also benefits from INR depreciation, but we believe constant currency growth is also likely to remain healthy (~20%). Based on our estimates, Lenskart's market share in its relevant international markets is likely to rise to ~3.5% by FY30 (vs. ~1.8% in FY25).

Exhibit 49: Expect ~27% volume growth driven by scale in international markets and Meller acquisition



Source: Company, MOFSL

Exhibit 50: Expect ~22% proforma international revenue CAGR over FY25-28, largely driven by volume growth



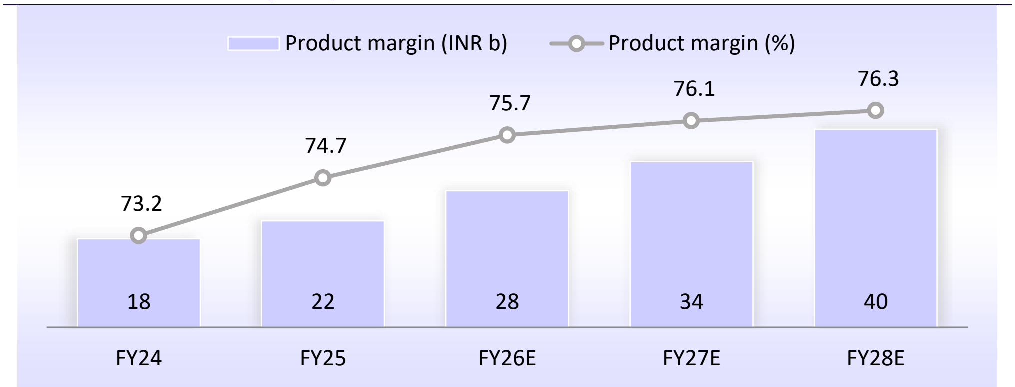
Source: Company, MOFSL

Build in ~165bp gross margin expansion through backward integration and synergies

Lenskart's product margin in international business is superior at ~75.7% (vs. ~63.5% in India), largely reflecting materially higher ASPs overseas (international ASPs are ~3x of India). The cost per piece declined ~5% YoY to INR1,366 in international markets in FY25, but remains materially higher than India's ~INR626. We believe there is significant headroom for reducing product costs, driven by in-house manufacturing and realization of synergies from the Owndays acquisition. We note that blended international product margins are adversely impacted by sub-scale operations in new territories and there is a potential to improve blended international margins as scale efficiencies kick in in relatively newer markets. As per Lenskart, product margins in scaled-up geographies such as Singapore and UAE are already trending at ~80%. Moreover, the integration of Meller (product margins ~77%) should also lead to higher pro forma margins in the international operations, as reflected by ~110bp improvement in 9MFY26 (over FY25). While there are likely to be seasonally stronger margins in 1H (due to Meller's higher salience in 1H), we believe product margins are likely to improve structurally on full year basis.

Compared to ~390bp proforma product margin improvement over FY23-25, we build in gradual ~165bp product margin expansion over FY25-28 to reach ~76.3% by FY28 (~60bp expansion over 75.7% reported in 9MFY26), driven by scale efficiencies in international operation, with gross profit posting ~23% CAGR over FY25-28E.

Exhibit 51: Product margin expansion to continue as scale efficiencies kick in

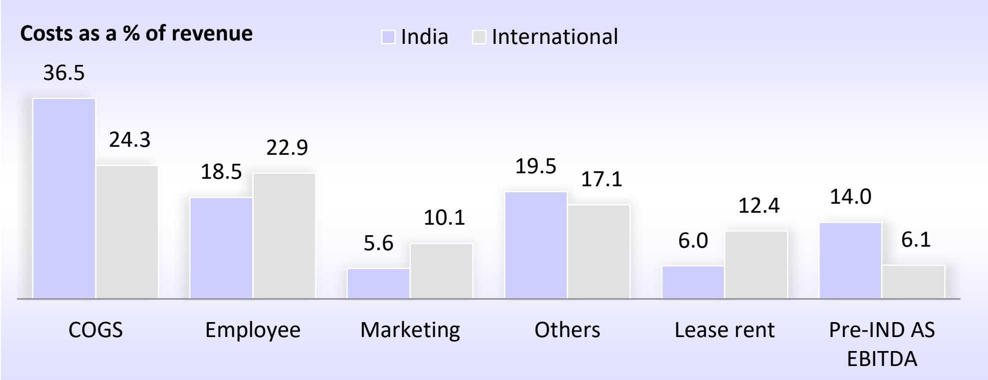


Source: MOFSL, Company

Operating leverage and scale benefits to drive ~550bp pre-IND AS EBITDA margin expansion over FY25-28E

Despite higher product margins, international pre-IND AS EBITDA remains lower at ~3.7% in FY25 (vs. ~9.8% in India) due to higher rental intensity (~13.6% vs. ~6.2% in India) and high employee costs (~30.6% vs ~19.3% in India), due to limited scale-led operating leverage, with overheads spread across ~656 international stores vs. ~2,100 in India.

Exhibit 52: Despite higher product margins, pre-IND AS EBITDA margins is low in Lenskart's international operations due to lower scale and losses in certain countries



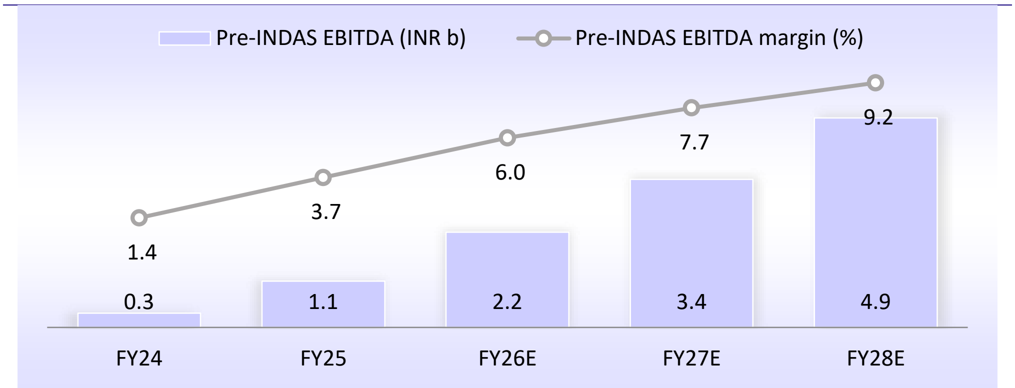
Source: MOFSL, Company

Lenskart's pre-IND AS EBITDA margins expanded by ~230bp YoY in FY25 to 3.7%, driven by ~140bp product margin expansion and ~90bp operating leverage benefits, mainly led by better store-level productivity. During 9MFY26, Lenskart's pre-IND AS EBITDA margins have further expanded ~245bp to reach 6.1%, driven by higher product margins (~105bp), better rental absorption (~125bp), and operating leverage on employee costs (~115bp), offset partly by higher marketing expenses (~150bp increase to 10.1% in 9MFY26).

With Lenskart focusing on driving higher throughput in existing store network and calibrated store expansions, we believe the operating leverage especially on rental costs and marketing spends, along with product margin expansion, could continue to drive higher profitability.

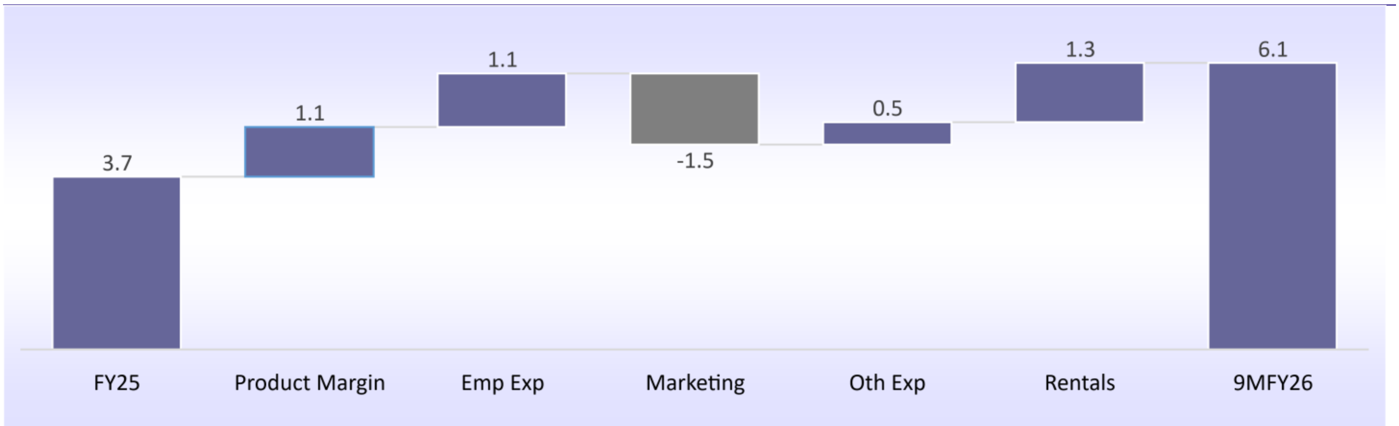
Going ahead, we build in an overall ~550bp expansion in pre-IND AS EBITDA margin in international operations over FY25-28E (~305bp vs. ~6.1% reported for 9MFY26), driven by ~165bp product margin expansion and ~385bp from operating leverage (of which ~140bp is already realized in 9MFY26). Overall, we expect ~65% CAGR in international pre-IND AS EBITDA over FY25-28E.

Exhibit 53: Expect ~550bp expansion in International pre-IND AS EBITDA margin over FY25-28E to reach ~9.2%



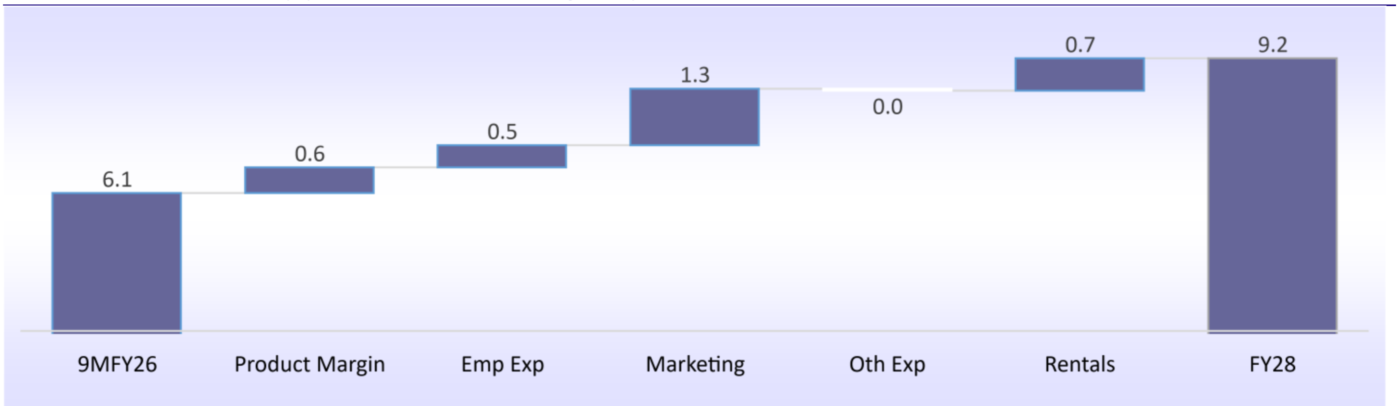
Source: MOFSL, Company

Exhibit 54: Lenskart's International pre-IND AS EBITDA margin expanded ~245bp in 9MFY26



Source: Company, MOFSL

Exhibit 55: Build in ~305bp pre-IND AS EBITDA margin expansion over 9MFY26- FY28 for Lenskart International



Source: Company, MOFSL

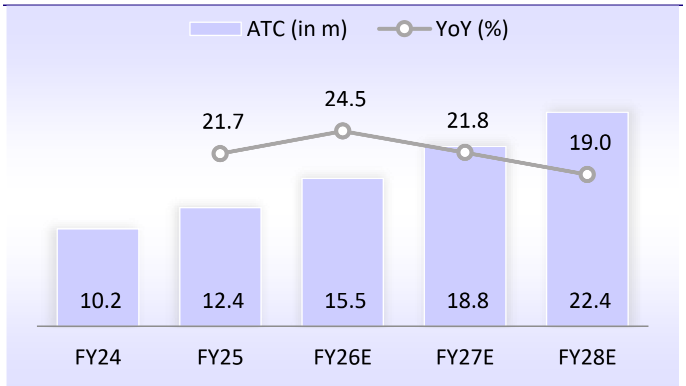
Expect 25% CAGR in pro forma consol. revenue and 625bp pre-IND AS EBITDA margin expansion over FY25-28

We expect Lenskart to deliver a robust CAGR of 25%/53% in pro forma revenue/pre-IND AS EBITDA over FY25-28E, led by (i) ~23% overall volume CAGR (including Meller in base), (ii) ~55bp product margin expansion from backward integration in India and scale efficiencies international operations, and (iii) ~570bp operating leverage-led pre-IND AS EBITDA margin expansion to ~13.8% by FY28E.

