Lenskart Solutions Limited
(Earlier known as Lenskart Solutions Private Limited)
Corporate Office: Ground Floor, Vipul Tech Square,
Golf Course Road, Sector- 43, Gurugram, Haryana 122009

Date: August 19, 2026

National Stock Exchange of India Limited
The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400 051

Scrip Symbol: LENSKART

BSE Limited
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 544600

Sub.: Transcript of Earnings Call with respect to Financial Results for the quarter ended June 30, 2026

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript of the Earnings Call conducted on August 12, 2026.

The above information will also be hosted on the Company's website viz. https://www.lenskart.com/corporate/investorrelations.

Kindly take the same on record.

Thanking you,

Yours Sincerely,

For Lenskart Solutions Limited
(*Formerly known as Lenskart Solutions Private Limited)*

Ashish Kumar Srivastava
Digitally signed by Ashish Kumar Srivastava
Date: 2026.08.19 20:46:54 +05'30'

Ashish Kumar Srivastava
Company Secretary and Chief Compliance Officer
Membership No.: F5325

Place: Gurugram

Lenskart Solutions Limited

Q1 FY27 Earnings Conference Call

August 12, 2026

MANAGEMENT: Peyush Bansal – Co-Founder and Chief Executive Officer, Lenskart Solutions Limited
Abhishek Gupta – Chief Financial Officer, Lenskart Solutions Limited
Nikunj Mall – Head of Investor Relations, Lenskart Solutions Limited

Moderator: Ladies and gentlemen, good evening and welcome to Lenskart Q1 FY27 Earnings Conference Call. To present the results, we have with us Mr. Peyush Bansal, Co-founder and Chief Executive Officer, Mr. Abhishek Gupta, Chief Financial Officer, and Mr. Nikunj Mall, Head of Investor Relations.

Please note that being hosted on Zoom with a presentation on display. For participants who would like to view the presentation alongside the discussion, please join via the Zoom link shared in advance.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, you may use the chat option to interact with the moderator. Please note that this conference is being recorded.

I now hand the conference over to Mr. Nikunj Mall, Head of Investor Relations from Lenskart. Thank you, and over to you, sir.

Nikunj Mall: Thank you, Dorwin. Good evening, everyone, and thank you for joining Lenskart's earnings call for the First Quarter of Fiscal Year 2027. Before we begin, I would like to remind you that some of the statements we make today may be forward-looking in nature and are subject to risks and uncertainties.

The conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. We have uploaded our Q1 shareholders' letter on our website and the stock exchanges.

Please note during the call, consistent with our IPO prospectus, the financial numbers we are going to be presenting refers to the proforma financial statements for like-to-like comparison, unless stated otherwise.

Reported financial statements reflect acquisition of Dealskart, Meller, and GeoIQ from their respective transaction closing dates, while proforma statements present these financials as if the acquired businesses had always been a part of the company, and hence represent a clearer trend analysis. For Q1 FY27, there is no difference between proforma and reported financials.

We'll begin today's session with opening remarks from Peyush and Abhishek. During this time, everyone will be on mute. Following the presentation, we'll open up for Q&A.

With that, I would like to hand over to Peyush.

Peyush Bansal: Good evening, everyone, and thank you for joining us again. As always, we are grateful for the trust you place in us. This call marks a small milestone. Since we listed in November, we have now published four quarterly results. So far, many of you see us as a traditional eyewear company, good stores, improving EBITDA. That is a fair view of any new listed company.

Today, with four quarters behind us, we would like to share the fuller story because what thousands of Lenskartians have spent a decade building is, we believe, one of India's global consumer companies in the making and it deserves to be seen as a whole. That is what our shareholder's letter this quarter attempts, and it is what I want to spend my time on today.

First, the quarter. Revenue grew 34% year-on-year and PAT grew 182% to ₹228 crores. One more number for perspective, our PAT for the whole of last year was about ₹530 crores, and PAT for Q1 FY27 is ₹228 crores.

Now hold the headline numbers together. A third more revenue has doubled our post-rent EBITDA and nearly tripled our PAT. The compounding is accelerating.

Three highlights inside those numbers: India same-store sales grew 18.3%, international revenue grew 38%, and consolidated product margin crossed 70% for the first time after four quarters at around 69%.

We see our role as creating the market, not competing in it. Every single day now, roughly 35,000 Indians walk into Lenskart stores and discover for the first time in their lives that they cannot see clearly. 63 lakh eye tests in India in this quarter.

This number has grown every year, quarter by quarter. Over 1 crore first-time eye tests in FY26. That is not just shifting from one retailer to another. That is a market being born daily, measurably in our stores. Which brings me to the first thing I want you to take away not from this quarter, but from our first year as a public company, that India has not bought its glasses yet. We have written a full section on it in this letter. Let me give you its essence.

78 crore Indians need vision correction today, heading towards 94 crores by FY30. This is not a market to capture, it is a market to build. A year ago, we made a few bets on this market: that every eye test creates a customer and more stores would add demand, not divide it, and that Tier 2 plus India was a market waiting to be built. Four quarters on, here is what we have learned about its depth.

We grew in three directions.

