

Kaya Limited

November 2, 2018

To,
The Secretary,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
BSE Scrip Code: 539276

To,
The Manager
Listing Department
National Stock Exchange of India
Limited
'Exchange Plaza', C-1 Block G
Bandra Kurla Complex, Bandra(E)
Mumbai 400051
NSE Symbol: KAYA

Subject: Performance update

Dear Sir/ Madam,

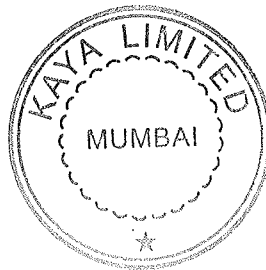
Please find enclosed performance update on the financial results of the Company for the quarter ended September 30, 2018.

Kindly take the above on record.

Thank you.

For **Kaya Limited**,

Nitika D.
Nitika Dalmia
Company Secretary &
Compliance Officer



Encl: A/a

Q2 FY 19 Investor Update



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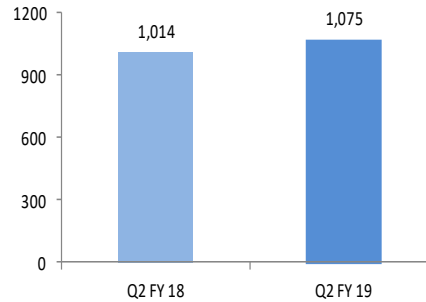
Q2 FY19 Highlights

Kaya Group

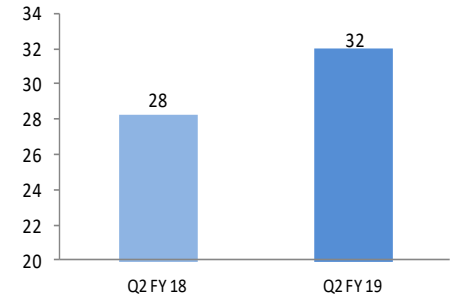
- **Net Revenue (NR)** for Q2 FY19 at INR 1075 Mn, grew by 6% over LY
- **EBIDTA** of INR 32 Mn (3% of NR), as compared to EBIDTA of INR 28 Mn (3% of NR) in Q2 FY18
- **PAT** at INR (21) Mn (-ve 2% of NR), as compared to INR (17) Mn (-ve 2% of NR) in Q2 FY18

Q2 FY19 Performance

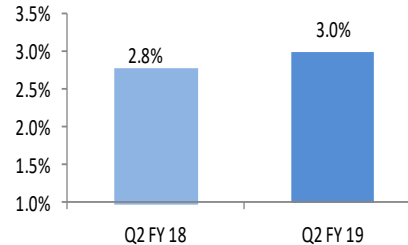
Net Revenue (INRMn)



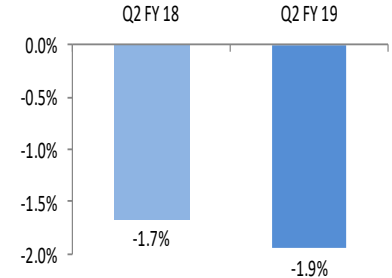
EBIDTA (INR Mn)



EBIDTA Margin %



PAT Margin %



Kaya India – Highlights

- Net Revenue for Q2 FY19 at INR 521 Mn, grew by 1% over LY
- EBIDTA is INR 9 Mn (2% of NR), compared to EBIDTA of INR (2) Mn (0% of NR) in Q2 FY18, improvement of Rs 11 Mn
- PAT at INR 7 Mn (1% NR), compared to PAT of INR (11) Mn (-ve 2% NR) in Q2 FY18, improvement of INR 18 Mn

Key Initiatives :

- Room utilisation improved from 41% to 46% and Session consumption grew by 12% over LY
- Growths seen in key focus categories : both Hair care and Products. Ecommerce grew by 90% in Q2
- New retail identity roll-out continued with launch of flagship clinic at Greater Kailash, New Delhi
- Savings in Corp OH & ASP by 16% and 28% respectively over LY