Acceleration in store additions to boost the number of transacting customers and volume, leading to strong ~25% pro forma revenue CAGR over FY25-28

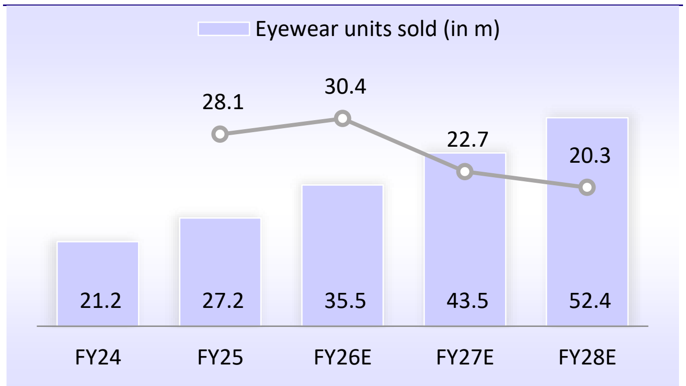
- Lenskart delivered ~34% growth in pro forma revenue over FY23-25, largely led by volume growth, supported by a steady rise in average transacting customer accounts. The company has expanded its retail store network both in India and international markets to continuously upgrade customer experience and increase repeat rates through frame design refreshes, faster delivery timelines and BoGo offers.
- While eyewear remains a low-frequency category at an industry level (~1.8x vs. 5-6x for footwear), Lenskart has outperformed the category average. Ongoing efforts to improve fashion quotient in eyewear, through occasion-specific frames, add-on accessories and frequent new launches, should support a gradual improvement in purchase frequency, though this remains a long-term opportunity rather than a near-term inflection.
- Against this backdrop, steady customer acquisition, a structurally underpenetrated market, strong brand loyalty, and limited competition would remain the key drivers for ***~25% pro forma revenue CAGR over FY25-28E, with India posting ~27% CAGR and international markets registering ~22% CAGR. Overall, based on our estimates, Lenskart's overall market share in its relevant market could rise to ~5.5% by FY30 (vs. ~2.8% in FY25).***

Exhibit 56: Expect ~22% CAGR in annual transacting customer base over FY25-28E…



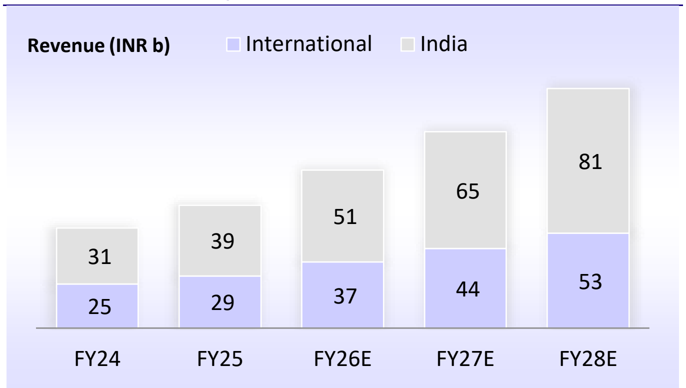
Source: Company, MOFSL

Exhibit 57: …to drive 24.5% CAGR in volume growth (~23% with Meller included in base)



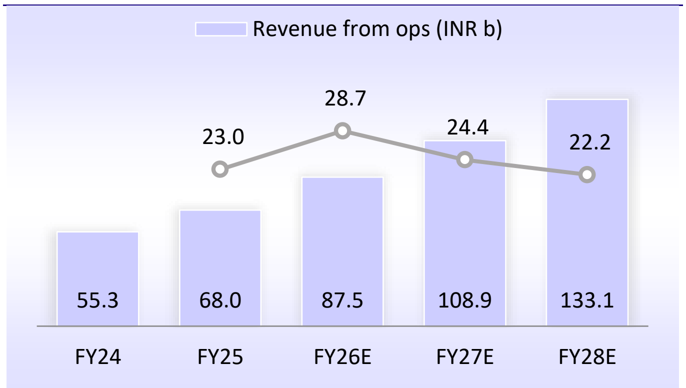
Source: Company, MOFSL

Exhibit 58: Expect ~22%/27% CAGR over FY25-28E in International/India proforma revenue for Lenskart



Source: Company, MOFSL

Exhibit 59: Overall, Consol. Proforma revenue to post ~25% revenue CAGR over FY25-28E



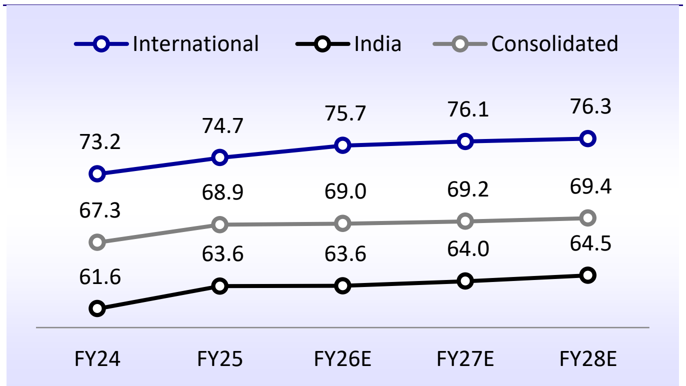
Source: Company, MOFSL

Gross margin expansion to continue through rising backward integration and scale in international markets

Lenskart's consolidated gross margins improved to ~68.9% in FY25 from ~64% in FY23, driven by structural gains from backward integration and the consolidation of Owndays and Meller, which are at higher product margins. We expect gross margin to improve both in India and international operations, driven by rising backward integration and scale in international markets. However, the overall impact at the consolidated level is partially offset by faster growth in the India business, which has structurally lower margins as compared to international markets.

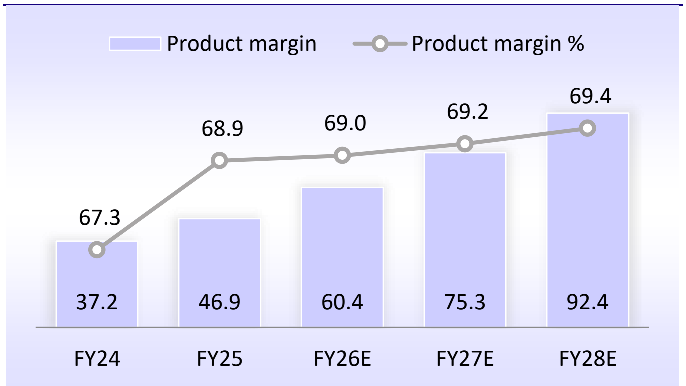
Overall, we expect India margins to improve by ~90bp to 64.5% and international margins to expand ~165bp to 76.3% over FY25-28E. However, the consolidated gross margin is expected to expand by a relatively modest ~55bp to reach ~69.5%, as salience of relatively lower-margin India business to consolidated gross profit expands ~300bp to 56.3% by FY28.

Exhibit 60: Both India and International to witness gradual margin expansion over FY25-28



Source: Company, MOFSL

Exhibit 61: However, consolidated gross margins expansion to be modest due to rising salience of India business



Source: Company, MOFSL

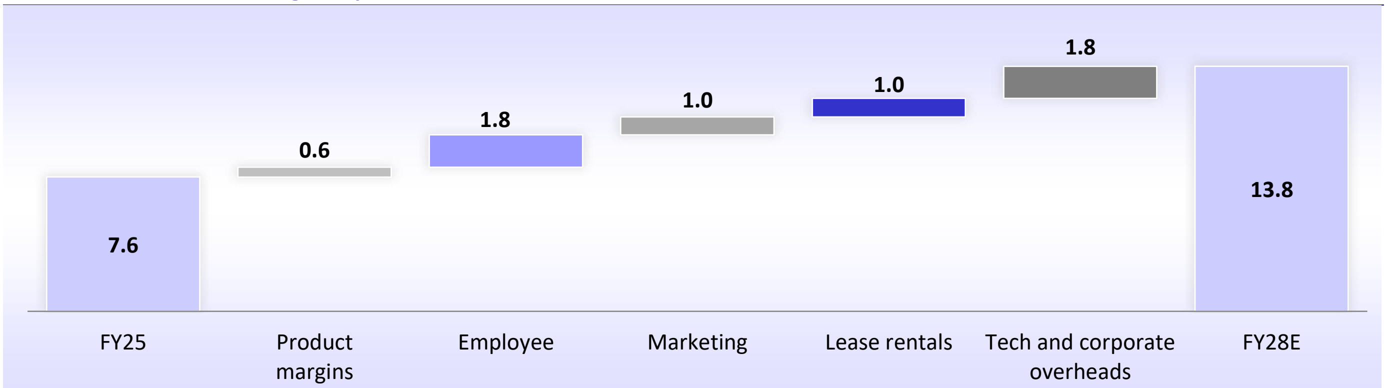
Expect ~625bp pre-IND AS margin expansion over FY25-28E

Lenskart's pro forma consolidated pre-IND AS EBITDA margin expanded ~285bp YoY in FY25 to ~7.6%, driven by ~155bp improvement in product margins and ~130bp contribution from operating leverage. This was driven by ~320bp YoY margin expansion in India (both driven by product margin improvement and operating leverage) and ~235bp margin expansion in international business (largely led by product margin improvement). Further, during 9MFY26, we note that Lenskart's consolidated pre-IND AS EBITDA margin has further expanded ~305bp to reach ~10.6%, driven primarily by operating leverage, with Indian business seeing costs (including rentals) declining by ~420bp and seasonally stronger product margins in Meller.

As highlighted in above sections, Lenskart's margin expansion is **predominantly driven by operating leverage rather than pricing or product margin expansion at the consolidated levels**. We expect better fixed-cost absorption in India (especially on marketing, central overheads and tech spends) and rising throughput in international markets to drive operating leverage benefits. In India, the operating leverage benefit is already evident, with pre-Ind AS EBITDA improving from ~6.6% in FY24 to ~14% in 9MFY26, supported by declining marketing intensity (from ~8.3% of sales in FY24 to ~5.6% currently), upfronted technology investments, reduced franchise commissions and largely fixed corporate costs. Internationally, margins remain constrained by higher rent and employee costs and a smaller store base, but profitability is improving as store cohorts mature, with pre-Ind AS EBITDA rising from ~1.4% in FY24 to ~6.1% in 9MFY26, despite ~150bp increase in marketing spends. Overall, lease rentals as % of sales are likely to decline, given rising salience of India, where lease rentals are ~6% of revenue (vs. ~12.4% in international business) and improved productivity in international business amid calibrated store expansions, though we build in modest ~35bp improvement from 9MFY26 levels.

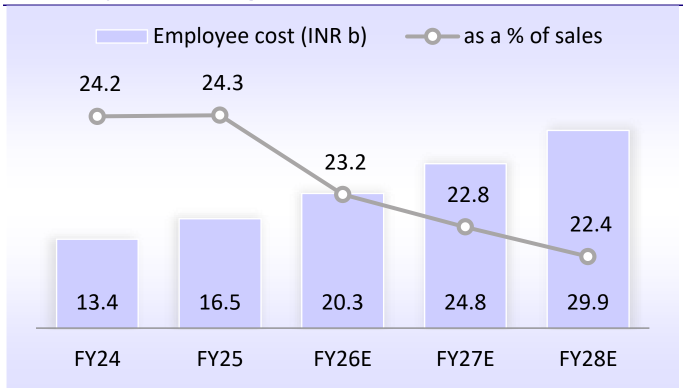
Going ahead, we expect ~625bp expansion in consolidated pre-IND AS EBITDA margins to ~13.8% by FY28, driven primarily by ~570bp benefit from scale-related operating leverage. Overall, we expect ~53% CAGR in Lenskart's consolidated pre-IND AS EBITDA to ~INR18.4b by FY28. On reported basis (post-IND AS), we expect Lenskart's consolidated EBITDA CAGR of ~37%, driven by ~520bp margin expansion to 22.2% by FY28.

Exhibit 62: Lenskart's margin expansion drivers over FY25-28E



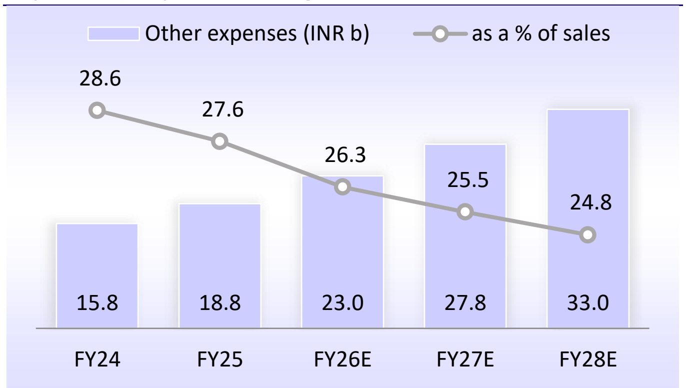
Source: MOFSL, Company

Exhibit 63: Expect ~180bp operating leverage in employee cost (despite assuming ~22% CAGR over FY25-28E)



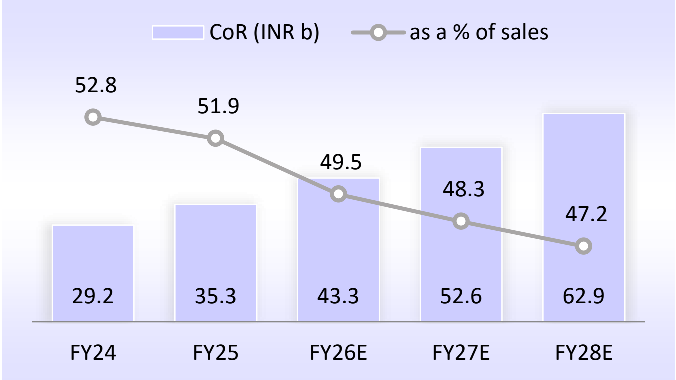
Source: Company, MOFSL

Exhibit 64: Expect ~280bp operating leverage from other expenses (despite assuming ~21% CAGR over FY25-28E)



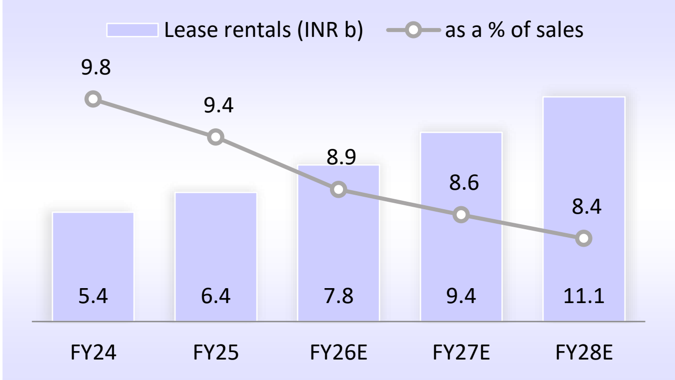
Source: Company, MOFSL

Exhibit 65: Overall, cost of retailing (CoR, excl. leases) to drive ~465bp margin expansion over FY25-28E



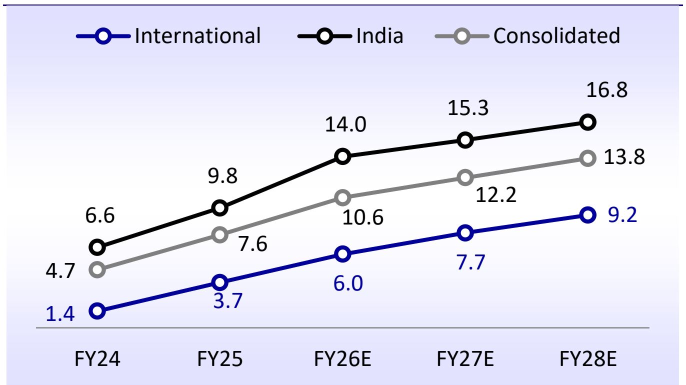
Source: Company, MOFSL

Exhibit 66: Despite ~20% CAGR in lease rentals over FY25-28, we expect ~100bp operating leverage from lease rentals



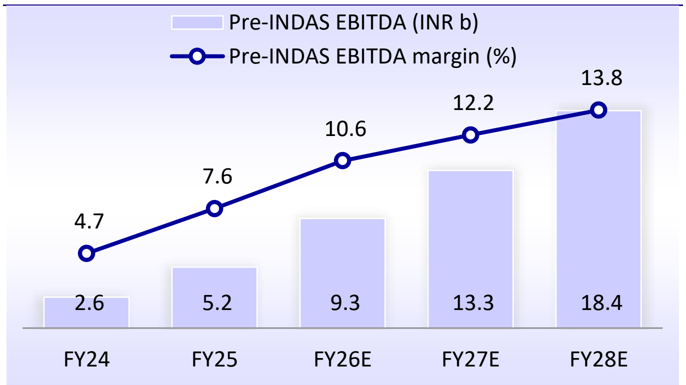
Source: Company, MOFSL

Exhibit 67: Expect strong margin expansion in Lenskart's India (up 700bp) and International (up 550bp) operations