First, we grew deeper. In the last nine months, in our 1,517 existing pin codes, density rose from 1.5 to 1.6 stores, that is about 150 net new stores. Yet, SSSG held at about 18% and same pin code sales growth at 24%. Demand is being added, not divided. Bangalore proves it: 189 stores, 13 net additions in the last nine months, mostly in existing pin codes, and still 20% SSSG.

Second, we grew wider. New pin codes in cities we already serve. In Q2 FY26, we shared our existing cities still had 2,821 pin codes without a single Lenskart store. We entered 152 of them. Over 2,650 remain. White space inside cities where our brand, our supply chain, our delivery network are already up and running. On average, revenue per store in these towns is tracking at ₹18 lakhs per month.

Take Visakhapatnam, 11 net store additions in nine months, almost half in new pin codes, or Kolkata, 10 net store additions, eight of them in new pin codes.

And third, we grew further into towns Lenskart had never entered. 140 of them this year. Hassan in Karnataka, Balasore in Odisha, Tura in Meghalaya, Gandhidham in Gujarat, and many more. These stores are also showing strong unit economics.

In nine months, we added 455 net new stores, the fastest expansion in our history, and it consumed about 5% of the 6,400 pin code white space we mapped in our Q2 FY26 letter. Over 6,100 pin codes still await their first Lenskart store, and densification allows for at least another 3,000 stores. India alone points past 10,000 stores now. The map has barely moved, and that is precisely the point.

This is a market being built in front of us, and the brand we are building can serve it. Penetration is half the India opportunity; the other half is value. Not just more Indians buying, but each Indian buying better. At one end, premium Owndays lenses are now doing over ₹1,500 crores of prescription eyeglasses sales, and Rodenstock and Tokai eyeglasses, where progressives are priced high-end at ₹30,000 plus, are doing roughly ₹250 crores annually.

There is much to build here: India's next iconic premium lens brands.

At the same time, on the other end, in the same quarter, we onboarded our largest ever number of customers in the real Bharat through Hustlr Club, which gives ₹500 glasses with lenses and warranty included. Much as India democratized telecom, we intend to democratize vision.

The ₹500 and ₹30,000 pair from one platform, and our ambition in India is exactly this: to serve the whole of it, every income, every age, every town. Two confessions along the way: It took us too long to crack the ₹500 pair. The customer was ready, but our costs were not. But now we can do it profitably. And we underestimated how fast our own customers would premiumize. Gladly we were wrong, and we do not intend to repeat either mistake.

Coming to International. What we built for India is now beginning to create customer value globally. This quarter, international grew 38%, with EBITDA pre-Ind AS margin crossing 10% for the first time. For four quarters, the most common question investors asked us was, will international be profitable? I believe the question mark is gone. What remains is scale.

Owndays is now one of Asia's most respected eyewear brands, and Meller, which was a USD35 million brand when we acquired it, is tracking to be a $70 million plus brand already. When customers queue on a Paris street for one of our brands, we take it as a signal on how far it can travel.

Our aspiration, held with humility, is to build the world's most relevant eyewear company in times to come. And the frontier ahead is even more powerful. This quarter, our self-eye test entered pilot stores, built on one of India's largest recorded eye test data sets. Let me show you how we have engineered this.

Peyush Bansal: That indeed was AI doing the eye test. The world trains too few optometrists. India, barely a few thousand a year. You cannot train your way to a billion tested eyes. You have to engineer your way there. B by Lenskart is also live now. Sign-ups have reached 80,000 plus. Manufacturing is scaling. A few hundred glasses are shipping daily, and the product is getting better every single week with consumer feedback.

Eyewear sits on the face every 12 hours a day, and that gives us a rare seat at the intersection of eye care, AI, personal health, and data. We believe Lenskart can do a lot here in the years to come. That is the whole of what we are building and how we invite you to see Lenskart.

Let me hand over to Abhishek for the segment results.

Abhishek Gupta: Thank you, Peyush. Good evening, everyone. Let me first start with India. India revenue grew 30.7% year-on-year to ₹1,531 crores. And as we keep saying, in our business, growth and profitability are positively correlated. EBITDA pre-Ind AS 116 margin reached 15.4%, up 2 percentage points from 13.3% last year, which is a year-on-year growth of 51.5% to ₹236 crores.

The product margin expanded to 64.2% absorbing the currency headwind, and marketing improved from 5.7% to 4.8% of revenue on the basis of brand pull.

Eye tests grew 42.7% to 63 lakhs with remote optometry now in 786 stores up from 168 stores at FY25 end, powering volume-led growth with eyewear units up 22.8% to 82 lakhs.

Same store sales growth was 18.3%, broad-based across tiers, and same pin code sales growth of 24% ran well ahead of it, proving that densification continues to lock incremental demand. We added 116 net new stores and opened 50 new cities.

Coming to International. Revenue grew 38% to ₹1,203 crores, and about 29% growth on a constant currency basis.

Growth was broad-based across all our markets and brands. The key number, EBITDA pre-Ind AS 116 margin reached 10.6%, up from 4.5% last year, with total number clocking to ₹127 crores, which was triple of what we did last year. This is a result of operating leverage and product margin. Product margin expanded to 77.1% on deeper supply chain integration of Owndays and Meller.

