Purple United Sales Limited
(Formerly known as Purple United Sales Private Limited)
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23rd January, 2026

The Manager - Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai - 400051

NSE SYMBOL: PURPLEUTED
ISIN: INE0P5R01014

Subject: Transcript of the Valueportal Event held on 21st January, 2026 at 11:00 A.M.

Dear Sir/Madam,

In continuation to our letter dated 21st January, 2026 and pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of Analysts / Investors Valueportal Event organized by Finportal Investments Private Limited held on 21st January, 2026, on the Company's business overview, operational performance, growth strategy, industry outlook and the discussion was general in nature. The said transcript is also available on the Company's website at https://cdn.shopify.com/s/files/1/0709/8400/7851/files/purple_united_sales_final_transcript-2-13.pdf?v=1769169413 .

Please acknowledge and take the same on your record.

Thanking You,

Yours Faithfully,

For Purple United Sales Limited

AYATI GUPTA
Digitally signed by AYATI GUPTA
Date: 2026.01.23 17:45:26 +05'30'

Ayati Gupta
Company Secretary & Compliance Officer

Encl.: As above.

VALUEPORTAL

INVESTOR-COMPANY CONNECT TRANSCRIPT

Purple United Sales Ltd

21st January 2026

11:00 AM

SPEAKERS:

Mr.JD Seth
Managing Director

Mr.Naresh Kumar
Chief Financial Officer

FINPORTAL
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PURPLE UNITED

LET'S CONNECT

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Finportal: Good day, ladies and gentlemen. On behalf of Finportal, I extend a warm welcome to you all for our first-ever Investor Company Connect virtual event, Value Portal, where capital meets businesses.

Our first company of the day is **Purple United Sales Limited**.

Purple United operates in the premium children's fashion segment, offering apparel, footwear, and accessories for kids aged 0-14 years. Incorporated in 2014, the company designs, markets, and distributes products under brands such as Purple United Kids, Toothless, and That's His or Her style With 90 plus exclusive brand outlets across Tier 1 and Tier 2 cities, and a strong presence on leading e-commerce platforms, it follows a robust multi-channel growth strategy.

Before we proceed, I would like to read the standard disclaimer. Please note that this call is being recorded. Some of the statements made during this call may be forward-looking and are based on current assumptions, which involve risk and uncertainties. Actual results may differ. The company assumes no obligation to update these statements unless required by law. We encourage all participants to consider these factors and avoid placing undue reliance on forward-looking information.

From the company's side, joining us on the call today is **Mr. JD Seth** the (Managing Director) along with **Mr. Naresh Kumar** (Chief Financial Officer). I will now hand over the floor to the management team for their opening remarks.

After the presentation, we will move on to the Q&A session. Participants who wish to ask a question may type them in the chat box from now onwards. Thank you and over to you.

Mr. JD Seth: Thank you very much, thanks for the introduction. Good morning, and welcome, you all. I'll begin by sharing a small presentation. And, please allow me some time. Hope, the screen is visible.

Finportal: yes, sir it is Visible.

Mr. JD Seth: So, as she just mentioned, the company was incorporated in 2014, and kids' business, we started somewhere in 2017. I'm just giving you a brief introduction, because some of you may be new to our organization. It will be repetitive for a few of you, so kindly, be here with us. Whosoever are the new entrances can have a fair idea about the company and its background.

So, we started our, great journey somewhere in 2017. Initially, in the initial stage, we started first with the footwear as a category, then subsequently added apparels, and the business model started from the distribution and the e-commerce in the initial stage. 2019, we started our, we decided, strategically, that we'll be opening up our own retail store by the name of Purple United Kids. And, on 1st December 2019, our first store came into existence in Delhi NCR. As we speak, we have 90-plus retail stores, and, Hopefully, will be reaching three-figure mark, in this month only. So, subsequently, the company strategically decided to be in the Omni channel business, and with a strategy of focusing on three Fs, fun, fashion, and functionality. Focusing on innovative design, safety and comfort to the kids, and attention to the detailing.