Source: Company, MOFSL

Exhibit 68: Expect ~53% pre-IND AS EBITDA CAGR over FY25-28E, driven by ~625bp margin expansion

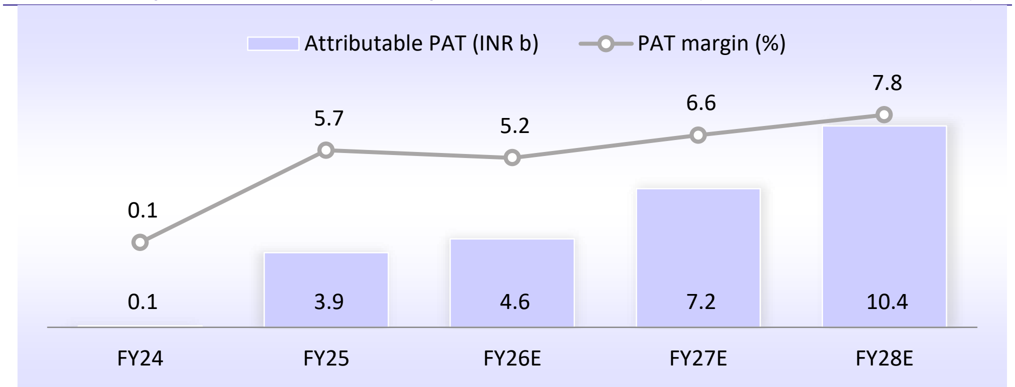


Source: Company, MOFSL

Expect ~39% CAGR in attributable PAT over FY25-28E

On a reported basis, we expect Lenskart's EBITDA CAGR over FY25-28 to be relatively lower at ~37% (vs. ~53% pre-IND AS EBITDA CAGR). Further, we expect higher reported depreciation and interest costs from the accelerated store expansions in the initial years. The commissioning of the Hyderabad plant should also lead to higher plant deprecation. In addition, other income was boosted by ~INR1.7b in FY25 due to the recognition of lower-than-expected payment on the Owndays acquisition. Moreover, as Dealskart is now part of Lenskart, the rental income from Dealskart would also be no longer reflecting in other income. Lenskart's effective tax rate also remains elevated as not all of its international geographies are currently profitable. As a result, we expect consolidated attributable PAT to reach ~INR10.4b, posting a CAGR of ~39% over FY25-28E.

Exhibit 69: Expect FY28 attributable reported PAT of INR10.4b (FY25-28E CAGR of ~39%)

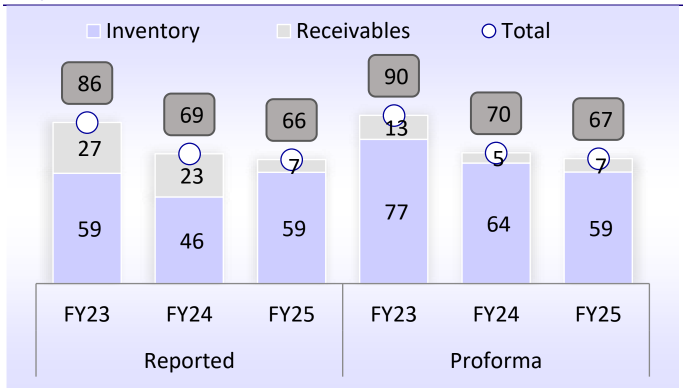


Source: MOFSL, Company

Stable core working capital despite scale-up; Dealskart consolidation had an optical impact

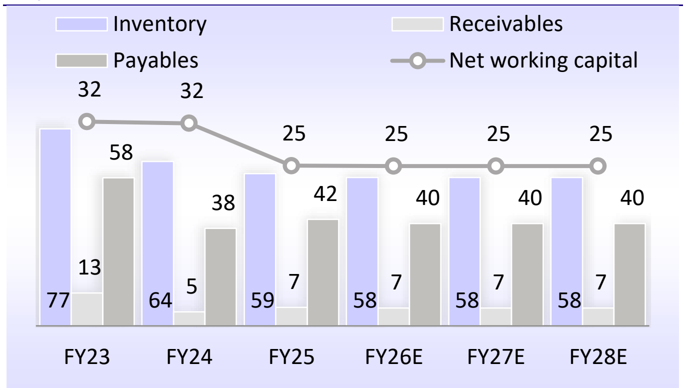
- Lenskart's working capital structure is influenced by its centralized inventory and just-in-time assembly model, which supports mass customization at scale. Dealskart acquisition (Dec'24) altered reported working capital by converting third-party receivables into in-house inventory. Resultantly, receivable days declined from ~23 in FY24 to ~7 in FY25, while inventory days rose from ~46 to ~60 over the same period.
- On a pro forma basis, adjusted for Dealskart, inventory days improved from ~65 in FY24 to ~60 in FY25, driven by better throughput and sell-through, while receivable days remained broadly flat at ~7 (vs. ~6). Receivables are primarily driven by marketplace and delayed settlement with mall operators in international markets, who collect the amount from customers upfront. This is partly offset by ~40-day payables, supported by increasing domestic sourcing and long-term cost-plus import arrangements.
- Adjusted for these effects, core working capital stands at ~25 days in FY25, improved from ~32 days YoY. We expect working capital intensity to remain steady at ~25 days.

Exhibit 70: Working capital reclassification post- Dealskart acquisition



Source: Company, MOFSL

Exhibit 71: Net working capital days to remain stable at ~25 days



Source: Company, MOFSL

Investing ahead of demand, cash flow inflection ahead

Lenskart's elevated capex reflects a deliberate investment phase focused on enhancing the vertical integration and omni-channel scale ahead of demand. Lenskart has been investing in a larger facility in Hyderabad (50m pair capacity) to increase flexibility (shorter distance to large airport hub) and future-proof the business to cater to large latent demand. While investments are front-ended, management believes the current Bhiwadi and Gurugram facilities are capable of meeting the demand over the next few years. In 9MFY26, capex investments were centered around accelerated store expansion (~INR2.9b), and plant investments for Hyderabad facility (~INR2.7b).

We expect INR20b capex over FY25-28E, largely on ~500 annual store additions in India (at ~INR0.4m investment/store) and the Hyderabad manufacturing facility. In the near term, this capex cycle absorbs most operating cash flows, weighing on the FCF generation. As civil infra capex at Hyderabad plant tapers, capex should normalize to modular machinery and store additions. Beyond FY28, we believe Lenskart's capex would moderate to ~INR5.5b annually, primarily toward store expansion, which should enable significant FCF generation over the longer run.

With improving operating profitability and benefits from centralized inventory, we ***expect Lenskart to generate pre-IND AS EBITDA of ~INR41b over FY25-28, with 70%+ conversion to OCF (after interest, taxes and working capital), leading to ~INR30b generation over FY25-28E. Given elevated capex for Hyderabad facility, acquisitions (like Meller), and accelerated store expansion, FCF generation is likely to be muted at a cumulative ~INR3b over FY25-28E. However, over the longer run, we expect Lenskart's FCF generation to improve to ~65-70% of pre-IND AS EBITDA, which the company can use to gain scale internationally through acquisitions or reward shareholders through dividends.***

Exhibit 72: Expect Lenskart to generate ~INR30b cumulative OCF over FY25-28E

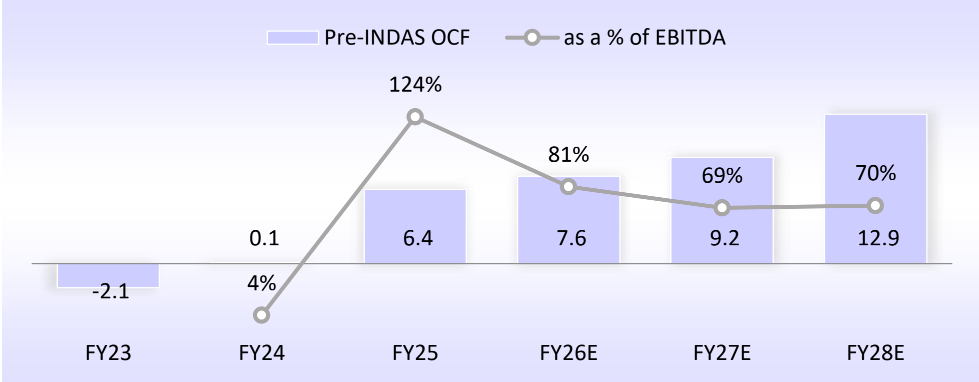
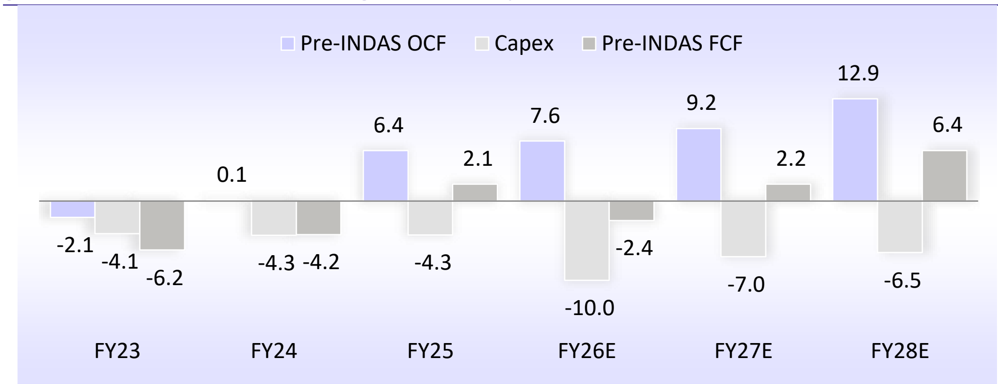


Exhibit 73: With manufacturing capex tapering off after FY28, we expect significant FCF generation for Lenskart, reaching ~65-70% of pre-IND AS EBITDA from FY29 onwards

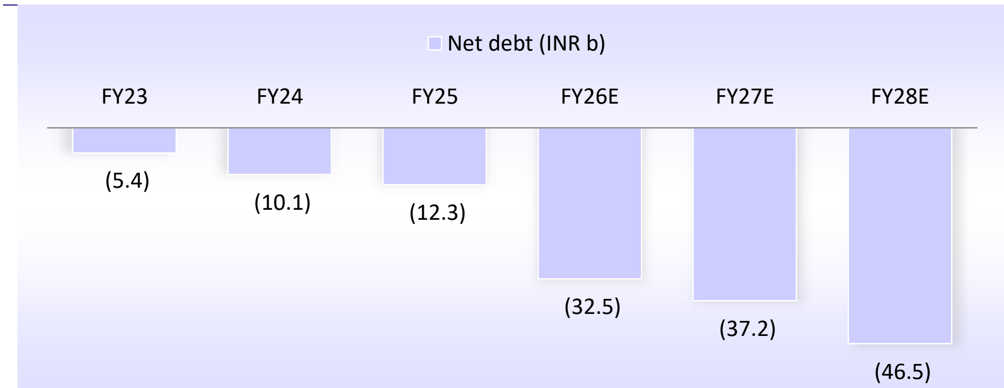


Source: MOFSL, Company

Net cash to improve with healthy FCF generation after capex peaks by FY28E

Lenskart is a net-cash company with ~INR12.6b net cash as of Sep'25, supported by accelerating operating leverage, stable core working capital, and strong cash conversion. The company has also raised ~INR21.5b in the recent primary issuance, which, along with internal cash generation (~INR30b cumulative OCF over FY25-28E), should fund the elevated capex for the Hyderabad plant and accelerated store expansion in the medium term. We expect Lenskart's net cash position to improve to ~INR46b by FY28. Lenskart currently does not pay any dividends, but we believe the company can be a steady dividend-paying retailer over the medium term, driven by strong profitability and controlled working capital.

Exhibit 74: Net cash position to strengthen, driven by robust cashflow generation and recent IPO proceeds



Source: MOFSL, Company

Exhibit 75: Summary of our key assumptions for Lenskart

(INR m)	FY24	FY25	FY26E	FY27E	FY28E
India					
Eyewear units sold (m)	17.7	22.9	*29.1*	*36.0*	*43.6*
EoP active stores	1,785	2,067	2,550	3,050	3,550
Revenue	**31,086**	**39,390**	**51,227**	**64,965**	**80,706**
YoY (%)		*27*	*30*	*27*	*24*
Product margin (%)	*61.6*	*63.6*	63.6	64.0	64.5
Pre-IND AS EBITDA	**2,033**	**3,847**	**7,152**	**9,948**	**13,540**
Pre-IND AS EBITDA margin (%)	*6.5*	*9.8*	*14.0*	*15.3*	*16.8*
International					
Eyewear units sold (m)	4.6	5.4	6.4	7.6	8.8
EoP active stores	604	656	720	785	850
Revenue	**24,651**	**29,108**	**36,797**	**44,435**	**52,901**
YoY (%)		*18*	*26*	*21*	*19*
Product margin (%)	*73.2*	*74.6*	75.7	76.1	76.3
Pre-IND AS EBITDA	**340**	**1,051**	**2,210**	**3,438**	**4,865**
Pre-IND AS EBITDA margin (%)	*1.4*	*3.6*	*6.0*	*7.7*	*9.2*
Consolidated					
Eyewear units sold (m)	21.2	27.2	35.5	43.5	52.4
EoP active stores	2,389	2,723	3,270	3,835	4,400
Revenue	**55,303**	**68,030**	**87,524**	**1,08,899**	**1,33,107**
YoY (%)		*23*	*29*	*24*	*22*
Product margin (%)	*67.3*	*68.9*	69.0	69.2	69.4
Pre-IND AS EBITDA	**2,616**	**5,128**	**9,288**	**13,336**	**18,405**
Pre-IND AS EBITDA margin (%)	*4.7*	*7.5*	*10.6*	*12.2*	*13.8*
PAT	68	3,869	4,580	7,184	10,423
EPS (INR/share)	*0.0*	*2.2*	2.6	4.1	6.0

Source: MOFSL, Company

Lenskart's consolidated EBITDA is highly sensitive to India revenue growth and margins

In our Base case, we assume ~27%/22% revenue CAGR for Lenskart's India/International operations, with FY28 pre-IND AS EBITDA margin expanding to 16.8% in India (vs. ~14% in 9MFY26) and ~9.2% in its international ops (vs. ~6.1% in 9MFY26). However, we note our Lenskart's FY28 consolidated pre-IND AS EBITDA of ~INR18.4b is highly sensitive to growth and margins in India business and margins in international business, as presented below:

- **India business revenue growth:** For ~250bp change in revenue CAGR (vs. our estimate of ~27% over FY25-28E), Lenskart's consolidated pre-IND AS EBITDA changes by ~4.5%.
- **India business margin expansion:** For ~100bp change in pre-IND AS EBITDA margin (vs. our estimated FY28 margin of 16.8%), Lenskart's consolidated pre-IND AS EBITDA changes by ~4.5%.
- **International business revenue growth:** For ~150bp change in revenue CAGR (vs. our estimate of ~22% over FY25-28E), Lenskart's consolidated pre-IND AS EBITDA changes by ~1%.
- **International business margin expansion:** For ~50bp change in pre-IND AS EBITDA margin (vs. our estimated FY28 margin of 9.2%), Lenskart's consolidated pre-IND AS EBITDA changes by ~1.4%.