The growth of international segment was also volume led, almost entirely same store led. Eyewear units grew 37.6% and transacting customers grew 27.8% while we added just 16 net new stores. Our core prescription business continued to grow strongly in its own right with eye tests up 20.5%. Layered on top, sunglasses had a pronounced seasonal peak in the current quarter with units up 58.4% as April to June is a key category peak.

Coming to cash flow. We generated ₹297 crores of operating cash flow, which is an 82% EBITDA[1] to cash flow conversion. This was sufficient to fund our store capex of ₹75 crores and plant capex of ₹132 crores, which were largely pertaining to the Hyderabad facility, leaving a positive net cash inflow of ₹116 crores before M&A and equity raise.

Return on capital employed improved from 23% from 14%[2] last year as a result of improving profitability and disciplined capital allocation. With that, back to Peyush for more comments.

Peyush Bansal: Thank you, Abhishek. We have shown you the size of the map, but let me ask the sharper question: what will it actually take to serve it? Think of what serving 6,100 unserved pin codes actually demands. Manufacturing at a scale this category has never seen, a design engine that moves from sketch to shelf in weeks, distribution into towns no network reaches, almost a logistics company in its own right, omnichannel access where the journey begins, eye testing that scales beyond optometrists, brands for every cohort and every price, data that learns what each eye needs next, global talent to run it all, and the capital to fund it.

Each one of these is needed, but more than the pieces, it takes a certain kind of company, engineering led, building from first principles with no playbook to copy. That is the company we are building and that is how we invite you to see Lenskart moving forward. We set out to sell glasses. What we are building is the infrastructure of vision for the billion people no one has ever served.

Before I close, an invitation. Improving health is very close to our heart. We started a campaign, Run for Frame in Thailand this year. You run, you earn your frame, and it became a movement. Over 40,000 runners participated in Thailand. We then extended it to India, more than 5 lakh people ran for their frames.

And this Independence Day, we are going a step further. In collaboration with the Lenskart Foundation, we are launching Drishti ki Daud, a run for vision, where for once, you do not run for yourself, you run for others. Run 20,000 steps and we give a pair of glasses to someone in need, and for every additional 10,000 steps you run, we add one more pair.

The details are on the Lenskart app and on the Foundation website will be there shortly. And I invite everyone of you and your families to join us in this endeavor. Wishing everyone a very Happy Independence Day. With that, we'll open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from Avi Mehta.

Avi Mehta: Hi team, Hi Peyush. Thanks a lot for this. Peyush, I just had one question. It's very interesting to see this break up of sales growth or store growth based on geographies. Could you give us a sense on how store growth kind of behaves based on age? Because one of the pushbacks, the concerns that emerges as you go on this journey from 2,700 stores to around 10,000 stores, will your sales on the same store basis kind of come under stress?

How do you look at this and could you share your thoughts on this? And second, if I may just on very good gross margin performance, we've been able to hold on to it. Just your thoughts on, does this mean that the concerns on currency may not be as elevated as we would have earlier kind of been worried about? These are the two things. Thank you very much.

Peyush Bansal: Thank you, Avi. See, on the stores, the way I look at it is we have been adding density in our existing markets. Like I said, we have added about 150 stores in our existing pin codes. And we have to understand that the penetration in India is only about 35%. And that is going to grow, especially if you look at kids, the myopia rates are growing.

Also, a segment like progressives, Lenskart wasn't the strongest player in this category. We are just beginning to gain market share. Then if we look at price spectrum, we never had products which were below ₹1,000 which we have now. We never had products of frames above ₹10,000, even with lenses they would get there, but that we have added now.

So, what we are saying is if you add two parts to it, one is if you look at sheer eye test, I think as long as we can continue to grow eye tests, which is really the top of the funnel, and we have to understand why Lenskart is pushing so hard on eye tests because the more eye tests we do, the more people discover.

Because I think it's a discovery problem more than it is that a problem is evolved. Already our belief is 70% adults have vision issues. So, more eye tests we do, the funnel expands and then the conversion happens, and that is what brings in volume. At the same time, there are cohorts of customers which we were not relevant for, whether it was sub-1,000 or it was the premium, which we are becoming relevant for.

So, I think I would still say there's a lot of opportunity even in the older cohorts. I mean in this, 18% same store growth, this would not happen without older cohorts. A large number of our stores are still relatively our older stores are still a pretty large base of this. So Yes, I think I would say that looking at how this market has grown even in China at about 13% CAGR and India is just following that, we would see demand coming in.

The key here will be supply. I think what we have to continue to do is engineer how can we do more eye test per store. How can we reduce the wait time for that? How can we make sure that the buying experience, the amount of time people are taking is much lesser? How can they find the product that they're looking for much better?

Can they do some part of it at on their phone versus using assistance? I mean, we are launching RFID in all our products now and that will reduce a few minutes of that buying experience into the store. So I think that to me will be the biggest work that one needs to do to ensure this SSG is coming. Yes. The second question, Abhishek, you want to take it?

Abhishek Gupta: Yes. Avi, let me take the currency question. First, I want to remind everyone that we have a significant part of our revenues coming in non-INR currencies. So to some level, our full P&L has a natural hedge and we are protected to that extent. However, when you pointed specifically at the product margin line, we've been able to offset some of the impact of the currency by some structural initiatives that we have taken, whether that is increasing our in-house manufacturing of frames, whether it is negotiations with our vendors for volume-based discounts or overall product mix.