Since we are in the 0 to 14 years of age, and the premium fashion as a category, so we assure that all our products are lab tested, are trendy and fashionable, and are of contemporary trends. #ShopHappiness is the mantra that we try to promote, through our brand. If I briefly tell you about our vision and mission statement. We wanted to be the most admired premium Kids fashion brand. And, we're, to use our brand as a medium for kids to express themselves in the society.

Our motto is very, plain and simple. We wanted to redefine kids' wear as kids' fashion, and towards that objective, we all are working. This presentation is, slightly old, so that's why it's mentioning 86 EBOs. In the last announcement, we have disclosed 91 EBOs to the exchange, and as I mentioned, we'll be shortly touching 3 digit marks. And we are now in 50+ cities Approximately 1.40 lakh square feet is our retail area, and we are very confident that it will increase at a very decent rate in the time to come.

It's a 30,000 square feet facility, is our mother warehouse from where we are supplying goods to all our channel partners, which is EBOs. EBOs distribution, key accounts, marketplaces, and our, D2C, customers through our own website. Broadly, as all the international or domestic bundles, we also operate in two seasons. One is the spring summer, and second is the fall holiday, or in layman terms, we can call it a summer and winter. And, based on that, entire product planning and, designing, takes care. Everything is in-house. We are in the sourcing model. We have a team of NIFT and FDDI who focus on the design, product development aspects.

Understanding the latest trends in the international machine market and we get it sold from various factories in Delhi NCR, Ludhiana, Agra, Tripura etc. depending on the product category because I'm a strong believer that one has to focus on the customer, and sourcing aspect can be outsourced to third party, and that is what I have learned in my earlier experience, earlier career.

- Our customer return rate is 27%.
- We have around 25+ partners**.**
- Approximately 550+ is the current employee state, and it's growing day by day, and
- We are covering around 18- 19 states. I think this number is old, so it has also increased.

So, strategically, as I mentioned, we launched footwear first, so footwear is covered under toothless by Purple United, all these brands comes under the umbrella of Purple United Kids. THS is another subcategory that we designed for our own retail store. It's the party wear segment. That's His style, or that's Her style. Then, we have Striders and Boltzy, these two category footwear that we have recently introduced in our overall footwear portfolio. We think that this category of footwear is in the unexplored state, and it can be organized, and there are very few organized player in the kids' footwear as a segment.

So, and in return, the interesting part is that with the same, per square foot area, we can increase the, yield from, our foot wear as a category. Striders is in the open foot wear, and Boltzy will be focusing on the sports foot wear as a category. All these brands come under the umbrella of Purple United Kids. Some are, our registered trademarks, and some are in the TM stage. So, again, I think, some things are, being repeated here. In the premium segment, we, assured that all of our personal lab tests are of latest premium quality. They are comfortable and gentle to the skin, and we are also using the biodegradable packaging.

Product categories we talk about. Apparels and footwear are the main product categories. Then, we are, enhancing our presence in accessories and, toys and hard goods also. I have briefly mentioned about our sub brands, in the Omni channel space, so we have all the channels, we are, we have our own EBOs, our own online platform through Myntra, firstcry, etc. our own website. I would like to mention that 3 months back, we acquired .com domain. Earlier, it was .in. We have changed the technology also for our website. Early it was in Magento, we have moved to Shopify and if you get some time, please have a look at the website, it has come up very nicely and, we are getting decent response to our own website also.
Currently, we are getting around 70 to 80 orders per day, and hopefully, in another 3 months, we'll be able to scale to 400 orders per day from our own website.

So, through retail, we are capturing our customers directly in the B2C mode, and so our own website, we are targeting D2C customers and, we have presence in the offline business also, where it's a distribution, key accounts, or large format stores Again, I have mentioned about the retail presence. Then there are e-commerce partners, our online presence, and the offline, channel that we operate with. Focus of the company, strategically, will be on the control business. Again, going by my learning, control business is, where we directly connect with the customer, whether it's B2C or D2C. So, strategically, we'll be focusing on our EBOs expansion and strengthening our own website, but organically, we'll be going on other channels also, because we cannot ignore other channels also, because all the channels have their own customers, and we do not want to lose those customers also. And one fine day, we can migrate to those customers to our D2C or B2C options.