Exhibit 76: Sensitivity of FY28E consolidated EBITDA to India growth and margins

FY28 consolidated pre-IND AS EBITDA (INR m)		FY25-28E India revenue CAGR				
		22.0%	24.5%	27.0%	29.5%	32.0%
FY28 India pre-IND AS EBITDA margin	14.8%	15,437	16,100	16,791	17,509	18,255
	15.8%	16,153	16,861	17,598	18,365	19,162
	16.8%	16,868	17,621	18,405	19,220	20,068
	17.8%	17,583	18,381	19,212	20,076	20,974
	18.8%	18,299	19,142	20,019	20,932	21,880

Source: Company, MOFSL

Exhibit 77: Sensitivity of FY28E consolidated EBITDA to International growth and margins

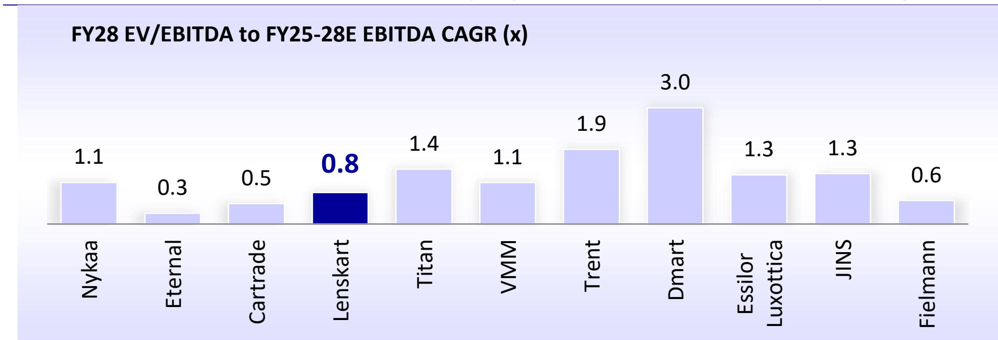
FY28 consolidated pre-IND AS EBITDA (INR m)		FY25-28E International revenue CAGR				
		19.0%	20.5%	22.0%	23.5%	25.0%
FY28 International pre-IND AS EBITDA margin	8.2%	17,564	17,718	17,876	18,038	18,204
	8.7%	17,809	17,973	18,140	18,312	18,488
	9.2%	18,055	18,228	18,405	18,587	18,773
	9.7%	18,300	18,483	18,669	18,861	19,057
	10.2%	18,546	18,738	18,934	19,135	19,342

Source: Company, MOFSL

Lenskart's premium valuations are justifiable in context of expected growth

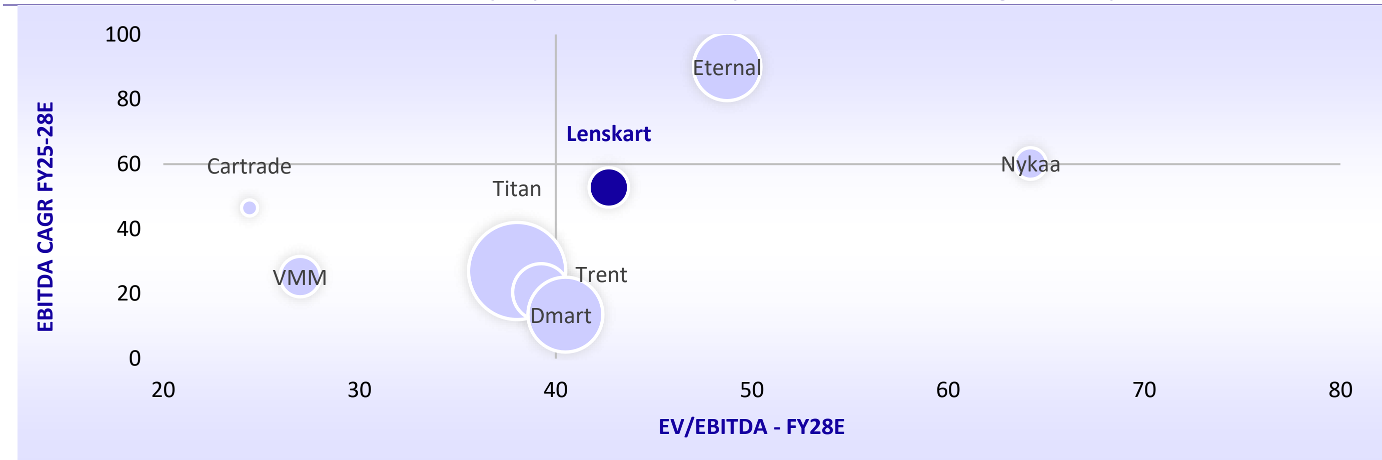
- Lenskart's valuation should be assessed through the lens of the long runway for growth in the eyewear industry, limited organized competition, its dominant market positioning, and superior customer repeat rate, although the purchase frequency remains lower than other lifestyle categories. While the company's investments in vertical integration and ahead-of-time capex on a new manufacturing facility dilute return ratios in the near term, it provides the company with ample room for operating leverage to kick in with rising scale. We expect Lenskart to deliver ~53%/44% pre-IND AS EBITDA/PAT CAGR over FY25-28E, driven by rising scale and operating leverage benefits both in India and international operations.
- We note that only a few listed consumer companies exhibit a comparable or superior growth profile. Among peers, only Eternal (~176% EBITDA CAGR) and Nykaa (~60%) are in a higher growth bracket, though with downside risks due to rising competition in quick commerce and BPC. Given their superior growth expectations, both Nykaa (~50% premium at ~64x) and Eternal (~14% premium at ~49x) trade at a premium valuation to Lenskart's ~43x FY28 pre-IND AS EBITDA. Adjusting for the growth differential, Lenskart trades at ~0.8x FY28 EV/EBITDA vs. FY25-28E EBITDA CAGR (below ~1.1x for Nykaa, but higher than 0.3x for Eternal).
- Large organized retailers in apparel, grocery and jewelry space benefit from more frequent repeat purchases (vs. eyewear), but suffer from higher organized competition and variability in customer choices (especially in case of apparel and jewelry). Compared to ~14-27% pre-IND AS EBITDA CAGR over FY25-28 for traditional large organized retailers, Lenskart is expected to deliver materially higher ~53% CAGR over the same period, and hence, justifiably trades at a ~18% premium on average to these retailers. Alternatively, Lenskart trades at ~0.8x FY28E EV/EBITDA vs. FY25-28E EBITDA CAGR (vs. ~1.1-3x for the traditional retailers) and could continue to command a premium, given its dominant position in its category.
- International eyewear retailers are expected to post relatively modest ~6-12% CAGR in pre-IND AS EBITDA over FY25-28 and trade at a relatively inexpensive multiple of ~10x FY28E EV/EBITDA on average. Comparatively, we expect Lenskart's international operations to post ~65% pre-IND AS EBITDA CAGR over FY25-28, which could justify a case for a premium multiple (vs. larger international peers). On FY28E EV/EBITDA to FY25-28E EBITDA CAGR, Lenskart trades at 0.8x (cheaper vs. 1.3x for Essilor/JIINS, but slightly expensive vs. ~0.6x for Fielmann).

Exhibit 78: Lenskart's valuations not overly expensive in context of the expected growth



Source: MOFSL, Company, pre-IND AS EBITDA

Exhibit 79: Lenskart's valuations are not very expensive (vs. retail peers) in context of the growth expectations



Note: size of the bubble represents the company's FY28 EBITDA estimates

Source: Company, MOFSL

Exhibit 80: Comparative valuation for Lenskart (vs. Indian new age, traditional retailers and international eyewear retailers)

	FY25-28E CAGR (%)			P/E (X)		EV/EBITDA (x)		EV/Sales (X)		RoE (%)	
	Sales	EBITDA	PAT	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY25	FY28E
New Age											
Nykaa	16.5	60.2	121.2	181.6	107.1	92.8	64.2	6.2	5.0	5.2	29.9
ETERNAL	70.7	176.2	116.5	124.8	60.7	102.6	48.7	2.5	1.7	2.1	11.9
Cartrade	20.8	46.5	38.5	35.4	26.4	31.1	24.4	9.4	7.9	6.3	12.1
Lenskart	**25.1**	**52.8**	**39.1**	**115.9**	**79.9**	**59.6**	**42.7**	**7.3**	**5.9**	**6.5**	**10.4**
Firstcry	14.3	267.0	n/m	154.0	43.5	39.7	20.2	1.1	1.0		4.3
Average				**122.4**	**63.5**	**65.2**	**40.0**	**5.3**	**4.3**	**5.0**	**13.7**
Traditional Retailers											
Titan	22.3	27.0	32.2	60.2	50.0	46.2	38.0	4.3	3.7	31.8	31.3
VMM	19.3	25.3	28.4	51.7	41.4	33.9	27.0	3.4	2.8	10.5	14.8
Trent	16.9	20.5	13.8	74.6	64.0	47.2	39.3	6.1	5.3	31.3	21.0
Dmart	16.1	13.6	11.7	74.3	66.2	45.9	40.5	3.1	2.7	12.5	11.7
Average	**18.6**	**21.6**	**21.5**	**65.2**	**55.4**	**43.3**	**36.2**	**4.3**	**3.6**	**21.5**	**19.7**
International											
Essilor Luxottica	9.6	11.7	13.1	31.3	27.3	16.8	14.8	3.9	3.5	5.8	8.5
JINS	10.1	5.9	7.5	14.9	13.4	8.3	7.6	1.1	1.0	29.1	22.4
Fielmann	6.3	11.3	17.9	16.7	15.1	7.2	6.8	1.7	1.6	21.1	21.1
Average	**8.7**	**9.6**	**12.8**	**21.0**	**18.6**	**10.8**	**9.7**	**2.2**	**2.1**	**18.7**	**17.3**

*EBITDA used is Pre-IND AS EBITDA

Source: Company, MOFSL, Bloomberg

Initiate coverage with BUY and TP of INR600

We initiate coverage on Lenskart with a BUY rating and a TP of INR600, premised on DCF implied **~55x FY28E consolidated pre-IND AS EBITDA**. This implies ~35.5x FY28E consolidated reported EBITDA and **~91x FY28E consolidated pre-IND AS 116 EPS**.

Exhibit 81: Ascribe a TP of INR600 based on ~55x FY28E pre-IND AS EBITDA

INR b	EBITDA (INR b)	Multiple (x)	Value (INR b)
Enterprise value	**18.4**	**55**	**1,012**
Net debt (incl. leases)			-37
Equity value			**1,050**
TP (INR/share)			**600**
CMP (INR/share)			474
Potential upside (%)			*27*

Source: Company, MOFSL

Exhibit 82: Our TP implies ~36x FY28E reported EV/EBITDA

INR b	EBITDA (INR b)	Multiple (x)	Value (INR b)
Enterprise value	**29.5**	**35.5**	**1,049**
Net debt (excl. leases)			-0
Equity value			**1,050**
TP (INR/share)			**600**
CMP (INR/share)			474
Potential upside (%)			*27*

Source: Company, MOFSL

As international business accounts for ~40% of Lenskart's consolidated revenue and ~25%+ of pre-IND AS EBITDA, there could be a case for assigning a different multiple to its international business. However, we note that Lenskart's revenue and pre-IND AS EBITDA growth profiles over the medium term are not materially different in India (~27%/~52% CAGR over FY25-28) and international markets (~22%/~65% CAGR over FY25-28). Hence, we apply a blended EV/EBITDA multiple for Lenskart.

However, if one were to give **~60x FY28 pre-IND AS EBITDA** for Lenskart's India business (~7% discount to current FY28E EV/EBITDA multiple for Nykaa or ~1.15x EV/EBITDA to growth multiple, which is at a significant discount to 1.7x on average for large traditional retailers), the implied multiple for Lenskart's international operations works out to be **~41x FY28E pre-IND AS EBITDA**. The implied international valuation for Lenskart works out to be ~0.63x FY28 EV/EBITDA to FY25-28E EBITDA CAGR multiple (which is lower than implied multiple for lower-growth international peers such as Essilor and JINS and in line with Fielmann).

Exhibit 83: Our TP broadly implies 60x/41x FY28E pre-IND AS EBITDA for Lenskart India/International

INR b	EBITDA (INR b)	Multiple (x)	Value (INR b)
Enterprise value	**18.4**	**55**	**1,012**
India	13.5	60	812
International	4.9	41	200
Net debt (incl. leases)			-37
Equity value			**1,050**
TP (INR/share)			**600**
CMP (INR/share)			474
Potential upside (%)			*27*

Source: MOFSL, Company, Pre-IND AS EBITDA

What does our multiple imply over the long term based on reverse DCF analysis?

Based on our reverse DCF analysis (11.5% risk-free rate and 5% terminal growth rate), our TP of INR600 implies ~21% consolidated revenue CAGR over FY25-35 and pre-IND AS EBITDA margin expansion to ~18.5% (vs. our FY28 estimate of ~13.8%), driven by structural under-penetration of organized retail in the eyewear sector in India, benefits of backward integration, and ramp-up of operations in international markets. However, the consolidated revenue CAGR would taper to ~10% over FY35-50E, with consolidated pre-IND AS EBITDA margin reaching ~24.3% by FY50 (in line with the long-term ambition of ~25% margin laid out by management). Overall, based on our reverse DCF analysis, our TP implies ~14%/~20% revenue/pre-IND AS EBITDA CAGR over FY25-50E.