Having said that, that's an ongoing journey. As Hyderabad plant comes in and as our insourcing improves, we'll further continue to work on this direction. Short term headwinds could still be there if the currency worsens further, but our constant endeavor is to keep doing backward integration and improving our cost structure to serve our consumers better.

Avi Mehta: Perfect. Very clear. And thanks a lot for this.

Moderator: Thank you. Our next question comes from the line of Vivek M with Jefferies. Please go ahead.

Vivek M: Good evening, Peyush and team. Two questions. First is, Peyush, you have mentioned in the past as well as in this letter about supply and not demand being the constraint. And I mean your store addition numbers are great, but do you think that from a supply side perspective, given you have like, RetailIQ, GeoIQ, the store addition pace can pick up from where you are currently? And what will it take to do so?

Peyush Bansal: Yes, thank you, Vivek. I think you guys continue to push us harder. I think, look, the opportunity is there. The key to opening more stores is understanding, see serving Tier 2 is not just about planting a store. It is a muscle that needs to be built. To serve Tier 2, you have to figure out logistics. You have to figure out manpower hiring.

You have to understand how will you train people, how will you train people and then how many people are willing to work in these locations. Our biggest unlock came last year with remote optometry, and that is what we have been growing with over 700 stores now having remote optometry. If remote optometry didn't come through our ability to open stores at this pace in Tier 2 would not have happened.

So I think, yes, I won't say there is not an opportunity. There is clearly an opportunity, and we ourselves are saying that it is looking like India can take a lot more stores. But what our focus remains is, can we deliver the same customer experience that we deliver in a Tier 1 in Tier 3? The same SOPs, the same delivery times, and how do we engine -- and that needs to be engineered.

I think the AI eye test that we are doing is going to be a big, big enabler. I know remote eye test is awesome, but this takes the reach of an optometrist to a completely, completely different level. So I think we are working on a lot of these solutions. Logistics, for example, Tier 2 doesn't work on air network which we, which used to work earlier.

We have now engineered a full air plus train plus bus ecosystem, which is able to deliver to this Tier 2, you know? So there's a lot at play in the ecosystem to penetrate India and grow faster. But Yes, we'll keep trying.

Vivek M: Got it. And second question is on both the ends of the spectrum, right? On one side you mentioned that you underestimated the premiumization bit. Can you just talk about how do you define premium products in your case and a bit more explanation on that statement? And the second part is how did you crack the ₹500 which is a very, very sharp pricing? How did you, what went into getting the cost right?

Peyush Bansal: See, the way we look at premium, I think if you look at the price point in India, of course we look at ₹10,000 plus as a number which has grown from 18% to 20% now, when we filed the DRHP it was about 18. But overall, I would say, I think when you look at lenses particularly as a category, I think above ₹3,500 lenses is where I think you have the global brands where they operate.

And I think there we see a very big opportunity to create the next generation of iconic brands. So that is when I look at premium, I'm looking at that as a segment because in the other segments Lenskart has already been strong. That segment of and then you have the ₹30,000 plus segment which is very super high end.

But in that ₹3,500 to ₹10,000 for a single vision, the category has been largely with global brands and I think that's what I'm talking when I come to frames. I think when I talk premium, I talk about our frames which are above ₹5,000 in ticket size, which is John Jacobs, Meller now, Owndays frames have come into it which are high precision.

We just launched Under Armour as an exclusive brand, the first one of the few third-party brands that we are bringing in. So Yes, that's what how we define premiumization. And I think it was heartening to see the adoption. If you look at the absolute amount which I spoke about in my remarks, ₹250 crores of ₹30,000 plus price points, of these lenses is a is I think a significant while in absolute it may not look very large, but in -- from a relative perspective, it's still a very significant number I would say.

On the ₹500, I think we had to do a lot of engineering. I would say it came at the back of manufacturing in India. That was the biggest bottleneck and I think as we scaled that, that came it came at the back of optimizing logistics so that we can make the math work. It came at the back of omnichannel on how do we do customer acquisition because when we look at profitability, we look at net of customer acquisition cost and not just product margin.

So I think these were the three large plays and then building that scale of serving because the volumes will be much larger here in times to come.

Vivek M: Got it, Peyush. Thank you and wish you all the best.

Peyush Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Tejas Shah with Avendus Spark Institutional Equities. Please go ahead.

Tejas Shah: Hi Peyush and team. Congrats on a good set of numbers. Peyush, SSG, SPSG, NPS all moderated this quarter, though individually they don't look particularly concerning, but given the base and the noise around NPS, do you see any common thread here?

And especially since you particularly look very, very passionately about NPS and you just mentioned also that when you scale the service quality has to be maintained, how should we think about this number going forward? And has NPS improved in the following months also after the quarter ended?

Peyush Bansal: Yes, thanks, great question. See we had some confusion and communication about some of our policies on social media. And we have clarified it, and henceforth NPS is bouncing back. It's almost where it was originally. So Yes, we stay very committed to NPS. I mean, there was a question about Vivek asked about adding more stores.

