

Ace Limited Quarterly Investor Update

October - December 2024

Overview:

Ace Limited, a leading e-commerce company in the cosmetics sector, concluded the final quarter of 2024 with solid performance driven by strategic market expansions and product innovation. The company operates predominantly in India but has rapidly scaled operations in Southeast Asia and the Middle East. In Q4 2024, new branches were launched in Indonesia, UAE, and Vietnam, significantly bolstering its regional presence.

Founder: Kunal Bansal

Key Financial Highlights:

(Figures in Rs mn)

- **Revenue Growth:** Revenue for Q4 2024 grew by **2.3% QoQ** to Rs **36.6 million**, maintaining consistent growth from Rs **35.7 million** in Q3 2024. This marks a **12% YoY increase** compared to Rs **32.7 million** in Q4 2023.
 - **Order Volume:** The total number of orders reached **36.6 million**, reflecting a steady **2.3% QoQ growth** and a **10% YoY increase**.
 - **MoM Order Growth:** While monthly order growth rates slightly moderated (from **5%** in Q3 2024 to **2.3%** in Q4 2024), this reflects the company's focus on high-value orders through strategic pricing and promotions.
 - **Geographic Contributions:** India remains the cornerstone, contributing 72% of revenues. Southeast Asia and the Middle East, aided by new branch openings, contributed 18% of Q4 revenues, compared to 12% in Q4 2023.
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Product Mix:

Ace Limited continues to deliver a balanced portfolio to cater to diverse customer preferences:

- **Skincare:** 40% of total revenue, driven by the launch of herbal product lines.
 - **Makeup:** 35% of total revenue, with strong traction during seasonal promotions.
 - **Haircare:** 15% of total revenue, supported by collaborations with influencers in Indonesia.
 - **Fragrances and Others:** 10%, with steady growth in high-end perfumes in the UAE market.
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Strategic Initiatives:

1. **Market Expansion:** Successful launches in Indonesia, UAE, and Vietnam during Q4 have opened up access to markets with a combined population exceeding 400 million.
2. **Digital Marketing:** Focused campaigns, including influencer collaborations and festive promotions, led to a 20% increase in customer acquisition rates.

3. **Product Innovation:** Launch of a "Clean Beauty" line aligned with sustainability trends, appealing particularly to environmentally conscious millennials.
 4. **Operational Efficiencies:** Implementation of AI-driven inventory management reduced delivery times by 12%, enhancing customer satisfaction and repeat order rates.
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Outlook for 2025:

- Continued investment in Southeast Asia and Middle East expansion.
- Scaling product lines tailored to regional preferences, such as halal-certified cosmetics for the Middle East market.
- Leveraging data analytics for personalized marketing to improve customer lifetime value.

Ace Limited remains well-positioned to sustain its growth trajectory while expanding its global footprint and fostering innovation in the cosmetics e-commerce space.

Team:

- Founder & CEO Kunal Bansal, is a serial entrepreneur with deep experience across building and scaling consumer businesses
- COO Joe Black is an industry veteran with over 20 years of experience with Unilever across India and South East Asia
- Chief Growth Officer, Mary Jane, also comes from the beauty segment having worked with leading global brands including Lakme, L'oreal and P&G.
- Company plans to hire a new CFO and a head of Middle East over the next few months