Exhibit 84: Key assumptions for our reverse DCF model

DCF valuation		
WACC	%	11.5%
Terminal growth	%	5%
PV of FCF (FY25-50)	**INR b**	**592**
Exit FCF multiple	x	16.2
PV of terminal value	**INR b**	**421**
Enterprise value	**INR b**	**1,013**
FY28 EV/EBITDA	**x**	**55.0**
Net cash	INR b	-37.2
Equity	**INR b**	**1,050**
Target Price	**INR/sh**	**600**

Source: Company, MOFSL

Exhibit 85: Our reverse DCF implies a revenue/pre-IND AS EBITDA CAGR of ~14%/20% over FY25-50E

Lenskart	FY25-35E	FY35-50E	FY25-50E
India			
Revenue CAGR	22.9%	11.1%	15.7%
pre-IND AS EBITDA CAGR	32.3%	12.8%	20.2%
International			
Revenue CAGR	18.0%	6.9%	11.2%
pre-IND AS EBITDA CAGR	35.4%	8.9%	18.8%
Consolidated			
Revenue CAGR	**21.1%**	**10.0%**	**14.3%**
pre-IND AS EBITDA CAGR	**32.5%**	**11.9%**	**19.7%**
FCF/EBITDA (average)	**53.8%**	**77.3%**	**67.3%**

Source: Company, MOFSL

Lenskart's valuation is highly sensitive to India revenue growth and margins

At CMP, the stock is implying ~23% CAGR in India business over FY25-28E (vs. our est. of 27%) and India pre-IND AS EBITDA margin of 15.8% (vs. our est. of ~16.8%). Our base case TP of INR600 is highly sensitive to Lenskart's growth and margins, as presented below:

- **India business revenue growth:** For ~250bp change in revenue CAGR (vs. our estimate of ~27% over FY25-28E), our TP changes by ~9%.
- **India business margin expansion:** For ~100bp change in pre-IND AS EBITDA margin (vs. our estimated FY28 margin of 16.8%), our TP changes by ~9%.
- **International business revenue growth:** For ~150bp change in revenue CAGR (vs. our estimate of ~22% over FY25-28E), our TP changes by ~1.2%.
- **International business margin expansion:** For ~50bp change in pre-IND AS EBITDA margin (vs. our estimated FY28 margin of 9.2%), our TP changes by ~2%.

Exhibit 86: Sensitivity of our Lenskart's TP to India growth and margins (INR m)

FY28 consolidated pre-IND AS EBITDA		FY25-28E India revenue CAGR				
		22.0%	24.5%	27.0%	29.5%	32.0%
FY28 India pre-IND AS EBITDA margin	14.8%	413	453	497	540	602
	15.8%	455	499	546	598	650
	16.8%	499	547	600	656	717
	17.8%	546	599	656	718	784
	18.8%	596	649	715	782	855

Source: Company, MOFSL

Exhibit 87: Sensitivity of our Lenskart's TP to International growth and margins (INR m)

FY28 consolidated pre-IND AS EBITDA		FY25-28E International revenue CAGR				
		19.0%	20.5%	22.0%	23.5%	25.0%
FY28 International pre-IND AS EBITDA margin	8.2%	564	569	577	583	589
	8.7%	573	582	588	595	604
	9.2%	584	593	600	607	617
	9.7%	594	604	612	619	631
	10.2%	606	616	624	633	645

Source: Company, MOFSL

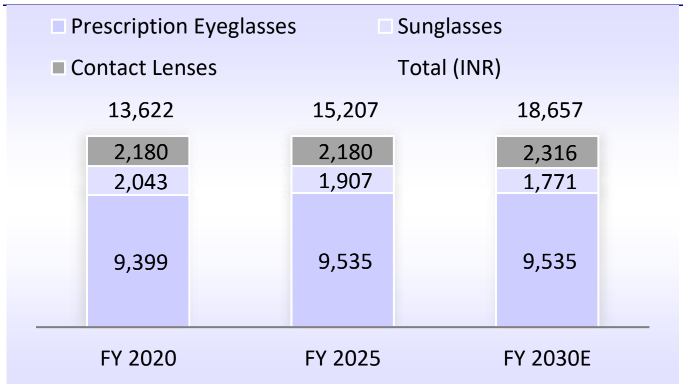
Industry overview: Large, fragmented industry with significant growth runway

The global eyewear market is large and steadily growing, driven by rising incidences of refractive errors and growing awareness and access, coupled with increasing disposable income and improving affordability. The global eyewear market is estimated at INR15.2t (USD177b) in FY25, which is expected to reach INR18.7t (USD217b) by FY30 at a 4% CAGR. The eyewear market is a fast-evolving consumer category shaped by its dual relevance across healthcare and lifestyle. Organized and D2C players are disrupting the historically fragmented market through better access, transparent pricing, and quality consistency. These trends are most pronounced in underpenetrated emerging markets such as India and Southeast Asia, where rising demand and retail modernization are rapidly expanding the addressable base.

It spans three distinct product segments with varying roles:

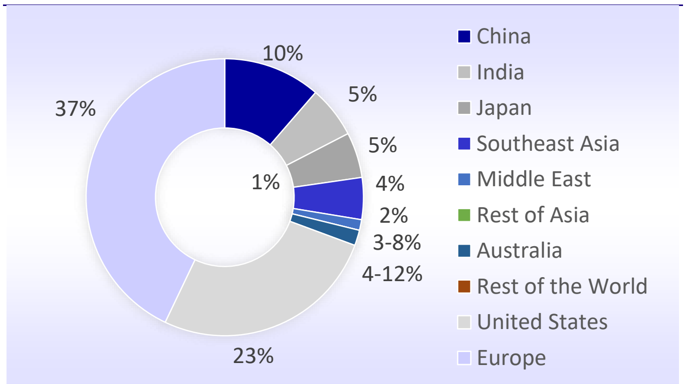
- **Prescription eyeglasses** contribute ~70% of the market value, anchored by their essential role in vision correction. As eyewear increasingly becomes a style accessory, consumers now own multiple pairs for different looks and occasions, blending functionality with fashion appeal.
- **Sunglasses** account for ~15% of the market, driven by both functional UV protection and lifestyle appeal. Powered sunglasses are gaining traction as a hybrid solution combining sun protection with refractive correction, reflecting premiumization and design-led differentiation.
- **Contact lenses** represent ~15% of category value, catering to users who prioritize convenience, mobility, and cosmetic enhancement. Growth is supported by advances in comfort materials, daily disposables, and aesthetic variants.

Exhibit 88: Global eyewear market stood at INR15.2t in FY25



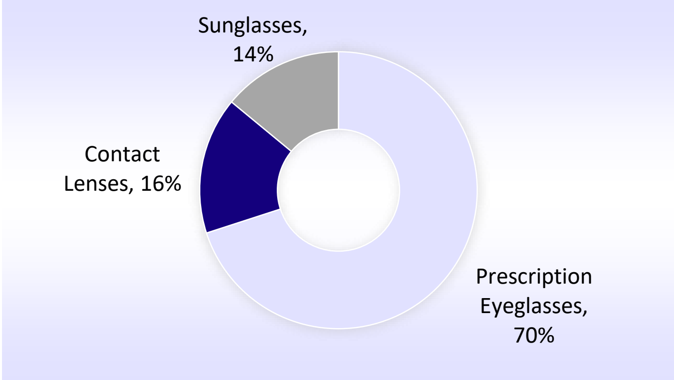
Source: Company, MOFSL

Exhibit 89: Eyewear market in Asia stood at ~IN4.7-5.6t in FY25



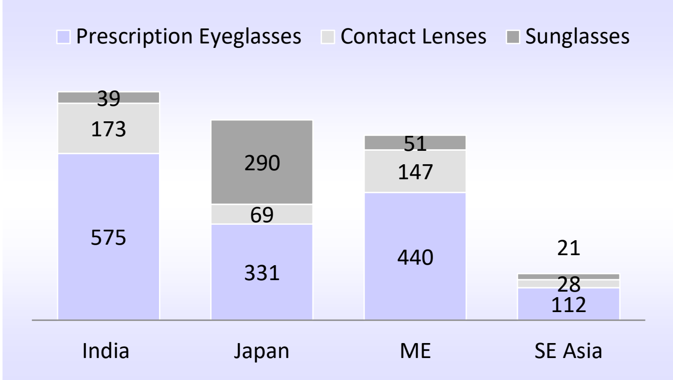
Source: Company, MOFSL

Exhibit 90: Global Eyewear market split as of FY25



Source: Company, MOFSL

Exhibit 91: Large addressable opportunity for Lenskart across its markets

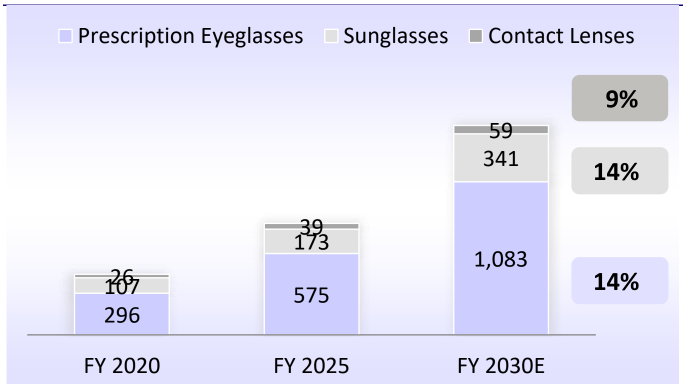


Source: Company, MOFSL

India: One of the fastest-growing eyewear markets globally

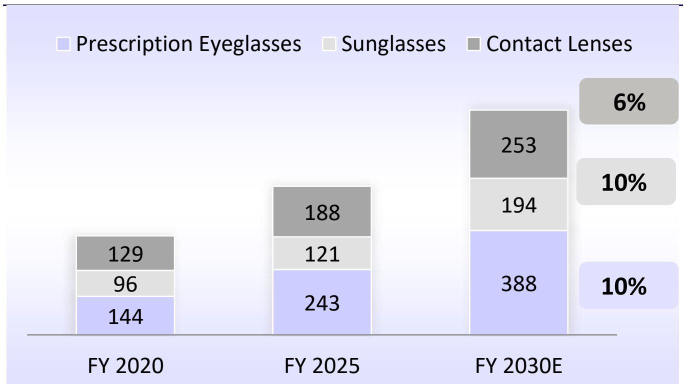
Indian eyewear market is one of the fastest-growing globally, driven by rising medical need, evolving lifestyle, and a shift from unorganized to organized retail. Valued at INR788b in FY25, it is expected to reach INR1.48t by FY30, at a 13% CAGR (~1.5x the growth rate of India's overall retail sector and 3x the global eyewear industry). Growth is driven by a sharp rise in refractive errors, projected to reach 62% of population by FY30E (vs. ~53% in FY25). This trend is more pronounced among children, where prevalence is rising from 21% in FY20 to an estimated 54% by FY30. Prescription eyeglasses dominate the market in India with a 73% value share (INR575b in FY25), which is set to reach INR1.1t by FY30E at a 14% CAGR, supported by improved access and affordability. Sales of sunglasses (INR174b) and contact lenses (INR41b) are boosted by rising disposable incomes and lifestyle-led adoption, registering a 14% and 9% CAGR, respectively.

Exhibit 92: Indian Eyewear eyewear market by value (INR b)



Source: Company, MOFSL

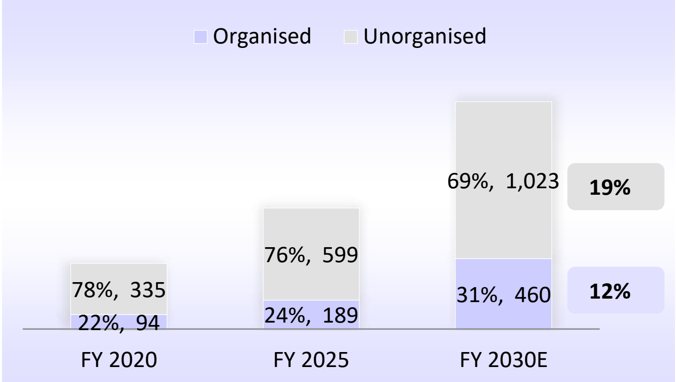
Exhibit 93: Indian Eyewear eyewear market by volume (m units)



Source: Company, MOFSL

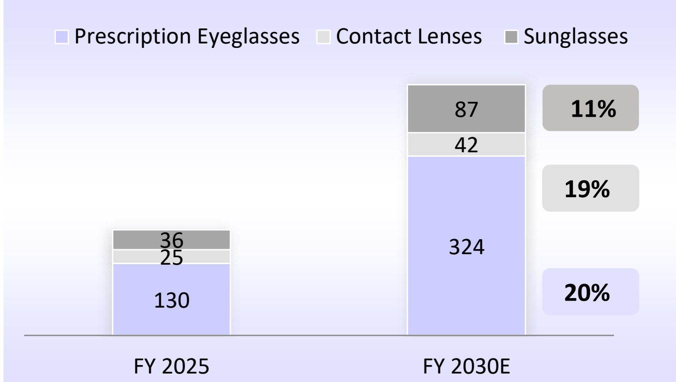
Eyewear retail market, once dominated by unorganized opticians with a 77% value share in FY25, is undergoing a decisive shift toward organized and D2C formats. Organized channels, which held 23-24% share in FY25, are expected to grow at a 19% CAGR (~1.6x the unorganized) and capture 30-31% market share by FY30. The shift is driven by superior quality, transparent pricing, wider assortments, and reliable service, areas where unorganized players fall short due to fragmented supply chains, limited technology, and lack of trained optometrists.

Exhibit 94: Organized retailers to grow at 1.5x rate vs. unorganised (INR b)



Source: Company, MOFSL

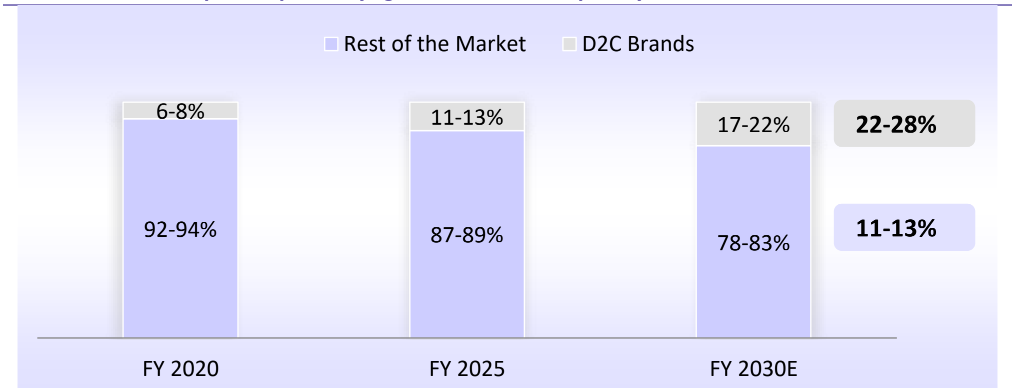
Exhibit 95: Organised prescription eyeglasses sector expected to post 20% CAGR over FY25-30



Source: Company, MOFSL

D2C brands are accelerating this transition by addressing affordability and access gaps. Their share in prescription eyewear has risen from 6-8% in FY20 to 11-13% in FY25 and is projected to reach 17-22% by FY30, enabled by integrated supply chains, in-house production, remote optometry, and omnichannel discovery. This evolution positions the Indian eyewear category for growth through deeper penetration, rising premiumization, and continued channel consolidation.