One of the things we want to continuously ensure is that our NPS doesn't go down. So be rest assured I think we are on top of it. We are only going to enhance our customer experience every quarter that goes by and there is a lot of newness that we are doing there for our customers in times to come from the overall experience.

I think SSG is quite healthy. I think if we look at just, I mean firstly the same quarter last year was 16% SSG, right now it is 18%. So I actually see an acceleration. Overall, I think what we are beginning to see is despite the density increasing from 1.5 to 1.6, SSG continues. And if you look at our overall growth in India, with 30% growth, 18% coming through SSG, I think that is the number that matters.

And I think -- and that coming with 25%[3] SPSG, if we do the math, what that means is we are gaining market share in these markets. So I think 18.3 % is fantastic and year on year it is actually accelerated. And I think eye tests accelerating has a large role to play there.

Tejas Shah: Perfect. Just a follow up there. So we have kind of shared very bold vision and you also mentioned that it's not about competitive pressure anymore but to create the market for ourselves. So out of the three inputs, product, real estate and talent, over the medium to long term, which of the three worries you most in getting to the vision you have laid out?

Peyush Bansal: I think it's a great question. I would say it is talent. Talent and the culture, the speed of operation. When organizations become large, we need to ensure we can operate with that agility, speed, and what is required, the kind of problems which I spoke about, the engineering that needs to be done is of a very different level. So I would say talent and on top of that, engineering talent which can leverage data and AI capabilities to solve some of the biggest bottlenecks. The more bottlenecks we can solve, like remote optometry was a big unlock for us, self-eye test is a big unlock. I think we'll be able to accelerate in meeting our goals.

Tejas Shah: And if I can squeeze in a last one on International, would it be possible to rank even directionally where Japan, Southeast Asia, Middle East and others rank in terms of margins versus let's say our 8.6% TTM, which are the geographies which are above and which are below?

Peyush Bansal: I would say largely all are strong, most of the geographies are growing in parallel. Abhishek, you want to add any other?

Abhishek Gupta: Tejas, on a lighter note, parents don't rank their kids. So, we are very passionate about all these markets and they are doing well. And we are, there are markets which are in stages of growth more than some of the other markets. So, for example, Thailand is where we are adding a lot of stores. Middle East is where we are doubling down.

And those markets will have an economics which are similar to early stages of India, whereas the more mature geographies for example, Singapore or Japan would have economics which are better. But its just a factor of the different vintage and maturity stages of the market rather than any fundamental market structure as such.

Peyush Bansal: Our unit economics model is very similar, right? We, the playbook is no different than what it is in India, we are just replicating exactly the same playbook in international.

Tejas Shah: Very clear. Thanks, and all the best for coming quarters.

Peyush Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Amit Sachdeva with UBS. Please go ahead.

Amit Sachdeva: Hi. Good evening. Thank you for taking my questions and congratulations on great set of numbers here. So, sir, Peyush, my first question is on progressive opportunity, although it may look like smaller one in the last scheme of things at ₹250 crores run rate that you mentioned on the progressive lenses. But what sort of opportunity do you see in that space?

And what sort of capability set you still need to build to crack it fully open, and how the value proposition would compare with some of the existing incumbents which tend to offer some sort of years of technological know-how and the capabilities they have built in providing that complete solution? And is it something that you are really focusing on, or is it something that is still in work in progress? How one should think about that?

If I squeeze in second one, very small, is that while premiumization is doing very well, there are three things, I think, drive demand: vanity, quality, and price. Quality and price, my sense is you're on top of it, but what are you doing about vanity in that space? What sort of above-the-line spends are supporting that brand building initiative? Just two small questions.

Peyush Bansal: Yes, thanks, thanks, Amit. I think great question. So I would say firstly, the ₹250 crores number that you mentioned is not our total progressive number. That was we were just indicating that even brands which are super high end, what is the revenue we have started doing in those particular brands.

See, overall, the way we look at the progressive opportunity, the playbook is same as what we did in single vision. I think in the end it bottles down to how well you can serve the customer from a pure eye test and marking perspective. In progressive, post eye checkup, there are certain markings that need to be taken and fittings need to happen.

And so far traditionally, this has happened very, very manually. And at scale to do that manually is not viable. And B, even when you do it manually, the precision could not be there. Even in single vision, the biggest reason people buy from Lenskart today, we have seen that reason change from price to quality being ~60% being quality.

And so what our efforts are in progressives is to really make sure we can engineer ways where the product actually does the talking and nothing else. And that is how we have done it so far. So we at our end are building solutions, tech enabled solutions, which will automate this entire marking. Now, the question you asked about engineering and R&D on designs, so we have launched series of Owndays progressives and the designs have been engineered by us.

We have a full R&D team now which is working on R&D and actually AI has enabled a lot of it. Today you can run all the data of customer fitting into AI models and design lens progressives. So the cost of doing so and the R&D cost of doing so has come down significantly. So it is a big area. We have an Owndays progressive lens which is an adoptive customized which actually has higher customer satisfaction than even the most expensive lenses we sell today.

The second question was on vanity. See, I think the world -- this is a very, very interesting topic, I think. See, the way the brands are getting built now in the next phase of consumption is very different authenticity is kind of taking over legacy. If you see ₹1,500 crores in Owndays premium segment would be one of the largest brands today, lens brands in this segment.