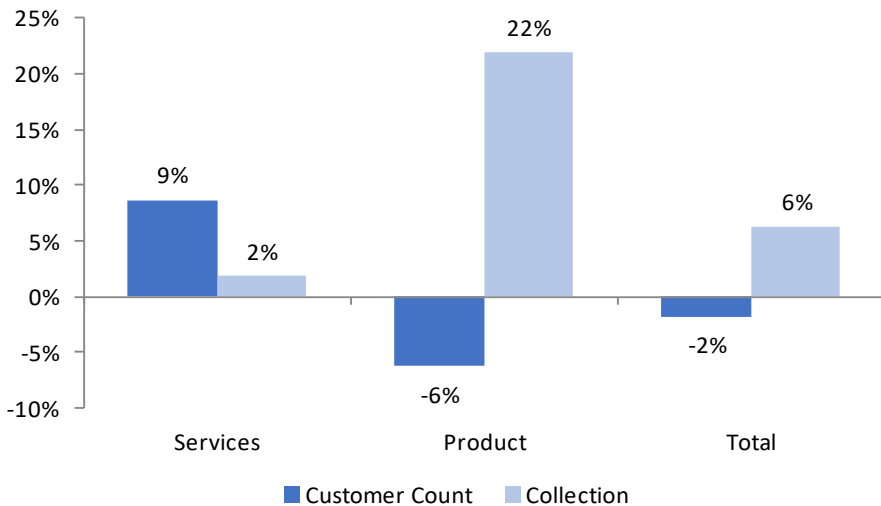


Kaya India - Clinics

- Overall Collection growth was flat in clinics;
 - Customer Count grew by **4%** over Q2 LY
 - Ticket Size declined by **4%** over Q2 LY



Operational Indicators

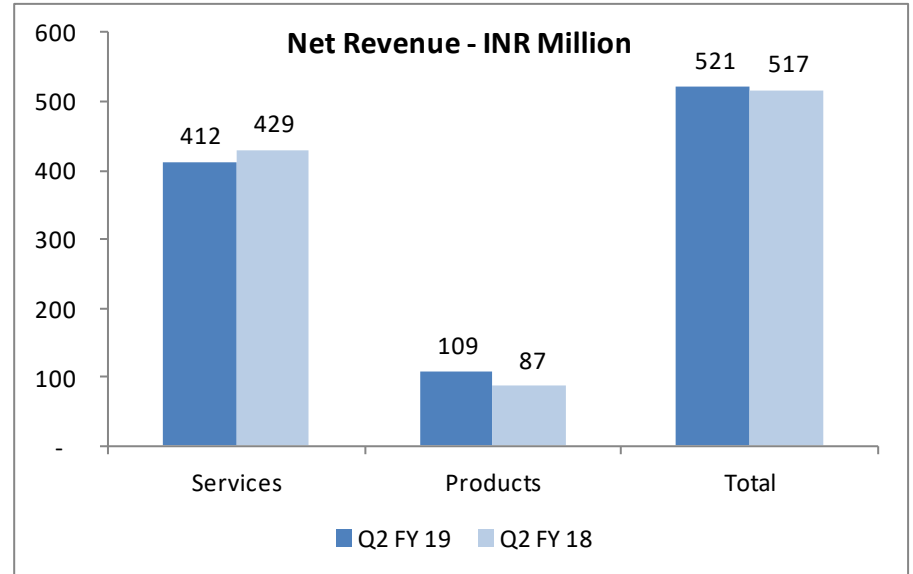


Kaya India

- Kaya India Q2 FY 19 revenue grew by **1%** over Q2 LY
- Service revenue declined by 4% over Q2 LY
- Product revenue grew by **25%** over Q2 LY
 - E Commerce revenue grew by **89%** over Q2 LY
 - Kaya Products Outlets revenue grew by **35%** over Q2 LY



Net Revenue





Kaya's Root Regen System

Reduces
Hair Fall
by 2X

- A 4 step Hair care regime that reduces hair fall by 2X and gives 2X stronger hair from the roots
- Contains **Super Foods**-like Avocado, Macadamia nuts, olive oil, apple extracts, lemon, sugarcane and Basil extracts.