Exhibit 96: Indian prescription eyeglasses market - split by D2C brands and others



Source: MOFSL, Company

Eyewear growth in India varies by city tier, with metros leading due to higher refractive errors and lifestyle-driven demand, while Tier 2+ regions lag due to limited awareness and affordability. Expanding retail access, affordable options, and rising vision insurance coverage are driving adoption among first-time users, while metros are shifting toward premium, fashion-led consumption supported by organized retailers.

Exhibit 97: Prescription eyeglasses funnel by city tier in India

	Metro	Tier 1	Tier 2+
Population (million)	125-135	125-135	1,180-1,200
Prevalence of Refractive Error (%)	~64%	~59%	~52%
Population with Refractive Errors (million)	79-87	73-80	608-630
Penetration of Prescription Eyeglasses (%)	~53%	~45%	~32%
Population with Prescription Eyeglasses (million)	41-47	32-36	192-205
Frequency of Prescription Eyeglasses Purchase (Pairs/Yr)	~1.4	~1.1	~0.7
Annual Volume Sold (million pairs)	55-68	34-41	125-154

Source: MOFSL, Company

Large opportunity to scale up in international markets

Over the past few years, Lenskart has forayed into international markets such as Singapore, the UAE, Japan, Southeast Asia and Saudi Arabia. These markets have similar or higher percentage of population (vs. India) needing vision correction. Further, these markets are characterized by higher ASPs, which provide Lenskart with a large opportunity to disrupt these markets. Lenskart has also acquired Japanese eyewear brand, Owndays, to scale up its international operations.

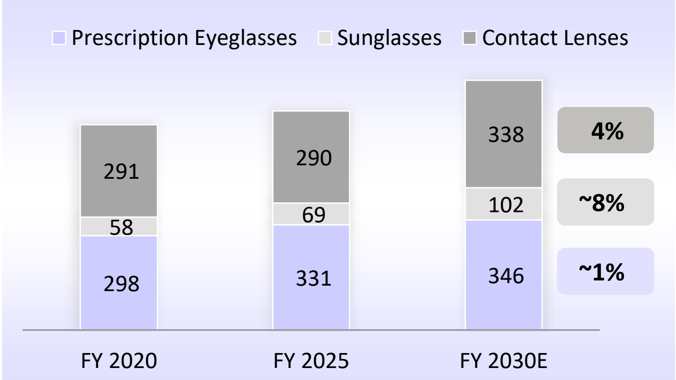
Japan: Stable, highly organized market led by value-focused D2C brands

Japan's eyewear market is large, mature, and highly organized. It was valued at INR690b (USD8b) in FY25 and is projected to reach INR787b (USD9.2b, equivalent to current Indian market size) by FY30 at a 3% CAGR. Japan's ageing population leads to high prevalence of refractive error (~68% in FY25 and expected to rise to 71% in FY30). Prescription eyeglasses account for ~48% of the market, which is expected to expand at modest ~1% CAGR over FY25-30E, supported primarily by the ageing population and stable replacement demand.

OOrganized eyewear retailers dominate with a 63% share, but recent growth within this segment has been driven by value-focused D2C brands (posting ~7-10% CAGR vs. 2-3% for the industry). D2C brands' traction has been driven by fixed-price, all-inclusive packages, resulting in their share rising from 24-26% in FY20 to 30-32% in FY25, with further gains likely over FY25-30 to reach 40-45% share. The shift to value-focused D2C brands has led to a long-term reduction in ASPs (down from USD200 in FY01 to USD143 in FY25), boosting affordability and multi-pair ownership, especially among population below 50 years.

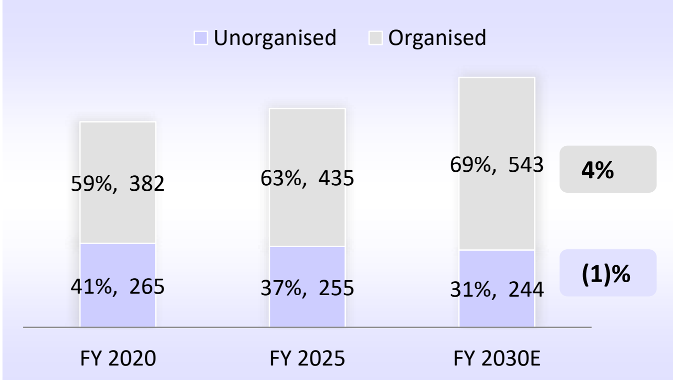
Beyond prescription eyewear, the sunglass market, valued at INR68b, is large and gaining momentum, and is projected to reach ~INR101b (at ~8% CAGR) by FY30, aided by shifting perceptions toward functional and style-led use. Japan also has one of the highest global contact lens adoption rates at 42% (vs. ~16% globally) and is clocking ~4% CAGR, fueled by preferences for aesthetics, convenience, and active lifestyle.

Exhibit 98: Japanese Eyewear eyewear market by value (INR b)



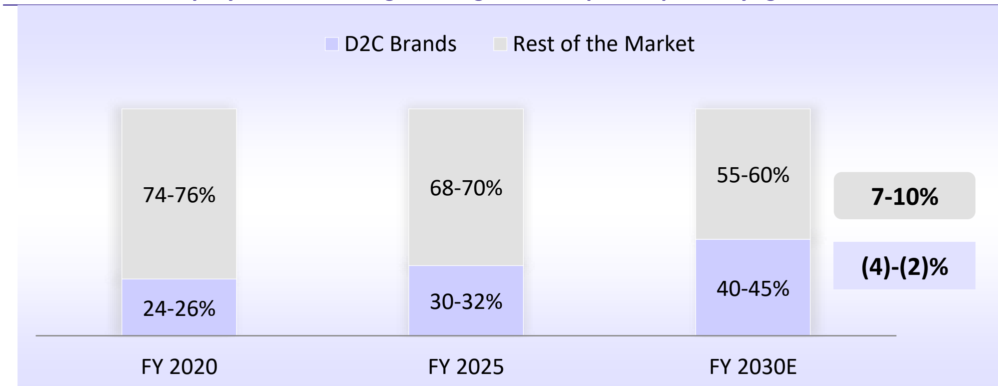
Source: Company, MOFSL

Exhibit 99: ~63% of the market is organized and growing faster at 4% CAGR



Source: Company, MOFSL

Exhibit 100: D2C players are driving faster growth in prescription eyeglasses

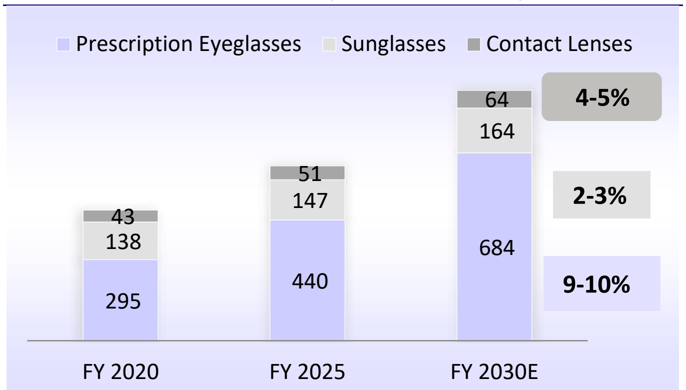


Source: MOFSL, Company

Southeast Asia: Rapidly growing market with increasing eyewear adoption

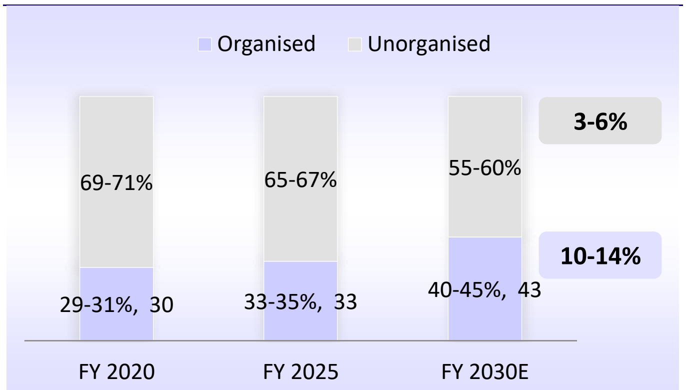
The Southeast Asia eyewear market, covering Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam, was valued at INR637b(USD7.4b) in FY25 and is projected to reach INR912b (USD10.6b) by FY30 at a 7% CAGR, driven by increasing adoption of eyewear. Prescription eyeglasses dominate with ~69% share, driven by rising prevalence of refractive errors (60-70% of the population), alongside improving awareness and penetration of organized retail. ASP of prescription eyewear varies across markets, ranging from USD25-30 in Indonesia and the Philippines to USD96 in Singapore. Organized retailers are gaining strong foothold in these markets with penetration expected to rise from ~33-35% in FY25 to ~40-45% by FY30 at a 10-14% CAGR, driven by standardized diagnostics, broader assortments and increasing omnichannel adoption across the region.

Exhibit 101: Southeast Asia eyewear market by value (INR b)



Source: Company, MOFSL

Exhibit 102: Organised penetration to inch up to ~40-45% by FY30

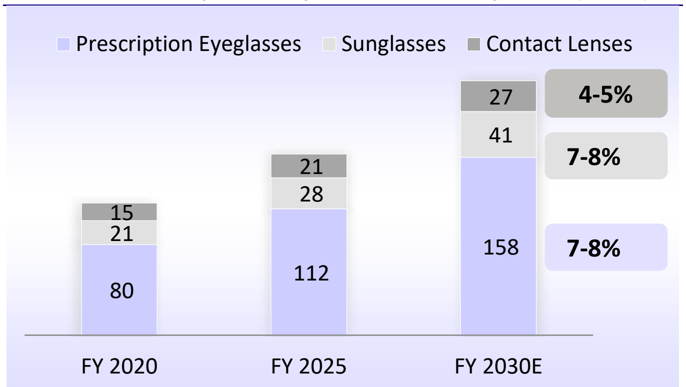


Source: Company, MOFSL

Middle East: High purchase frequency, rising share of D2C driving market growth

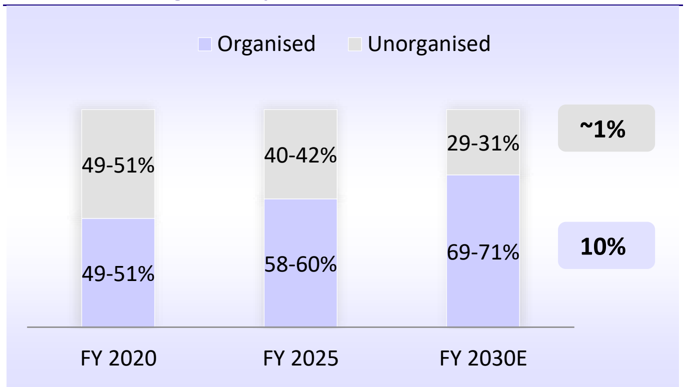
The Middle Eastern eyewear market, primarily Saudi Arabia and the UAE, was valued at INR162b (USD1.9b) in FY25 and is projected to reach INR225b (USD2.6b) by FY30, at a 7% CAGR. Growth is driven by rising disposable incomes, expanding retail infrastructure, rising preference for premium eyewear, and growing presence of international brands. Organized retailers dominate with ~58-60% share in FY25, which is expected to climb to 69-71% by FY30, supported by omnichannel formats and international brand presence. Prescription eyeglasses dominate the markets, boosted by growing fashion adoption and expanding insurance coverage for vision care. ASP stood at USD171, with few premium international brands commanding over USD400. D2C brands are scaling up fast, with their share rising from ~7-10% in FY20 to 12-15% in FY25 and projected to reach 20-25% by FY30, driven by value-focused offerings tailored to young, tech-savvy consumers.

Exhibit 103: ME Eyewear eyewear market by value (INR b)



Source: Company, MOFSL

Exhibit 104: Organised penetration at ~60%, to inch further

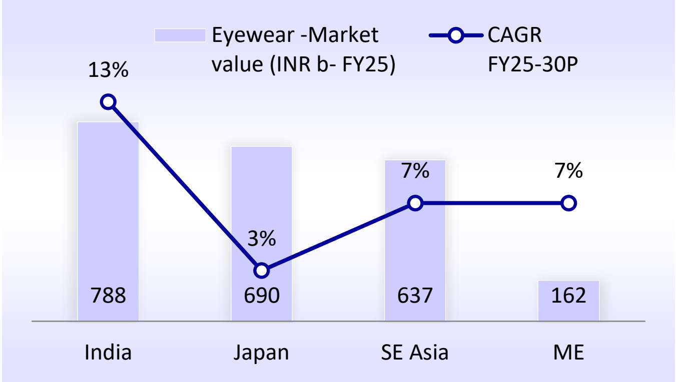


Source: Company, MOFSL

Large TAM for Lenskart

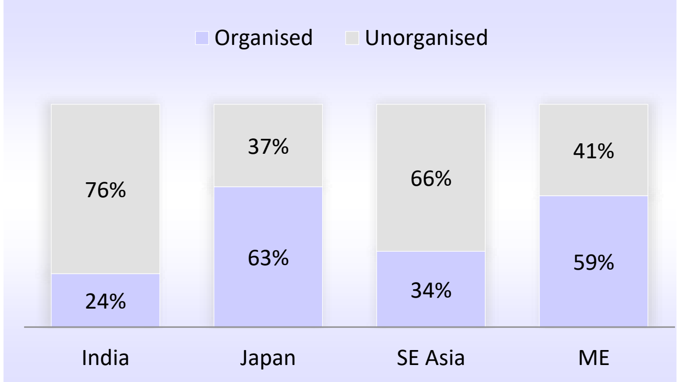
TTAM for Lenskart across its existing geographies is large at ~INR2.3t and is growing, driven by rising prevalence of refractive errors, growing awareness and improving affordability with the onset of omni-channel D2C brands. Lenskart's market share stood at ~5% in India and ~1.8% in international markets, which provides a significant runway for growth.