I'll give you another example. Meller is hardly EUR50 for two sunglasses. But if you see, you see Virat Kohli in every match which he's seen around, he's wearing a Meller. You see Tanmay Bhat wearing Meller, you see Blackpink which would charge a few million dollars to be on a stage wears Meller when she's performing.

So I think we have to see that the brands, the way they were built in the past and all these people can afford much expensive sunglasses, is not how the brands may work in the future. So I think the next generation is really more about authenticity than, than I would say superficial upgrading.

Amit Sachdeva: Got it. Very helpful, Peyush. Thanks so much, and all the best.

Peyush Bansal: Thank you.

Moderator: Thank you. Our next question is from Garima Mishra of Kotak. Please accept the prompt on your screen, unmute your microphone and proceed with your question.

Garima Mishra: Thank you so much for the opportunity. Peyush, in the international business, right, the Y-o-Y store count was up 10% while revenue growth was much higher, close to 30% in constant currency. How much more can you sweat these stores? Or do you think to maintain the current growth rate you would need to look at accelerated store additions internationally as well?

Peyush Bansal: See, thanks Garima, thanks for the question see overall, like I said, we are following -- we have played we have done this play before in India. And our -- I don't see that these markets are different. If I'll tell you our history in India, we used to open only 100 stores a year and our goal was to just focus in building what you may call is an AI model, which was a combination of GeoIQ and Tango and the store operating model which can continue to deliver that SSG.

A lot of that was fueled by delivering from years we have been opening two to three clinics in an eyewear store when even one was not fully utilized. And I think we are following the same playbook. In the last two to three years, what we have been doing in international is accelerating our number of eye tests, making sure that the capex invested per store is rationalized, increasing our supply chain integration so that the margin which was sitting at about 73%, 74% is growing up.

When all of this comes into play, the flywheel operates, and once that flywheel operates you can -- opening stores is the easiest thing to do in my view. And -- but the most difficult thing is to deliver a sustained same-store growth and quarter after quarter. So I would say in international we would add stores we do want to accelerate just like in India, we moved from 100 to 300, now to 450 plus. We are doing that.

And international is a break up of market. Japan as a market is now getting there in our economics where we would want to accelerate. But in the long term, Japan, our learning was that this acceleration and same-store growth will not stop because in Japan penetration is quite high. But what is happening there is that people -- and the market is organized, it's not like India.

But what is happening is people are moving from expensive traditional opticians to D2C brands. And that is a market phenomena, which I think is a great learning for us even in India that the headway is pretty long. And Japan has been one of our fastest growing international markets right now despite all of that at play. So I would say we will accelerate stores, but there -- is I don't see a challenge on SSG, I see a lot of headroom there in international markets.

Garima Mishra: Perfect. That's very clear, Peyush. Thanks for taking the question.

Peyush Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Kaivalya Baing with IIFL Capital. Please go ahead.

Percy Panthaki: Hi. This is Percy Panthaki here. I just wanted to get some understanding better on the eye tests. So two questions will help me understand this. One is that what percentage of people who do eye tests at your store do not buy eyewear at your store at least immediately in the next few weeks? And secondly, what percentage of people who do buy prescription eyewear in your store come with a prescription from outside? And have these numbers changed over a period of time or are they similar over the last, let's say, year or two?

Peyush Bansal: Yes, thank you, Percy, great question. See, I think we are, see we have to understand why we are doing eye tests. The reason why we are doing eye test, freely and more openly is we think the market needs to be created. It is not like just, otherwise it's just share shifting that is happening. So when we do more incremental eye tests, obviously there will be a hit on conversion, like in any other, but that top of the funnel is what is driving volume.

Even in this quarter, volume has grown at about 23%. I would credit eye tests to be one of the biggest drivers of that volume growth. So we when we are tracking eye tests, our sole goal is can we add more people into the fold because we think people have prescription, they are just not aware or how all of us don't want to get things checked and we want to avoid it, how can we do that.

I would say majority, a significant majority of people who do an eye test end up buying glasses if not immediately in the few months to follow. And that is a trend we continue to see, we have not seen it change of course as we bring in people who are doing first time eye test, they would take slightly longer to come versus people who are repeat, if even if not at Lenskart somewhere else if they got an eye test done, almost all of them would buy glasses.

But when a first time customer comes, if they just discover they have a power, it will take slightly longer and there will be a churn that would happen where they may not come back, but that number is lesser. But it would take them time to digest, okay they will explore, they will check a few other opticians, they will make up their mind.

So this largely I think the only trend I see is that as we increase top of the funnel, the conversion would get compromised and then we will have to use our engineering to see how do we do better CRM to bring these people into the fold, right. And Yes, I think that's the only thing. And as more eye tests happen, we need to manage the queues and the wait time to do that. And that is why it's such a big investment in remote and self eye test.

Percy Panthaki: Understood. Secondly, I just wanted to understand the international business margins better. Last year your full year margin was higher than the margin that you did in Q1. So, do you think that's a fair estimate to take for FY27 as well?