If we talk of our brand presence, we, invest in through, digital marketing through Facebook, Instagram. We keep on participating in some on ground activities. Just to give you an example, recently we participated in the Kukdukoo event. It's a very big event, as for the kids' faces are concerned. We also participated in the fashion show organized by the Daily Times. And, get some time; please have a look on these events on our YouTube or Instagram channels. And we also engage micro and macro-level influencers for promoting our store originally. So these kinds of activities, we keep on doing, for promoting our brand. There are a couple of video films also. Please visit YouTube. You'll get what all marketing or advertisement activities we are doing for promoting our brand.

If we talk about the category-wise, world offering, we, as I mentioned, we are to 0 to 14 years of age, broadly, divided, into, rather, we divide in three parts, infant, toddler, and younger kids. And gender-wise, there are two subcategories, boys and girls. Infant is primarily unisex, and it covers 0 to 2 years of age. And, we almost covered all the, categories which are aligning to our brand version of premium fashion as a category, except for the ethnic wear. We are not focusing on the, I think we are focusing on the casual wear, and western wear.

So, again, these are the portfolio categories. I think some things are being repeated. I'll not repeat in the slide, I'll not repeat it again. So this is our, presence. Strategically, if I talk of our EBOs, we,

- 25%, EBOs are in the malls, and
- 75% are in the high street

That currently we're operating. To talk of the, growth prospect, I'd like to, show you some of the facades of our stores. Please allow me 2 minutes.

Hope the screen is visible. So, this store, we opened it in Mumbai also, now in Mumbai, we have 3 stores And, you can see these kinds of standalone stores, we are also opening. This store is in Bhopal, Some more standalone stores in Mohali, Indore, etc. images of some of the stores in malls, some more images. These are for the in-store images, you can see the left-side image, how we are creating the, how we have created the denim section. You can see the ceiling, the kind of impact we have tried to give and, we're trying to, get engaged with our customers. This kind of visual merchandising activities or retail activities helps in getting the relevant sell-through also.

So, talking about the gross prospect we see an immense gap in the premium, Kids premium fashion as a category. So, we are expanding in the tier1 and tier 2 cities, and strategically focusing on the, omni-channel experience, and creating awareness about the kids' fashion. So, these are the, main levers, that will help us in, in our broad strategies.

If we talk about the market size, as per the data, it sits

- 24.56 USD billion, and
- it is growing at a CAGR of 3.01%.
- It is expected to reach around 29.34 USD billion by 2030.

And, North, obviously, is the, largest market, and we are seeing a faster growing segment, that is the online segment, and so, we are, as I mentioned, we're focusing both on the retail as well as our own website as an option to the customers.
So, this growth is primarily fueled by the high disposable income of the urban families. Broadly, they are concentrated dual income group. There's a shift from the unorganized segment to the organized segment. For better quality, comfort, and, design. Social media and influencer marketing is also, driving to one from the trendy and, occasional wear fashion in the kid's segment.

If we talk off our core team members. Just to give you a brief background of myself, prior to this entrepreneur journey, as a part of my other entrepreneur journey, I was associated with all the big names, like Nike, Puma, Bata, Reebok, Adidas, Hush Puppies, etc. So, we can see that we launched the brands like Puma and Nike in our region, in our country, when they started their operation in India. So, we have seen their journey right from the, day one. We identified a gap in the kids' fashion industry, so that's why we started this brand, purple United Kids. It is a kind of backward and forward integration for me as my entrepreneur journey, and my experience of working with all these international brands Have been able to, guide me, for, setting up, this brand.

Mrs. Seth, she's my spouse also. She was early running a fashion institute. That's how her inclination into designing, sourcing, and other aspects of the retail We are capitalizing on, And, besides that there are, other key person in our team, all the business heads, who have, who come from the various, industries like Milton, Bata, First Cry, Reliance, etc. And, they are, driving their respective, business, departments, and, As I mentioned, we now are having a 500+ strong team. I would like to mention here, we have also gotten approval from the exchange for the ESOP pool, so very shortly, we'll be issuing ESOPs to our key persons.

We talk of the, generalized distribution retail contributed 21% last year. But this year, we are very hopeful that this will be, approximately 50% of the total top line, and the reason having because, most of the retail stores were, was started in the last quarter of the last year, and the result of those stores will now be seen in this financial year. Online, although, I mentioned, 5%, in this slide for the current, for the last, for the first 6 months. So, we are hopeful that this contribution will also increase around 8-10% in the time to come. So, strategically, the focus will remain on the control business, that is the retail and the online business, and accordingly, the contribution of these two channels, will increase in the coming, months of future years.