Exhibit 105: Relevant eyewear markets by value (INR b) and expected growth



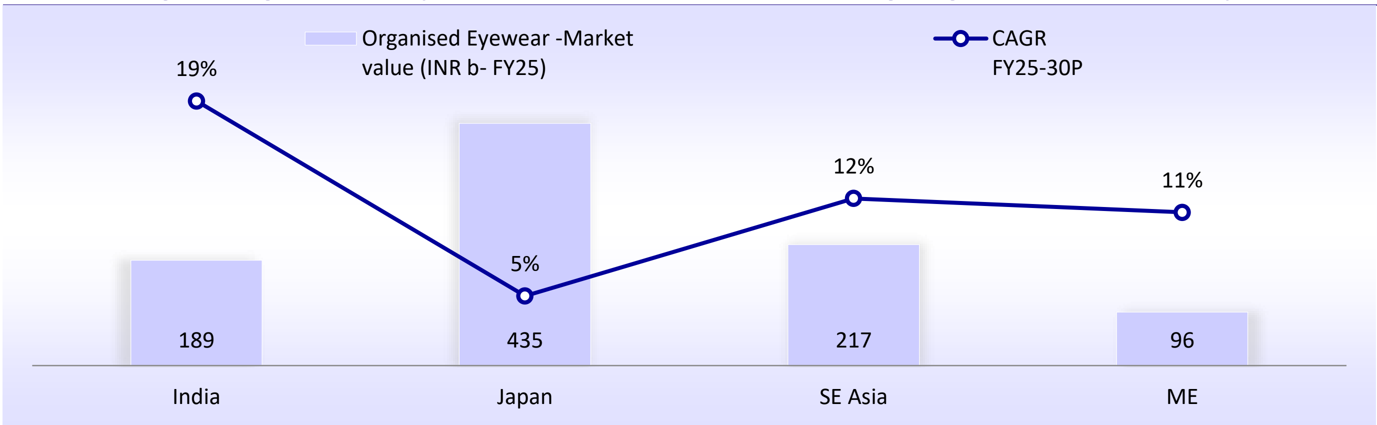
Source: Company, MOFSL

Exhibit 106: Organised relatively under penetrated in India/SE Asia



Source: Company, MOFSL

Exhibit 107: Significant growth runway for Lenskart across markets with low-single-digit market share currently



Source: Bloomberg, MOFSL

Key risks and concerns

About 42% of total purchases during FY25 were imported from China, and frames are produced via a China-based JV, exposing the business to geopolitical tensions, tariff changes, input price volatility, and supply chain continuity risks.

Exhibit 108: Import dependency on China

	FY23	FY24	FY25	1QFY25	1QFY26
Imports from PRC (China)	8,682	7,700	10,624	1,746	3,547
% of Total	54.2	41.1	42.2	40.9	53.4
Remaining purchases					
India	2,843	3,591	6,648	1,048	1,173
Japan	1,771	2,577	2,356	539	757
Others	2,737	4,871	5,540	933	1,169
Total Purchases	16,033	18,739	25,168	4,266	6,646

Source: MOFSL, Company

A sizable franchise network continues despite the shift to the COCO model. Franchise model has limited operational control at store-level and in the past, franchises have filed litigations alleging POS data manipulation, raising concerns around revenue transparency, inventory discipline, and brand consistency.

Exhibit 109: Store build-up between CoCo and Franchisee

	FY23	FY24	FY25	1QFY26	1HFY26
India	1,036	1,417	1,749	1,823	1,823
International	383	433	475	488	488
Total CoCo Stores	**1,419**	**1,850**	**2,224**	**2,311**	**2,311**
India	380	368	318	314	314
International	160	171	181	181	181
Total Franchisee	**540**	**539**	**499**	**495**	**495**

Source: MOFSL, Company

High concentration of manufacturing operations in Rajasthan/Haryana creates single-region dependency, exposing the entire supply chain to regional disruptions, regulatory actions, labor unrest, and infrastructure bottlenecks. However, the company is setting up a larger manufacturing unit in Hyderabad to diversify its regional concentration.

Exhibit 110: % of total production across owned manufacturing facilities

	FY23	FY24	FY25	1QFY25	1QFY26
Gurugram, Haryana	93%	56%	40%	40%	32%
Bhiwadi, Rajasthan	6%	43%	59%	59%	67%
Others (Singapore + Dubai)*	1%	1%	2%	1%	2%

Source: MOFSL, Company

Manufacturing capacity utilization remained low across FY23-25, indicating under-absorption of fixed costs and a drag on RoCE.

Exhibit 111: Capacity utilization across facilities

Facility	Installed Capacity (million Units)	% Utilization				
		FY23	FY24	FY25	1QFY25	1QFY26
Gurugram	12.731	52.3	44.5	40.9	36.9	39.2
Bhiwadi	14.267	20.0	48.1	54.3	51.9	68.3
Singapore	0.305	78.5	42.7	54.4	52.0	61.9
Dubai	0.272	-	-	22.2	3.1	40.6

Source: MOFSL, Company

- Shortages of trained optometrists force reliance on remote diagnostics, making store productivity sensitive to network uptime and raising risks of diagnostic errors, regulatory scrutiny, and potential medical negligence claims.
- Loss-making overseas subsidiaries dilute Lenskart's consolidated profitability, with FY25 losses of INR615m in Singapore), INR489m in Saudi), and INR98m in Japan), requiring ongoing funding from parent and adversely impacting free cash flow generation.

Exhibit 112: Losses across subsidiaries

Entity	FY23	FY24	FY25
Lenskart Solutions Pte. Ltd. (Singapore)	(1,236)	(944)	(615)
Lenskart Arabia Ltd.		(168)	(489)
Lenskart Optical Trading LLC (Arabia)	(340)	(268)	(359)
Lenskart Solutions (Thailand) Co. Ltd.	(1)	(4)	(124)
Owndays Co., Ltd (Japan)	(521)	(771)	(98)

Source: MOFSL, Company

Foreign currency exposure remains high due to import dependency on China (~42% of purchases in FY25) and large overseas operations (~40%+ of revenue). The company reported meaningful forex volatility at the P&L level and OCI translation losses, leading to high sensitivity of earnings and net worth sensitive to forex movements despite partial hedging.

Exhibit 113: Volatility in Forex

INR m	FY23	FY24	FY25	1QFY25	1QFY26
Forex Losses (other expenses)		196	53	53	53
as a % of EBITDA	-	2.4%	0.5%	2.0%	1.5%
OCI - Exchange differences on translation	325	(190)	(164)	(146)	479
as a % of EBITDA	10.1%	-2.4%	-1.4%	-5.6%	13.1%
Total	325	5	(111)	(93)	532
as a % of EBITDA	10.1%	0.1%	-1.0%	-3.6%	14.6%

Source: MOFSL, Company

Management team

Exhibit 114: Key managerial personnel (KMPs) and senior managerial personnel (SMPs)

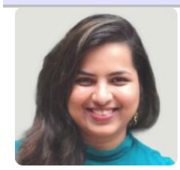
Name	Designation	Exp (Years)	Brief Profile
 Peyush Bansal	Chairman, MD & CEO; Co-founder; Promoter	17	❖ Engineering graduate from McGill and ex-Microsoft. Drives strategy, growth and innovation for the company. Recognized with major awards including Entrepreneur of the Year (ET Awards 2025) and Innovator of the Year (NDTV 2024). Central to the company's vision, culture and long-term product roadmap, with deep operational experience since inception.
 Neha Bansal	Executive Director; Global Head – Merchandising; Co-founder; Promoter	17	❖ Commerce graduate and Chartered Accountant. With the company since 2008, she leads merchandising strategy, optimization and strategic planning. Serves as Independent Director at Vishal Mega Mart. Known for strong financial discipline, supply-side insights and building the company's merchandising capabilities from the ground up across formats and geographies.
 Amit Chaudhary	Executive Director; Global Head – Expansion; Co-founder; Promoter	16	❖ Engineering graduate from BIT Mesra. Leads expansion strategy, new market development and scale-up of operations. Has been instrumental in building the company's presence across markets, driving store roll-outs and execution excellence. Focuses on operational scalability, long-term network planning and efficiency improvements across the company's footprint.
 Ashish Kashyap	Independent Director	18	❖ Economics honours from Delhi University and MBA from McGill with additional management diploma from INSEAD. Founder & CEO of INDmoney; earlier founded and led Ibibo Group and held leadership roles at Times Internet. Brings deep expertise in digital businesses, fintech, growth strategy and consumer internet.
 Bijou Kurien	Independent Director	25	❖ Science graduate and PGDBM from XLRI. Held senior roles at Titan (COO – Watches & Precision Engineering) and Reliance Retail (President & CEO – Lifestyle). Experience spans brand building, retail operations and leadership of large consumer businesses. Has served on multiple corporate boards and contributes deep retail, consumer behavior and operational insight to the company.
 Jayesh Merchant	Independent Director	30	❖ Commerce graduate, LLB, Chartered Accountant and Company Secretary. Held senior finance and governance roles across Castrol, ION Exchange, UTV Software Communications and Asian Paints (CFO & President – Industrial JVs). Currently Independent Director at Trent. Brings expertise in finance, governance, capital allocation and enterprise risk, with long exposure to large-scale manufacturing and consumer companies.
 Sayali Karanjkar	Independent Director	6	❖ Computing graduate from NUS with dual master's degrees from Northwestern (Engineering Management + MBA). Co-founded and served as CBO of PaySense; earlier with A.T. Kearney. Brings strong experience in consumer fintech, product strategy, growth and digital lending ecosystems. Adds technology and analytics depth along with hands-on entrepreneurial understanding.
 Anant Gupta	Non-Executive (Non-Independent) Director	20	❖ IIT Bombay dual-degree engineer with an MBA from Kellogg. Currently a partner at Kedaara Capital with prior roles at ITC, Goldman Sachs, IDFC PE and Tata Capital. Brings expertise in investments, strategy, financial analysis and scaling businesses. Known for strong understanding of consumer, technology and industrial sectors, contributing investor perspective and governance oversight.

Exhibit 115: Key managerial personnel (KMPs) and senior managerial personnel (SMPs)

Name	Designation	Exp (Years)	Brief Profile
Abhishek Gupta	Chief Financial Officer	15	❖ Commerce graduate from Panjab University, ISB Hyderabad alumnus and Chartered Accountant. Joined Lenskart in 2024. Previously Group CFO at OYO, with leadership roles at GE and Philips. Brings deep expertise in large-scale financial transformation, controllership, fund strategy and capital efficiency. Leads global financial planning, controllership and strategic finance functions for the company.
Ashish Kumar Srivastava	Company Secretary & Chief Compliance Officer	10	❖ Member of ICSI and Law graduate with over 22 years of industry experience. Before joining Lenskart, he was associated with Urban Company, Uniparts, RITES, Sun Life Global, Coforge and Competent Automobiles. His expertise spans corporate legal affairs, corporate secretarial functions, governance, risk management and insurance domain.
Ramneek Khurana	Global Head – Technology	12	❖ MS in Industrial Engineering from Georgia Tech. Associated with Lenskart since 2012. Formerly with Michelin India. Leads global technology roadmap including digital platforms, data systems and AI initiatives. Drives large-scale tech transformation, system scalability and automation across consumer, retail and supply-chain platforms.
Ashwani Agarwal	Global Head – Operations	18	❖ IIT Kanpur Chemical Engineering graduate with MIT Sloan digital transformation certification. Joined in 2021 after a long stint at Hindustan Unilever. Leads global operations strategy, process excellence, productivity improvement and operational scale-up. Focuses on consistent execution across manufacturing, supply chain and retail operations.
Sumeet Kapahi	Global Head – Sourcing; Co-founder & Promoter	14	❖ B.Com (Hons) from Delhi University. Associated with Lenskart since 2011, previously with Ray-Ban Sun Optics. Leads global sourcing strategy, supplier partnerships, manufacturing relationships and cost optimization. A core promoter involved in building the company's vendor ecosystem, private label scale and margin structure from early stages.
Takeshi Umiyama	Head – Southeast Asia & Japan	12	❖ Graduate from Ritsumeikan University, Japan. Associated with Owndays group since 2013; joined Lenskart after Owndays acquisition in 2022. Leads regional business growth, market expansion, retail operations and strategic initiatives across Southeast Asia and Japan with strong local execution expertise.
Natraj Choudhury	Head – Engineering	18	❖ Engineering graduate from Sambalpur University. Joined in 2025 after leadership roles at Walmart Global Tech, Wipro, ANI Technologies and Zolve. Leads backend engineering, platform reliability and scalable infrastructure. Focused on building resilient architecture to support high growth, omni-channel integration and real-time operations.
Lavanya Chandan	General Counsel	12	❖ Law graduate from Bangalore University, joined in 2022. Previously with OLX India and Trilegal. Heads all legal, regulatory, litigation and public policy matters globally. Also leads ESG governance, institutional risk management and cross-border compliance as the company expands into international markets.

ESG initiatives

Environment

- Lenskart emphasizes environmental sustainability with programs aimed at reducing waste and carbon footprint through energy efficiency, renewable energy adoption, and low-carbon technologies.
- The Bhiwadi facility operates as a zero liquid discharge unit, ensuring no wastewater is released into the environment.
- Both Bhiwadi and Gurugram facilities have rainwater harvesting systems, with capacities of 1,060 KLD and 110 KLD, respectively.
- Installed solar rooftop systems of 2,300 KW at Bhiwadi and 455 KW at Gurugram, reducing grid dependency and offsetting emissions.
- Promotes sustainable sourcing, evaluating suppliers based on ESG performance and encouraging the use of recycled and eco-friendly materials, such as eyewear cases made from recycled plastic bottles and eco-acetate frames under the John Jacobs brand.

Social

- Lenskart drives its CSR efforts toward preventive eyecare for underprivileged communities through Lenskart Foundation.
- Its flagship program, "Drishti Didi Har Gaon Har Ghar" (Women Eye Marshall), trains rural women to perform basic eye tests and relay data to optometrists. Over 550,000 individuals across 610 villages in six Indian states have been screened.
- The Lenskart Foundation on Wheels, launched in Jul'23, provides mobile primary eye care services with free eye tests and affordable eyeglasses across Delhi-NCR.
- Operates six child eye care centers, conducting 22,500+ eye tests in FY25 for underserved children.

Governance

- The company has a well-structured governance framework with 50% independent directors, all mandatory Board committees in place, and alignment with SEBI and Companies Act requirements, supporting minority shareholder protection and institutional credibility.
- Data and risk governance has improved with the appointment of a dedicated CISO, signaling formalization of cybersecurity, information security management, and technology risk controls across platforms.
- The Enforcement Directorate initiated a FEMA inquiry over procedural delays in import-export filings, during which Ms. Neha Bansal appeared before the authorities.

Bull and Bear cases

Bull case

- In our bull case scenario, we assume a ~27% revenue CAGR over FY25-28E (vs. ~25% in the Base case), primarily driven by accelerated store additions and double double-digit SSSG.
- This, combined with strong operating leverage, is expected to result in ~725bp expansion in pre-IND AS EBITDA margins to 14.8% by FY28, translating into a ~59% pre-IND AS EBITDA CAGR over FY25-28E.
- We ascribe a blended EV/EBITDA multiple of 60x FY28E (vs. 55x in our base case), to derive a Bull case target price of INR735, implying ~55% upside potential.

Base case

- We assume a ~25% revenue CAGR over FY25-28E, driven by store additions and high-single-digit SSSG.
- Operating leverage and improvement in product margin should drive ~625bp expansion in pre-IND AS EBITDA margins to 13.8%, resulting in a ~53% pre-IND AS EBITDA CAGR over FY25-28E.
- We value the company at a blended EV/EBITDA multiple of 55x FY28E, to arrive at a target price of INR600, implying ~26% upside potential.