Kaya's Vital Volume range

For 2X volume
boost for Limp
& Lifeless Hair

Launched Apr-18

- A 3 step for fuller denser looking hair.
- Contains ingredients like Rice Protein to boost hair volume upto 2X





Kaya Dandruff Control System

For Soothing
Dandruff-Free
Scalp

Launched Aug-18

- A 4 step Hair care regime that gives upto 100% visible flake reduction
- Contains **Power Actives-** Piroctone Olamine & Marine Algae Extracts that soothe the irritated scalp and removes dandruff

INTRODUCING
**Kaya's
Dandruff Control
System**

UPTO
100%
VISIBLE FLAKE
REDUCTION

1
2
3
4

kaya hair
DANDRUFF CONTROL
OVERNIGHT PURIFYING LOTION
Upto 100% Visible Flake Reduction*
with piroctone olamine & 100% natural algae oil for 168 prone hair

kaya hair
DANDRUFF CONTROL
DEEP NOURISHING MOISTURE
Upto 100% Visible Flake Reduction*
with natural extracts and proteins specially for dandruff prone hair

kaya hair
DANDRUFF CONTROL
HEALTHY HAIR ELIXIR
Upto 100% Visible Flake Reduction*
with piroctone olamine & 100% natural algae oil for 168 prone hair



Hair Care category

Category grew by 24% in H1

Growth led by Hair PRP (83%) & Transplants (63%)

Hair Care	Customer Growth H1 TY vs. H1 LY
Existing Customer count	27%
New Customer count	40%
Total Customer count	31%

- Overall Customer count grew by 31% driving category growths
- ~ 100 customers for Transplants in Q2
- Introduction of My Hair Ritual solutions, offering choice to customers, arrested decline of HHBS sub-category



An example of a transformation, a model who post a hair transplant is transformed both in looks and in confidence

Awards & Achievements

Q2 FY19

Kaya wins Awards in Marketing & Digital



A significant achievement

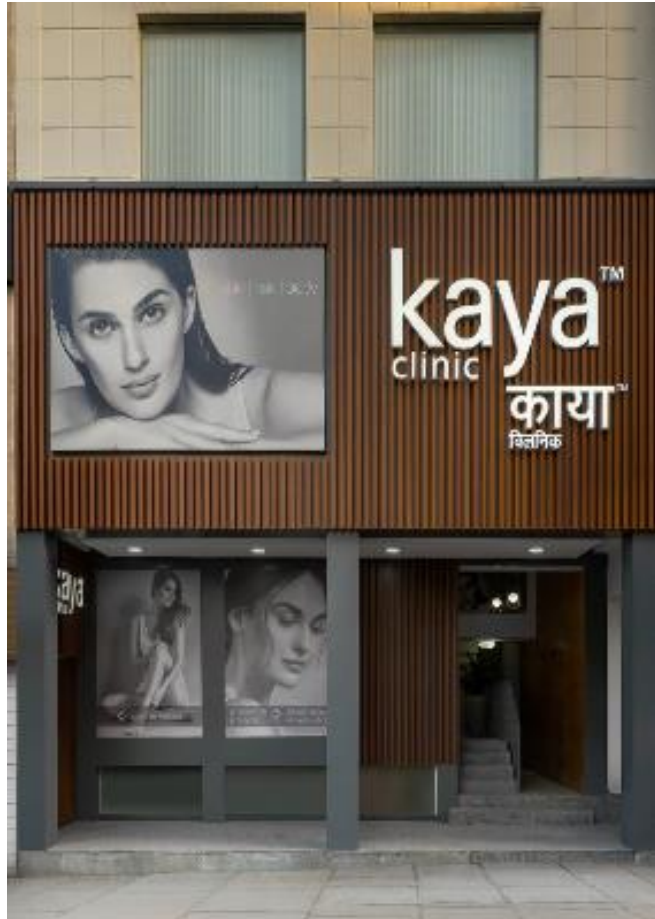
The advertisement features three Kaya whitening cream bottles arranged diagonally against a light blue background with a hexagonal pattern. The bottles are labeled as follows:

- Left bottle:** Kaya white lumens BRIGHTENING NIGHT CREAM. It contains 50g/1.76oz and lists ingredients like Vitamin C, Kojic Acid, and Niacinamide.
- Middle bottle:** Kaya white lumens BRIGHTENING DAY CREAM. It contains 50g/1.76oz and lists ingredients like Vitamin C, Kojic Acid, and Niacinamide.
- Right bottle:** Kaya Internal clarity Intense Reducing Complex. It contains 50g/1.76oz and lists ingredients like Vitamin C, Kojic Acid, and Niacinamide.