Product categories wise,

- 62% contribution is from apparels,
- 37% contribution is from footwear and
- 1-2% is from the, our Accessories and hard goods.

So, this is the same, growth story, and that, we have seen, in, in the last 6 months And, so Organically, we are seeing a very, decent, growth for the, for the stores that, those are, those are getting mature. And, and we, we are hopeful of, similar trends, in the time to come.

These are what, these are about financial numbers. We can come to this slide, I think, if you have, further, pointers on this. So, just to give you a brief download, last 6 months of H126, we did a top line of 60 cr. Having said that, normally second half of our business is 65% of the first, first half because of the rising ASPs in the second half because of the winter season, plus because of the festivity on account of national and regional festivals.

Some of the key highlights,

- revenue from operation position has grown 99%,
- EBITDA has by 81%, and
- PAT by 53%.

Some of the real voices and real endorsement that we come across on various social media, channels, about our, brand. So, 64% is with the promoter, and approximately 36% is with the public. That is the current promoter's holding, and overall shareholding. That's it. I think, over to you all. If you, if you have any query, any question, you're most welcome. I'll be obliged to answer those questions. Please query.

Finportal: Thank you, sir, for very insightful remarks. We will now begin the Q&A session. I request all the participants who wish to ask a question to please type them in the chat box.
So the first question is, what are the expected growth targets for top line, and how the margins will catch up, and what are margin expansion levels that the company is taking to grow bottom line?

Mr. JD Seth: There is a very huge gap in the market. If you want to compare the other players in the kid's industry. Firstcry is having around 1,800 stores, and we'll be touching 3-digit number, in this month. So, the gap, gap is, very huge. So, we are very positive, and the similar kind of trend that, similar kind of performance that we're currently, we are currently observing a particular digital expansion. We are confident that we'll be following, similar growth prospects in the, in the next, months or the coming financial year also. So, talking about the margin with the convenience of scale, we are expecting that the margin may slightly increase, but on the other side, since the business processes are becoming more complex, we are hiring senior person also, and with the 100-plus stores, we'll have to spend some amount in marketing also. So, more or less, the increase in the gross margin will be settled by, additional expenses in employee salaries, and some marketing as well. So, broadly, you can say, plus minus 25-50 basis point, we'll leave the dimension in the margin we can expect in future.

Finportal: Okay, the next question is, Recently, I saw on Instagram, Purple has added 5 more additional stores. Can you please elaborate on this?

Mr. JD Seth: So, we, in this month only, I think there is a question. 31st December, we were having 91 stores. Yes, we have added 5-6 more stores. Normally, we give a store announcement by, after the end of every month. So, some details, we have added, one store in Mumbai at Belapur. We have one store at Pune also, Tribeca mall Pune also. We have opened one store in Bangalore also. So, this month, when we'll report, you'll see that we'll be having 100-plus stores.

Finportal: So, the next is, what is the mix of online sales between own website and third-party vendors? And are there any margin difference between them?

Mr. JD Seth: Okay, so, see, again, as I mentioned, initially, that we have revamped our website from .in to .com, and we have relaunched our website. Currently, we are getting around 75 to 80 orders per day on our own website. And we are hopeful that this will be scaled to 400 in another 2 to 3 months. So, that is the plan we have. If we talk of the marketplace, other marketplace, we have around 300 orders per day.
And this, this, we are hopeful that it will be scaled to, I don't know, 400 to 500 orders per day. So, our target internally is to scale the overall D2C, or marketplace business, to around 800-1000 orders per day.

Having said that, it's not, margins, are better in our, if I talk about the gross margin better in our, in our own website but yes, we have to do certain marketing spend In, in our own website. And, so, if we talk of CM1, maybe, may be aligned with the, whatever expectation of 58-59% of the gross margin. But if we include the, marketing costs then, it impacts. But since we are in the, building stage of our website, so strategically, we have taken a call that will be. We're also.

Finportal: sir next.