Bear case

- In our Bear case scenario, we assume a ~23% revenue CAGR over FY25-28E (vs. ~25% in the Base case), largely reflecting a tad slower store additions and mid-single single-digit SSSG.
- Despite the slower growth, we continue to see operating leverage play out, with ~530bp expansion in pre-IND AS EBITDA margins to 12.9%, supporting a ~47% pre-IND AS EBITDA CAGR over FY25-28E.
- Applying a lower EV/EBITDA multiple of 40x FY28E, we derive a Bear case target price of INR395, implying ~17% downside potential.

Exhibit 116: Scenario analysis for Lenskart

INR b	Bull			Base			Bear		
Scenario Analysis	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	88.2	112.0	139.6	87.5	108.9	133.1	86.8	105.9	126.8
YoY growth	30%	27%	25%	29%	24%	22%	28%	22%	20%
EBITDA (pre-IND AS)	9.5	14.4	20.7	9.3	13.3	18.4	9.1	12.1	16.4
Margins	10.8%	12.8%	14.8%	10.6%	12.2%	13.8%	10.5%	11.4%	12.9%
FY28 EV/EBITDA (x)			60			55			40
EV			1,249			1,012			656
less: net debt/ (cash)			-38			-37			-36
Equity value			1,287			1,050			692
TP (INR/sh)			735			600			395
CMP (INR/sh)			474			474			474
Return			55%			26%			-17%

Source: MOFSL, Company

SWOT analysis

- ☑ Maintains end-to-end control over value chain, including in-house frame and lens designing, centralized manufacturing, and automated assembly.
- ☑ Leverages proprietary technologies like GeoIQ and Tango Eye for retail operations.
- ☑ It has omnichannel presence, with over ~45% of sales driven by digitally influenced.

- ☑ A substantial portion of production capacity and technology infrastructure is concentrated in the Gurugram industrial cluster.
- ☑ Lenskart does not exercise complete operational or financial control over its franchisee-operated stores.

- ☑ About 46% of the eye tests conducted by Lenskart are for first-time users, offering a massive opportunity to convert latent demand into active consumers.
- ☑ New launches and expansion into underpenetrated sunglasses segment offer growth opportunities.

- ☑ Supply chain and import dependency on China for raw materials.
- ☑ Increasing accessibility and popularity of corrective surgeries like LASIK and SMILE may reduce long-term demand for traditional prescription eyewear.

Financials and valuations

Consolidated - Income Statement						(INR m)
Y/E March	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Total Income from Operations	**37,993**	**55,303**	**68,030**	**87,524**	**108,899**	**133,107**
Change (%)	NA	45.6	23.0	28.7	24.4	22.2
Raw Materials	13,679	18,064	21,174	27,163	33,579	40,687
Gross Profit	**24,314**	**37,239**	**46,857**	**60,361**	**75,321**	**92,419**
Margin (%)	64.0	67.3	68.9	69.0	69.2	69.4
Employees Cost	9,056	13,405	16,500	20,331	24,839	29,851
Other Expenses	12,055	15,801	18,802	22,987	27,780	33,041
Total Expenditure	**34,790**	**47,270**	**56,477**	**70,481**	**86,198**	**103,579**
% of Sales	91.6	85.5	83.0	80.5	79.2	77.8
EBITDA	**3,203**	**8,033**	**11,554**	**17,043**	**22,702**	**29,527**
Margin (%)	8.4	14.5	17.0	19.5	20.8	22.2
Depreciation	5,012	7,594	8,640	10,428	13,024	15,418
EBIT	**-1,809**	**440**	**2,914**	**6,616**	**9,678**	**14,109**
Int. and Finance Charges	1,043	1,408	1,575	1,745	2,127	2,505
Other Income	1,433	1,854	3,597	1,667	2,625	2,903
PBT bef. EO Exp.	**-1,419**	**885**	**4,936**	**6,538**	**10,176**	**14,508**
EO Items/JV share/Minority	-221	-242	-211	-293	-153	-178
PBT after EO Exp.	**-1,639**	**643**	**4,725**	**6,245**	**10,023**	**14,330**
Total Tax	-330	695	975	1,823	2,840	3,906
Tax Rate (%)	20.1	108.0	20.6	29.2	28.3	27.3
Reported PAT	**-1,309**	**-52**	**3,750**	**4,423**	**7,184**	**10,423**
Adjusted PAT	**-1,182**	**68**	**3,869**	**4,580**	**7,184**	**10,423**
Change (%)	NA	NA	NM	18.4	56.9	45.1
Margin (%)	-3.1	0.1	5.7	5.2	6.6	7.8

Balance Sheet						(INR m)
Y/E March	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Equity Share Capital	153	154	1,543	1,650	1,650	1,650
Equity instruments	172	1,670	1,671	1,671	1,671	1,671
Non-Controlling Interest	960	1,067	1,074	1,180	1,298	1,436
Other equity	54,413	54,669	57,773	83,594	90,778	101,201
Net Worth	**55,698**	**57,560**	**62,062**	**88,096**	**95,397**	**105,959**
Total Loans	23,584	21,758	25,728	31,765	38,220	44,725
of which lease	14,412	16,787	22,268	29,306	36,761	44,265
Net Deferred Tax Liabilities/ (Asset)	970	1,066	700	700	700	700
Capital Employed	**80,251**	**80,384**	**88,490**	**120,561**	**134,318**	**151,384**
Net Fixed Assets	**25,261**	**26,672**	**43,557**	**56,278**	**65,021**	**72,263**
Goodwill on Consolidation	18,623	18,674	18,756	21,909	21,909	21,909
Capital WIP	1,339	708	1,069	1,069	1,069	1,069
Total Investments	**14,671**	**19,695**	**10,378**	**10,478**	**10,478**	**10,478**
Curr. Assets, Loans&Adv.	**34,729**	**29,116**	**30,135**	**50,346**	**57,456**	**69,801**
Inventory	6,112	6,881	10,814	13,214	16,253	19,910
Account Receivables	2,811	3,414	1,259	1,595	1,962	2,403
Cash and Bank Balance	3,344	3,021	6,542	23,017	26,721	34,968
Other Current Assets	11,718	11,513	8,721	9,721	9,721	9,721
Loans and Advances	10,745	4,287	2,799	2,799	2,799	2,799
Curr. Liability & Prov.	**14,371**	**14,482**	**15,406**	**19,519**	**21,615**	**24,137**
Account Payables	5,772	5,162	7,400	9,113	11,209	13,731
Other Current Liabilities	7,551	8,146	6,324	8,724	8,724	8,724
Provisions	1,048	1,174	1,682	1,682	1,682	1,682
Net Current Assets	**20,358**	**14,634**	**14,730**	**30,827**	**35,841**	**45,664**
Appl. of Funds	**80,251**	**80,384**	**88,490**	**120,561**	**134,317**	**151,383**

Financials and valuations

Ratios						
Y/E March	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Basic (INR)						
EPS	**-0.7**	**0.0**	**2.2**	**2.6**	**4.1**	**6.0**
Cash EPS	2.2	4.4	7.2	8.7	11.7	14.9
BV/Share	32.1	33.2	35.8	50.8	55.0	61.1
Valuation (x)						
P/E	-695.6	12,007.6	212.5	179.5	114.4	78.9
Cash P/E	214.7	107.3	65.7	54.8	40.7	31.8
P/BV	14.8	14.3	13.2	9.3	8.6	7.8
EV/Sales	22.2	15.2	12.4	9.5	7.7	6.2
EV/EBITDA	263.0	104.7	72.8	48.8	36.7	28.2
Dividend Yield (%)	-	-	-	-	-	-
FCF per share	-3.6	-2.4	1.2	-1.4	1.2	3.7
Return Ratios (%)						
RoE	-2.1	0.1	6.5	6.1	7.8	10.4
RoCE	NA	0.0	2.8	4.5	5.5	7.2
RoIC	NA	-0.1	3.7	6.1	7.7	10.4
Working Capital Ratios						
Fixed Asset Turnover (x)	1.5	2.1	1.6	1.6	1.7	1.8
Asset Turnover (x)	0.5	0.7	0.8	0.7	0.8	0.9
Inventory (Days)	59	45	58.0	55.1	54.5	54.6
Debtor (Days)	27	23	6.8	6.7	6.6	6.6
Creditor (Days)	55	34	39.7	38.0	37.6	37.7
Net WC days	30	34	25.1	23.8	23.5	23.5
Leverage Ratio (x)						
Current Ratio	2.4	2.0	2.0	2.6	2.7	2.9
Interest Cover Ratio	-1.7	0.3	1.9	3.8	4.6	5.6
Net Debt/Equity	0.0	-0.1	0.1	-0.0	0.0	-0.0

Cash Flow Statement						(INR m)
Y/E March	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
OP/(Loss) before Tax	-1,012	590	3,854	6,351	10,141	14,468
Depreciation	4,176	6,722	7,966	10,428	13,024	15,418
Interest & Finance Charges	833	1,230	1,459	1,745	2,127	2,505
Direct Taxes Paid	-237	-581	-1,057	-1,823	-2,840	-3,906
(Inc)/Dec in WC	-1,622	-1,656	3,084	278	-1,310	-1,576
CF from Operations	**2,139**	**6,305**	**15,305**	**16,979**	**21,142**	**26,908**
Leases and interest paid	-3,009	-4,773	-5,934	-7,756	-9,366	-11,122
Others	-1,191	-1,431	-2,999	-1,667	-2,625	-2,903
CF from Operating incl EO	**-2,061**	**101**	**6,373**	**7,556**	**9,151**	**12,882**
(Inc)/Dec in FA	-4,123	-4,324	-4,257	-10,000	-7,000	-6,500
Free Cash Flow	**-6,184**	**-4,223**	**2,115**	**-2,444**	**2,151**	**6,382**
(Pur)/Sale of Investments	-25,951	4,874	958	-3,153	-	-
Others	310	1,037	640	1,667	2,625	2,903
CF from Investments	**-29,765**	**1,587**	**-2,659**	**-11,486**	**-4,375**	**-3,597**
Issue of Shares	25,586	2,152	1,557	21,505	-	-
Inc/(Dec) in Debt	5,530	-4,299	-833	-1,000	-1,000	-1,000
Interest Paid	-341	-297	-138	-101	-72	-38
CF from Fin. Activity	**30,776**	**-2,444**	**586**	**20,405**	**-1,072**	**-1,038**
Inc/Dec of Cash	**-1,050**	**-757**	**4,300**	**16,475**	**3,704**	**8,247**
Opening Balance	3,969	2,957	2,242	6,542	23,017	26,721
Closing Balance	**2,918**	**2,200**	**6,542**	**23,017**	**26,721**	**34,968**

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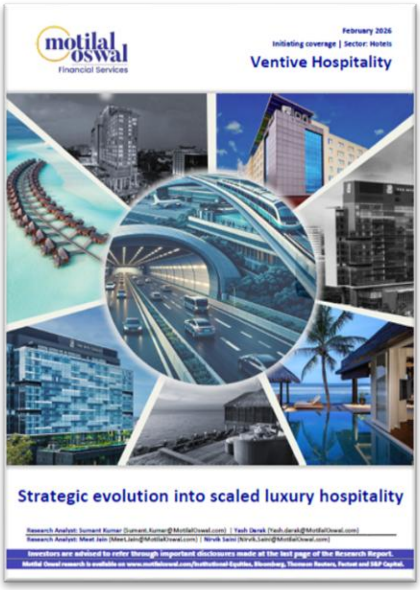

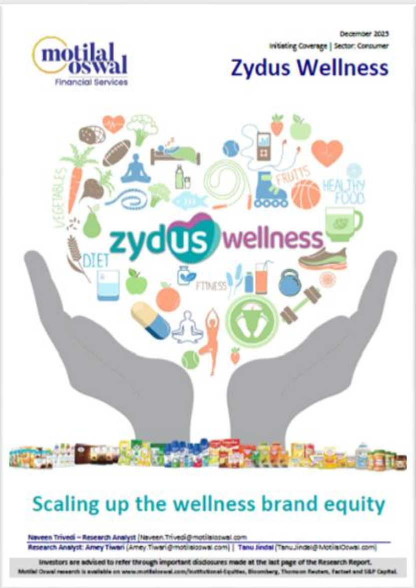

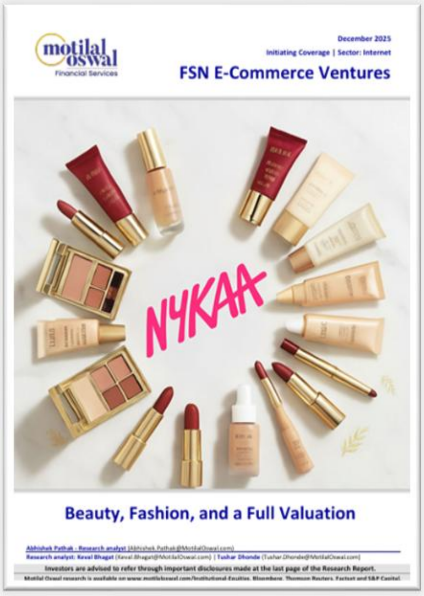

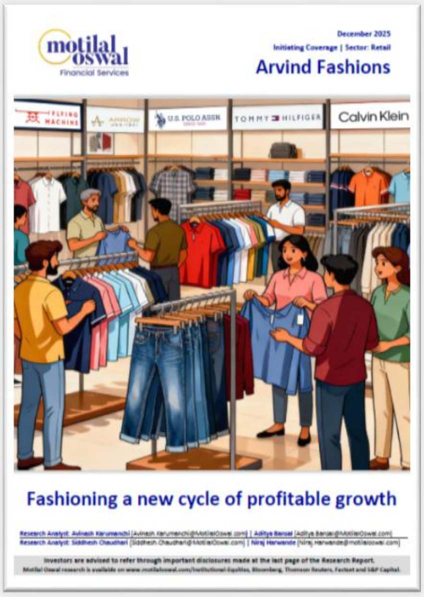

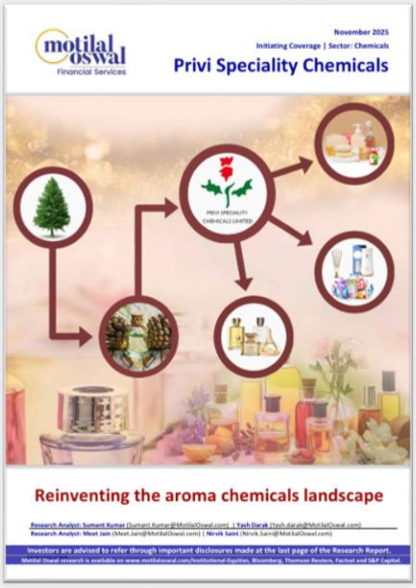

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