At the top right is the Kaya logo. In the center, a graphic reads: "KAYA IS ONE OF THE GLOBAL TOP 10 BRANDS in Whitening Creams". At the bottom, a purple bar contains the text: "Pigmentation Reducing Complex | Brightening Day Cream | Brightening Night Cream".



24 Clinics renovated over the last 1 year, delighting customers





Kaya – Middle East Highlights

- Net Revenue for Q2 FY19 at INR 554 Mn, growth of 11% over LY
- EBIDTA at INR 23 Mn (4% NR), compared to EBIDTA of INR 30 Mn (6% NR) in Q2 FY18
- PAT at INR (28) Mn (-ve 5% NR), compared to PAT of INR (6) Mn (-ve 1% NR) in Q2 FY18

Key Initiatives:

- **Shift of focus towards ‘Treatments’**
Emerging out of a ‘problem’, and ‘efficacy, difficult to commoditize and easier to build long term loyalty with. While ‘Laser’ and ‘Injectables’ have de-grown in Q2, ‘Treatments’ have grown in double digits, though on a small base
- **New Identity Clinics**
Three new identity clinics have grown against the region trend, breaking records month on month. Driven by experience and futuristic infrastructure
- **Innovations**
Innovations in ‘skin lifting’ & ‘Hair Care’ surpassed expectations

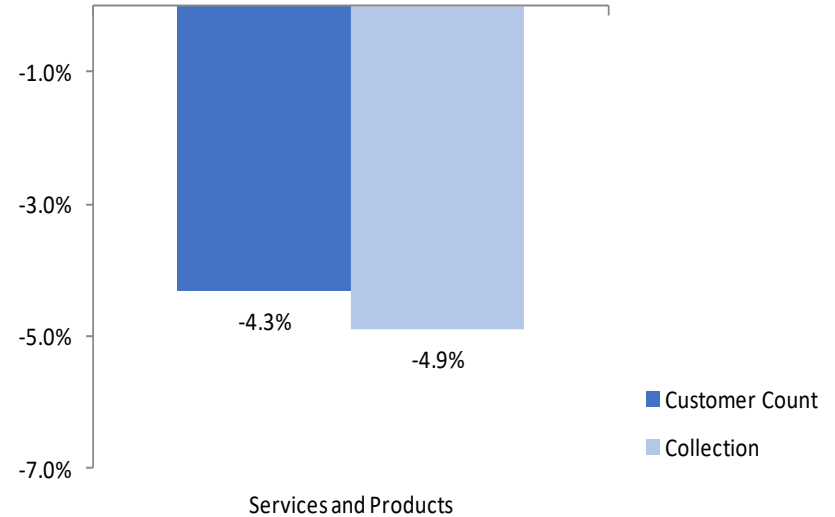


Kaya Middle East

- Customer Count declined by **4.3%** over LY
- Ticket Size declined by **4.5%** over LY



Operational Indicators



Financial Highlights : Kaya Group

Particulars (INR Mn)	Q2 FY 19	Q2 FY 18
Collection	1220	1163
Net Revenue	1075	1014
EBIDTA	32	28
Operating Margin	-41	-25
Other Income	0	15
PAT	-21	-17



5%

Collection SSG 2%
-ve 4% at constant currency



6%

Net Revenue SSG 6%
-ve 2% at constant currency

EBIDTA margin at 3% of NR
against 2.8% of NR LY

Operating margin at -ve 4% of
NR, as against -ve 3% LY

PAT Margin at -ve 2% of NR, as
against -ve 2% LY

Financial Highlights : India

Particulars (INR Mn)	Q2 FY 19	Q2 FY 18
Collection	651	640
Net Revenue	521	517
EBIDTA	9	-2
Operating Margin	-31	-30
Other Income	12	18
PAT	7	-11