Mr. JD Seth: Having a decent run. Hello? Am I not audible?

Mr. Naresh Kumar: Audible, sir.

Finportal: Sir you're audible.

Mr. JD Seth: So, we are targeting a, to have a better, return on advertisement spend, as far as D2C is concerned And, margins all, on the marketplace our, because, in our business model, we have to, align the, return percentage also and margin, are comparatively higher, if we talk of the, competitiveness, rather.
we're able to derive, because we have to pay the commission fees, the logistics fees, then, the return logistic fee, and we have to do the marketing spend also on our, marketplace. So margins, obviously, in the long term, will be better in our D2C space.

Finportal: Okay, so, the next question is on, so around margins, that what is the difference between apparel versus footwear margins? And retail and e-commerce mix in FY27.

Mr. JD Seth: so, again, margins are more or less aligned in apparel and footwear. Yes, but yes, I can see that since we are focusing on the, premium, premium fashion goods So, as and when we scale the ladder, margins are better. So, just to give you an example, there are probably 3 categories, core, essential, fashion, or seasonal. So, core and essential, the margins may be in the range of 55% to 56%, but if we talk about the fashion, or the some seasonal item, the margin may climb to 60% to 63%. So, on an average, you can say the margins are in 50% to 60%, but it's the pricing strategy, the more or less the margins are the same in both footwear and apparel as a category. Don't see any much of difference in that.

And the second question, FY27. I'm not authorized to give any forward-looking statement. I can only say that we are very positive at our D2C website, and I've just mentioned that in another 2-3 months, maybe we'll be able to get around 400 orders from our website, and similar orders from our marketplace also. So, accordingly, the contribution, will… will also increase as far as the e-commerce business is concerned. Ideally, we are targeting around 10-12% should come from our e-commerce business in FY27.

Finportal: okay So, the next question is, post the 100 stores expansion, which is, now complete, is the first question, and what are the future 6 to 12 months expansion plan? How will we get the same funding?

Mr. JD Seth: See, around, 30 stores are still are in the project stage. So, around 30 stores, the things are more or less aligned. We have, certain working capital limits from, our participating banks, that takes care of Our working capital requirement. a couple of, I think one and a half months back, we also made an announcement that we'll be raising certain equity, but, But we have decided to reduce the size of round that we'll be raising for the equity, and we have certain commitments also And maybe, we'll close, close that, round So, it has to be a mix of equity and debt, and plus, we are getting some decent franchise inquiries also, and, that also will help us in scaling our growth, scaling also so these are two key factors, combination of, debt and equity plus franchisee, expansion will also happen. It will not happen at a very big phase, franchisee, but at least, what I'm assuming is that 8-10% growth, contribution can come from the franchisee expansion.

Finportal: Sir, the next is, for toys business can you please elaborate your business strategy? It was started in 2024, yet after 2 years, it's hardly 2% of the business. Why this is spinning?

Mr. JD Seth: so, Toys In our business model, it is an impulsive buying products. So, and we are focusing only on the soft toys as a category. Till date, because we are, selling toys only on our, our retail stores So that's why the contribution is only 2%. And, strategically, we have, we have decided to keep this category as, as an Impulsive buying products also, because we see, larger growth in, Apparels and, footwear, in the, in the times to come And, toys, the kind of volume that are required to, scale the business, I do not think so that retail can support that kind of set-through, That's my personal observation. Maybe in that case, we may have to approach alternate channels of offline business, or even if we have not launched into a D2C business also.

So, in our overall strategy, it is an impulsive buy category. We, strategically, it is there to increase the, bill size of a customer and increase the unit per transaction. And, and that's in the, in the next 6 months to 1 year, that is the strategy for this. If ever we want to go into the details, sourcing of toys as a category, then we have to design an overall plan targeting other channel also. But currently, we see, a lot of, future growth can come in these two broad categories, that is the apparel footwear. So, we are currently strategically focused on these two categories only, this, toys, any future expansion, will may decide, let's say, after one year or so, that how we want to shape that toys as a, business. Because There are specialized toys companies also who are focusing on the toys, and ironically, they cannot focus on retail, because with one category, you cannot build a retail business. Hamleys is an exception, but they do a lot of other things also, and so, on this, it has to be a 3-secondary strategy, but if you want to cater all the channels, then, that call will take, let's say, after 1 year or so.