Abhishek Gupta: Yes, thank you, Percy. See for full year last year, we did about 7% margin, the year before that our EBITDA margin post-rent was 3.6%, right? And so, you will continue to see there is some seasonality in Q1 that we spoke about earlier from the sunglasses business, but you would see a Y-o-Y improvement like the way you have been seeing consistently. It's difficult to comment on what the full year margin number would be vis-a-vis the quarter, but our endeavour will be to continue to improve on Y-o-Y numbers.

Percy Panthaki: But would you just help me understand the seasonality here? Like is Q1 stronger than usual quarter, weaker than usual quarter? How do I look at it really?

Abhishek Gupta: Yes, I mean, sunglasses is a higher net margin business. So Q1 is stronger, but other businesses are also firing very well and we are getting benefits of product margin and operating leverage as well as marketing efficiencies.

Percy Panthaki: Okay, okay. Got it. Thanks a lot, that's all from me. Thanks, and all the best.

Abhishek Gupta: Thank you, Percy.

Moderator: Thank you. Our next question comes from the line of Arnab Mitra. Please accept the prompt on your screen to unmute your microphone and proceed with your question.

Arnab Mitra: Yes. Hi team. My question was again on the international business. So Peyush, you mentioned about the flywheel in India which is now working on store additions. Now if I look at your international margins, they are now very similar to what your India margins were in FY25. So do you think you are now at that stage where the store expansion can significantly be accelerated?

Or are there other bottlenecks like remote optometry or other things that you need to crack for the store expansion to speed up? And a related question is, given that in these markets you are probably not a market creator, you're also gaining share, should you do you think of the store potential differently from what you think of India with pin codes, densification, is there is different approach how you should think about store addition in these market?

Peyush Bansal: Yes. Great. Thanks for asking that, Arnab. See overall, I think you're absolutely right. I think time is coming closer for international acceleration, but it is not a generic answer because every market is at a different stage. There are markets where we are looking at accelerating, we are just tying in a lot of tech integration.

I said a few quarters back that our there is a gross margin opportunity in international. And that's why because our ASP is three times but our cost was also two times and that was getting lost only because of technology integration. We are getting very close to that integration running seamlessly because once you start opening new stores what you don't want is customer experience to decline.

We have seen enough and more brands go down because of that. So I would say in some markets that is beginning to happen and we are planning for acceleration in the years to come, maybe not in this year, but yes, the plans are getting made in some markets and we are also quite eager to do it. The only thing is more and more tech integration.

But yes, many markets are in that in that zone. Thailand is one such market where we are getting very, very excited about. The second question was on?

Arnab Mitra: No, given that this is your you're not a market creator, you're probably a new entrant in these markets. Do you think of store potential differently from the India approach, which is pin code densification, in terms of potential of stores in these?

Peyush Bansal: See overall, eyewear is a neighbourhood model. I have not seen that different in any market. If you look at UK Specsavers has thousands of stores in just UK and overall, the same model has worked in Australia, the same model works everywhere. So that doesn't change. The only thing is, are we doing it on the basis of gut or we do it on the basis of data?

So we have already been -- our GeoIQ acquisition that we did was primarily so that the team can start investing in mapping geo-analytics data for international markets and that work has started. So very soon we would have the same level of analytics we have in India for most of our international markets and we will use that as our guiding force.

I mean, the pin code, etcetera is a way for us and largely maybe for our shareholders to understand top down how this works. When we go open a store, we don't open like that. We just look at what GeoIQ is pointing us to, what is our revenue prediction and we go open the store and then all of this starts making sense.

Arnab Mitra: Okay. Thanks so much. That's it from my side. All the best.

Peyush Bansal: Thank you. Thank you, Arnab.

Moderator: Thank you. Our next question comes from the line of Devanshu Bansal with Emkay Global. Please go ahead.

Devanshu Bansal: Hi Peyush, congratulations. Thanks for the opportunity. Sir, first question is on the accuracy of eye tests conducted by you in remote optometry. Right, so this is a critical component, so I just wanted to sort of check as in how you are tracking the accuracy of eye tests being done under this? And secondly obviously very encouraging launch of ₹500 price point. So wanted to check as in how are you ensuring that your existing consumers don't down trade and only the new consumers are sort of entering your business? So these are the two questions.

Peyush Bansal: Yes, see eye test is a subjective process. I think accuracy of an eye test has not been defined yet because I may give you a better power but your eyes you may not adapt to it if you are using a certain different power. What we can get accurate is the process, are all the steps followed? And to be honest remote optometry follows is far more consistent than an eye test which is in a closed room which is completely unmonitored.

However, the way we monitor is using Tango Eye which is our computer vision company that we acquired where we are monitoring if the person is following all the steps using the CCTV which is monitoring every step and it is taking out a score. And then we look at based on the customers who bought it, how many customers came back and exchanged for a power change?

Based on these we try to correlate, but everybody who has exchanged doesn't necessarily mean there was a wrong eye test. That doesn't mean that there are not wrong eye test that may happen. The end goal with all of this is that how do we make this more and more automated and digitized. And remote optometry takes it a step further, the self AI eye test you saw a video takes it to a completely different level where at least every time you do an eye test, you would get the same result.

If you do an eye test today at two different Lenskart stores or four different doctors, you would never get the same outcome because you are replying and somebody else is working as per your response and your response will change every time. So, this is something we continue to work on, I think we are still learning every day and we are improving.