Collection SSG at 1%



Net Revenue SSG at 3%

EBIDTA margin improved to 2% of NR against breakeven LY

Operating margin remained flat as LY at -ve 6% of NR

PAT Margin at 1% of NR, as against -ve 2% of NR LY

Financial Highlights : Middle East

Particulars (INR Mn)	Q2 FY 19	Q2 FY 18
Collection	570	523
Net Revenue	554	497
EBIDTA	23	30
Operating Margin	-11	4
PAT	-28	-6

9%

Collection SSG 4%
-ve 11% at constant currency

11%

Net Revenue SSG 10%
-ve 6% at constant currency

EBIDTA margin at 4% of NR, as
against 6% of NR in LY

Operating margin at -ve 2% of
NR, as against 1% of NR in LY

PAT at -ve 5% of NR, as against
-ve 1% of NR in LY

Financial Highlights : Kaya Group

Particulars (INR Mn)	Kaya India			Kaya Middle East			Kaya Group		
	H1 FY 19	H1 FY 18	Gr %	H1 FY 19	H1 FY 18	Gr %	H1 FY 19	H1 FY 18	Gr %
Collection	1234	1200	3%	1100	1066	3%	2333	2265	3%
Net Revenue	1032	1009	2%	1084	1017	7%	2116	2026	4%
EBIDTA	16	-36	145%	76	20	274%	92	-16	685%
<i>% to NR</i>	2%	-4%		7%	2%		4%	-1%	
Operating Margin	-57	-91	38%	16	-29	155%	-41	-120	66%
<i>% to NR</i>	-6%	-9%		1%	-3%		-2%	-6%	
Business PAT	-12	-38	68%	-2	-35	94%	-15	-73	80%
<i>% to NR</i>	-1%	-4%		0%	-3%		-1%	-4%	
Minority Share	0	0	-	3	8	-68%	3	8	-68%
Exceptional Items/Consol adj	0	0	-	8	7	11%	8	7	11%
PAT post Exception	-12	-38	68%	-13	-50	75%	-25	-89	72%
<i>% to NR</i>	-1%	-4%		-1%	-5%		-1%	-4%	



Corporate Overview

About Kaya

Kaya offers a comprehensive range of skin and hair care solutions through a range of specialized Kaya Clinics across India and Middle East.

Kaya also has a wide spectrum of 60+ products that range from Skin, Hair and Body care, for both men and women.

Premium Skin and Hair Care services and products brand

- Incorporated in 2003, Kaya is a pioneer in speciality skin & hair care with a **Unique Business Model**; a blend of Medical + Retail + Hospitality.
- Advanced solutions through state-of-the-art clinics and a range of retail products across distinct skin and hair care range

Dermatologist backed, USFDA Safe Technology

- All services and products designed and formulated by **in-house dermatologists** at Kaya's R&D.
- Over 150 experienced dermatologists. Every clinic has an in house qualified and certified dermatologist who consult & offer personalized solutions.

Operations

- 99 clinics spread across India in various geographies. Over 130 retail outlets in major department stores.
- E-commerce presence through own website as well as channel partners.
- Kaya is the largest international chain of skincare clinics in the Middle East (UAE, Kingdom of Saudi Arabia, Oman and Kuwait).

A New Age Business – Creating the market

Our Core Service Categories in Skin Care

Anti-Ageing

Dermal Fillers, Wrinkles Reduction with BOTOX®, Natural Skin Rejuvenation with PRP, Youth Renew Marvel with Thermage, Skin Tightening, Chemical Peels, etc.



Laser Hair Reduction

US-FDA approved advance laser technology for Permanent hair reduction. Nd-YAG, Soprano Laser.



De-Pigmentation Solutions

Aqua Therapy, Laser services, Microdermabrasion, Intense Pro Peels, etc.



Acne & Scar Treatment

Chemical Peels, Acne-Scar Free+ with Dermaroller, Laser Scar Reduction services, Acne Free with Aqua Therapy, etc.



Beauty Solutions

Beauty facials, hydration, purification, rejuvenation therapies.