Finportal: Oh, yes, sir. The next question is What is the average store size, and are all these stores…

Mr. JD Seth: Sorry, I'm not able to hear you.

Finportal: Hello?

Mr. JD Seth: I missed that word, please repeat'.

Finportal: Am I audible?

Mr. JD Seth: Now you're audible.

Finportal: What is the average store size, and are all these stores on lease?

Mr. JD Seth: Yes, we are in the asset-like model. We follow the best practices that are being followed, internationally by international brands, or by the domestic brand. So, all the stores are on lease basis, and if you see any bigger brand, they do not buy their property, they take the properties on lease only.

Talking of the average store size, we target to have an average store size of 1,000 square feet. In case of malls, sometimes, because of the, some concern, it was a… carpet area can be around 700 square feet also. But, we are targeting new age colonies also. As I just, show you the standalone, shown you the standalone stores. Now, for on the New Age colonies, for just to give you an example, all the cities are expanding. Mumbai is expanding to Navi, Mumbai, Delhi NCR are expanding to Noida and Gurgaon. Similarly, we have seen expansion in Indore a lot of high. So, all these new-age colonies, what is the trend We have seen That there are high rates also, such a development of high raise, or structured malls.

So, on these kind of location for New Age colonies, we are Focusing on the standalone property so that, we can get a bigger facade, better connect with the customer. So, average store size, is 1,000 square feet, but wherever we are getting the opportunity, we are opening store 2,000 square feet plus also. So, our bigger store is around, 3,000 square feet that we have 3,200 square feet, roughly the area we have.

Finportal: Okay, the next is, what will be the sales revenue per month of the mature stores over 36 months? Please explain distribution platforms, who are these distributors, and your outlook on receivables.

Mr. JD Seth: Okay. So, normally, whenever a store is, approaches a stage of maturity, we expect a revenue of 900 rupees per square feet And at the maturity level, it can reach up to 1,200 to 1400 square feet, depending on the area, depending on the size, depending upon the cash vicinity of that store.

So, distribution, second point you have asked. These are the, regional distributors who work with all the domestic or international brand, and they have a network of supplying goods in their region. So we supply goods to them, and they, in turn, supply to the Mom-and-pop stores or regional EBOs, so that is a network, and normally these distributors work with all the names like Levi's, Skechers, Puma, Regional Press, Domestic Place, etc., so they work with all of them In fact, my initial journey have been on the similar mode, but because we were the Distributors for all these brands also.

third part of the question, you are the receivables, yeah. So, ironically, we have to report numbers for, March and September and these are the two months where we have to build the inventory for the, for, for forward selling, so suppose we have it, we have a distributor, or we have, a regional MBO So, normally, and distributors have, let's say, 50-60 point of sale. So, whenever we have to build this distributor, at least we'll, we'll not build them 50 pieces, we'll have to build them 50 sets, or at least 40 sets So that they can service there, market in their region. So, in this period, suddenly, the inventory built up, the debtor buildup happened, because we have to build to these distributors, or our, MBOs also, for launching the season.

And having said that, we have to build in the desired assortment also. It is not that we can build one article or two articles, it has to be a mix of all the subcategories. If we're building a footwear, it has to be good number of options for flip-flops, ballerinas, cloges, shoes, sports shoes, etc. Similarly, apparels also, it has to be a mix of t-shirts, shirts, trousers, denims, etc. And that too, again, there are two genders.
Boys and girls. So billing and inventory buildup happened for, the distributors, as well as regional, retailers also And slowly and slowly, it's, it normalized, because then the, then the repeat order that we receive is of the, of the sizes that have been sold.

The retailer will give you order of, let's say, small, they have sold, they will, place order for small size only. They will not place the size for the entire size. So, this is a part and parcel of our industry. But yes, having said that, since we are passing the journey of branding making to an established brand And, normally the trade periods in our, in these kind of business are 90 to 100 days also Plus, there are, supply chain channels also that, distributors or regional retailers don't, take into the county. I just, just wanted to clear that. For example, we received a purchase order on 1st of, any month, from any regional retailer alliance We are ready to display the good by 5th of that month. Normally, we seek for the appointment because they have multiple distribution centers And, based on the availability of space, we can get an appointment in 15 to 20 days and they also take 5 to 7 days for GRN goods. So practically, the goods that we have invoiced on 5th of month they are, they are in warding it at, next, next fifth of months, and they, they take the inward date as their, payment cycle, not, not our billing date. So that is also reflected in the, in the workbooks, and it goes towards the showing higher receiver.