In fact, that is how our progressives share increased, because of data analysis. On the ₹500 downgrading, so firstly this is a great question and that is why we engineered a full omnichannel journey for this. We engineered, so when you get this ₹500 frame, it is like a frame for every face, you come, do a face scan on your app, we detect that it is not duplicated and then you can buy a certain set of frames that you are buying.

So, we are learning along the way, of course the other way we ensure cannibalization doesn't happen is creating a house of brands because different brands, different customers. Now you may not want to buy a certain brand and you may want to buy certain brand and that goes with positioning. So, it's a combination of journeys using a little bit of technology and then creating a house of brands to stop cannibalization.

Devanshu Bansal: Got it, Peyush. Thanks. Thanks for your answers.

Peyush Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Aditya Soman with CLSA. Please go ahead.

Aditya Soman: Hi team. Good evening. First question, I mean in terms of this ₹500 eyewear, if this were to expand very significantly, would that have any sort of drag effect on profitability or do obviously it just creates an entry price point for products and then allows you to upsell the consumer to the rest of the range? And second, just a quick one on for brands like Rodenstock where you indicated that you're manufacturing the lenses here, how is that arrangement? Is this just a brand licensing arrangement or something deeper? I just want to understand. Thanks.

Peyush Bansal: Great question. I think these are the problems we come to work and solve everyday how do we manage see I think it's largely a question of ASP and that is why I've continued to play that ASP can fluctuate with every quarter depending on what campaigns we are running and what are the base effects and that's why one should use volume, that's how we track our business.

But overall when we one of the reasons why we waited so long to launch ₹500 is that the unit economics work. So the unit economics work and I think actually the lower price points are more margin accretive at the higher price points the absolute money that you make is higher creating that kind of margin is difficult at higher price points.

So I don't see that as a challenge. What we will need to be just very about is that these things don't necessarily operate at ASP level quarter on quarter one has to take a longer term view on how things will operate. But I don't see at a unit economic level any challenge, we have already solved for that before we launched it. And in terms of -- I hope that answers the question on it.

Aditya Soman: Yes, it does. Thanks, very clear.

Peyush Bansal: And on the on the branded lens the arrangement is we are both manufacturing and brand licensing partners for these brands so we manufacture them in our factory, we get certain raw materials and certain design info from them and then we manufacture and serve the products. In some cases we may still import the product directly from them.

Aditya Soman: Understand. Very clear. And this sort of manufacturing arrangement for now, it's India only or would it again be a global arrangement where you could also begin exporting this?

Peyush Bansal: It started with India only, but now it is expanding into our international markets one by one, based on our response in India.

Aditya Soman: Perfect. Very clear. Thanks so much and all the best.

Moderator: Thank you. Our next question comes from the line of Amit Purohit with Elara. Please go ahead.

Amit Purohit: Yes. Hi. Thank you sir for the opportunity and congrats on a good set of numbers. Just on the international piece, we have two brands, which is Owndays and Lenskart. How do you think about say from a medium-term perspective because I understand Owndays is getting good acceptance as your comments are also there. So would you be kind of scaling up that or Lenskart as a brand, how do you position these two just over a medium-term perspective which one would you look to scale up faster?

Peyush Bansal: Thank you. Thank you. Great question. I think overall the strategy differs by the market. Our case in point is Singapore where the dual brand strategy actually worked very well for us. Before we acquired Owndays, Lenskart already had a market share which we have not seen in any other market, it's -- we serve more than 25% volume market share in this market now.

And both brands kind of coexist and they serve different consumer segments and price points. Lenskart still operates as a platform brand where there are more offerings and Owndays operates as a D2C brand. With our success in Singapore and where we are seeing both brands continue to compound, we are following the same strategy in Thailand.

And I think in Thailand that strategy is also working very well considering Owndays operates at a very different price point and Lenskart continues to be there. So we are looking at as a dual brand strategy in these markets, but at the same time in Japan we are not right now planning to do the same. So I think the strategy is evolving depending on market by market.

Singapore was a huge success and Thailand is turning out to be one and then we will keep learning and then figure out how we want to take it in different markets in the future.

Amit Purohit: Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take that as our last question for today. I would now like to hand the conference over to Mr. Nikunj Mall for closing comments. Over to you, sir.

Nikunj Mall: Thank you everyone for joining the call today. If you have any further questions, please feel free to reach out to our investor relations team at investor.relations@lenskart.in and we look forward to seeing you next quarter. Thank you.

Moderator: Thank you. On behalf of Lenskart, that concludes this conference. Thank you all for joining us, you may now disconnect your lines.

***Note**: Any reference to 'pre-AS EBITDA' or 'pre-IND AS EBITDA' or 'post-rent EBITDA' across the document should be read as EBITDA (pre-IndAS 116). Any reference to 'SSS' or "SSSG' across the document should be read as 'Same Store Sales Growth'. We have also refined the syntax and streamlined speech fillers to enhance readability, while strictly preserving the context and intent of the discussion.*

[1] EBITDA (pre-IndAS 116) has been inadvertently stated as EBITDA
[2]FY26 ROCE has been inadvertently stated as 14% instead of 14.6%
[3] SPSG has been inadvertently stated as 25% instead of 24.3%