Range of solutions across categories like Anti-ageing, Pigmentation, Laser Hair Reduction, Acne & Scars

Entered the Hair Care category in 2016-17

1
Consultation + Hair analysis
using a diagnostic tool

2

In-Clinic treatment plan

3

Hair care products + Diet +
Supplements to boost hair health

A well-rounded approach to treating Hair
Loss

KAYA'S
ROOT REGEN SYSTEM



Solutions in Hair Care

Hair Thinning: Kaya Targeted Root Regen System : Intensive Hair Root Therapy (IHRT), Natural Hair Rejuvenation, Hair Nutri-Infusion Therapy, Hair Root Activation Laser Therapy & Low Level Laser Therapy



Healthy Hair & Scalp Solution: Kaya Ultimate 360° Hair Elixir Therapy – Hair Volumizing, Frizz Control & Breakage Reduction

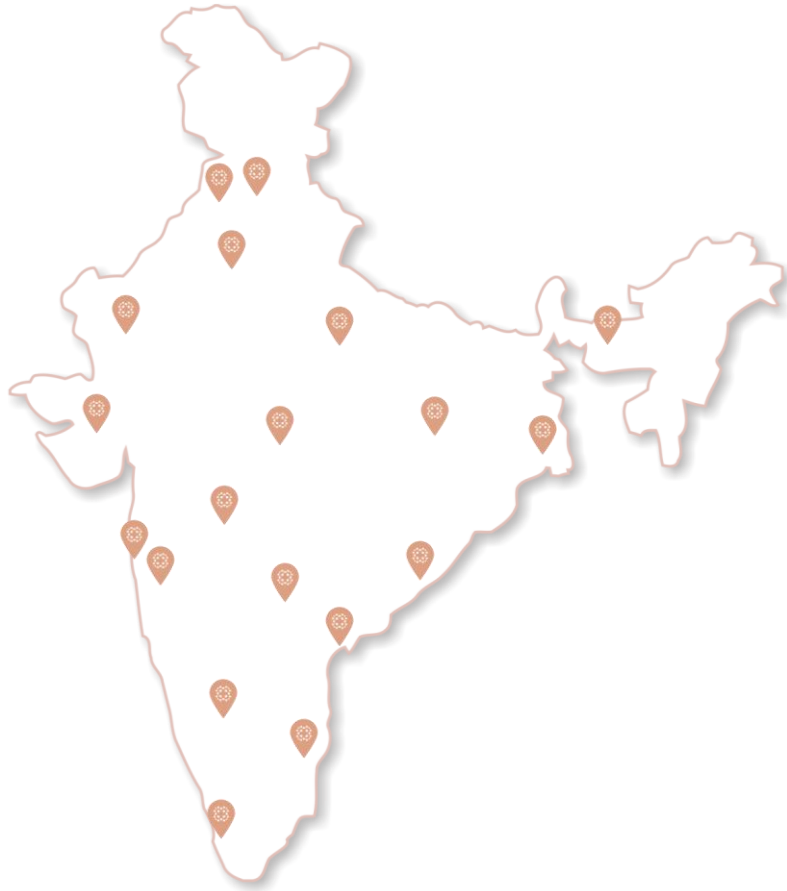


Hair Loss: Kaya Expert Hair Transplant Solution : Minimally invasive advanced Follicular Unit Extraction (FUE) method of hair transplantation which involves no cuts, stitches or scars



kaya™
clinic

Our Presence - India



99 Clinics

136 Product Retail Outlets

26 Cities

16 Indian States

UAE



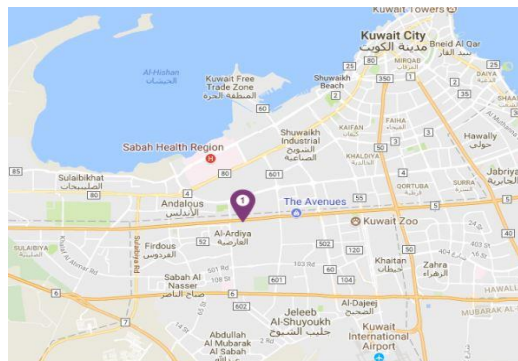
Oman



KSA



Kuwait



Our Presence – Middle East



24 Clinics

4 Countries

11 Cities

Thank You