So, so these are the, two things, and, as another sequel project, these things are, aligned as per the, normal, trade, trade practices.

Finportal: Okay, so the next question is Has been the performance during the current winter season? Has there been some impact due to delay in onset of the same, or with festive dates shifting in September?

Mr. JD Seth: I have not deep-dived into this data, but broadly, you know, we have not seen any reduction in demand, and we are getting decent demand from all the generals. So I'm not deep dive. And, but yes, I think Later the festival, it is always better, because winter is a need-based buying, and then the ASPs are high, but we are seeing growth via-via the last year numbers, so I have not seen any impact on these aspects, but if you want, I can just deep dive the numbers and get back on this.

Finportal: Okay, the next question is, do we plan to open standalone stores for toothless in the future, or plan to expand the per square feet area of retail stores?

Mr. JD Seth: This, very, very point you mentioned, because we discussed this point yesterday also in our investor meet, that we should open, standalone store for toothless. We, we're in that deliberation state, let me be very honest. So, and, so, obviously, a toothless will, occupy a decent space in our, current MPOs. But strategically, we are discussing this point I'm not rooting it out Maybe, you'll see toothless stores also in future.

Finportal: Okay, so the next is, what is our strategy regarding our distribution and key accounts business? What is a target growth rate for these segments?

Mr. JD Seth: So, as I mentioned, initially, we'll be focusing on control business. That will be our retail and our own website but we cannot ignore the key accounts of the distribution channel. Organically, it will be growing, but, because, it has distribution in particular has reached a certain level of maturity. We are focusing on regional MBOs, and that we are strengthening, because these regional MBOs operate in a similar fashion as how retail operates. we normally call them mini, mini retail stores, or shop and shop.

So, we'll be, we are expanding in the key accounts business distribution business, normally, what is happening, all the MBOs, they're also upgrading themselves also, and now, they're also, instead of become being a, mom-and-pop stores, they're also organizing themselves. They're also, making this to, feel good, giving a separate area for each branch And, upgrading themselves, upgrading their customers also. So, shift will happen from the, distribution to the MBO business. That's what I'm, Now, servicing of MBO business has two parts. It can be served through distributor also, it can be served directly from the company also or it can, it can be served to the, though, regional agents also. So there's a mix and match strategy that will happen, but yes, definitely, distribution business will shift towards more organized MBO business. And, it will be growing organically, but the focus will remain on the, our retail and D2C business.

Finportal: Okay, so the next is in last one year, a lot of startups have opened in kids wear space All of them are introducing unique designs and spending a lot on customer acquisition. So, how are you planning to handle competitive intensity in this space? Is there any USP for our brand?

Mr. JD Seth: retail, expansion takes its own time obviously, they can spend a decent amount on marketing and focus more on D2C customer or on their website also. But I'm a strong believer that multi-channel strategy will pay in the long run And, whether it's, the D2C marketplace, our own retail, and, other offline business also. So strategically, we expanded in retail Now we are building our D2C platform And, since we have decent presence in certain pockets, when we are able to get entry into the MBO business also, there are very, you can say, mini scale, entry value. These startups, normally do not focus on footwear as a category, footwear, hardware, USB, and sometimes these startups do not focus on all the all the product categories. They may be focused on the casual wear, but they're focusing on, let's say, party wear etc.

They may be having a, you can say, focusing on one or two aspects also. But building retail, they will require at least two to three years to come to this level of, let's say, 100 plus stores So, I think, by that time, we'll be able to expand on our wings in all the channels, and the market size is very big, and many players can operate, so we are not facing, we do not foresee any challenge as far as getting a decent market share also in this, category.

Finportal: Okay, sir, next is, how stores are yet to break even out of your total stores? And what is the average payback period?

Mr. JD Seth: Normally, average payback is 2.5 years, and If we go to the stores which are 6 months old.
Can you pardon me a minute, please?

Finportal: Sure sir,

Mr. JD Seth: Sorry, for disturbance. Naresh, you can answer this question. I think, ignoring, stores who are having aging of 6 months, up to 6 months, what is the status of store at the break even one level, store having, positive EBITDA Can you answer this question.

Mr. Naresh Kumar: Around 55 stores are, positive EBITDA, and, we are hoping to get some, 10 to 15 stores by next month to be break-even.

Mr. JD Seth: Hello.

Mr. Naresh Kumar: Hello?

Mr. JD Seth: Are you there?

Mr. Naresh Kumar: Siddhi are you there?

Finportal: Hello?

Mr. Naresh Kumar: Yeah

Finportal: Sorry, am I audible?

Mr. JD Seth: Yes you are audible.

Finportal: So the next question is, given that you will have, near-zero receivables on sales from your own stores, and given that you are expecting more than and half the revenue from retail channels going forward, would the receivable case come down sharply for you?

Mr. JD Seth: They've already come down. They've already come down. Once we disclose the future numbers, you'll see the change. As I mentioned, just ignored the March to September numbers, because at that time, peak building happened, but if you compare month on month, they're already Aligned with the industry standard.

Finportal: Okay.

Mr. JD Seth: Siddhi, we're not able to hear you. Hello?

Finportal: Oh.

Mr. Naresh Kumar: Siddhi seems there are network issue at your end.

Finportal: The question is, Am I audible now?

Mr. Naresh Kumar: Yes. Siddhi, you are on mute now.

Finportal: Hello?

Mr. Naresh Kumar: Yes, please. Audible.

Finportal: Yes. So, the last question is That how many SKUs you have currently in apparel and footwear, what is our average order value, and how much we are spending on customer acquisition.

Mr. JD Seth: In marketing, I will tell you, around, 3-4% we're spending currently on marketing And the average total value Obviously, it depends upon the product category and changes with the season, because the product categories are very wide Around 800- 900, you can see it happens in summer, and 1200- 1400 in winters. So, that is the ASP, and what was the third part?

Finportal: So the third part of the question was, how much we are, SKUs, average order value, and how much we are spending on customer acquisition. So, these three were the questions.

Mr. JD Seth: Okay so, average order customer acquisition, around 3% to 4% we are spending on marketing. And the third one you said, sorry?

Finportal: SKUs

Mr. JD Seth: Okay, around, 600 SKUs we have, and, around 300-350 we have in apparels, and in the, 250 in footwear.

Finportal: okay sir, Okay thank you so much, sir, for answering all the questions, and thank you so much for the participants. On behalf of Finportal, I would like to express our gratitude to Mr. JD Seth and Mr. Naresh Kumar for taking out the time to join us and provide such detailed responses. Sir, I would request you to give the closing remarks.

Mr. JD Seth: Sure, thanks for your time and patience, and I can only, say by concluding that kids film marketing is now shifting towards, is now maturing, and it's shifting towards the, being a, kids' fashion, growing the kids' fashion in this space And primarily, it is happening, due to the growing, disposable income of young parents. Shifting from the unorganized player to the organized player and a lot of attention being gained by this category because of the exposure of young parents, nuclear families, towards the social media.

So, Indian kids' fashion industry is really entering an exciting phase of growth And, we see that there are a

lot of growth opportunities, available in this space, and, the kind of positioning that we have been able to, create, because of, support of our, IPO shareholders' funds, and support of our bankers, and, we are in such a way that We do not see any challenge In the coming, year for the similar amount of, growth, coming to, where we foresee, in the time to come And, obviously, it is possible because of the trust of the shareholders, our partners, our employees And, so Purple united is poised to be the kids' premium fashion, for the growing India, and that is the objective to, we are working on. And, we are very hopeful about the, future, prospects and growth of the company.
Thank you very much. Thanks for your time, and thanks for your patience. Thank you very much.

Finportal: Oh, thank you, sir. For all the, questions that are unanswered, please feel free to reach out to us on the email IDs given in your chat box.

Thank you, you may now disconnect.

Mr. JD Seth: Thank you very much. Thanks. Thanks, everyone. Thank you.