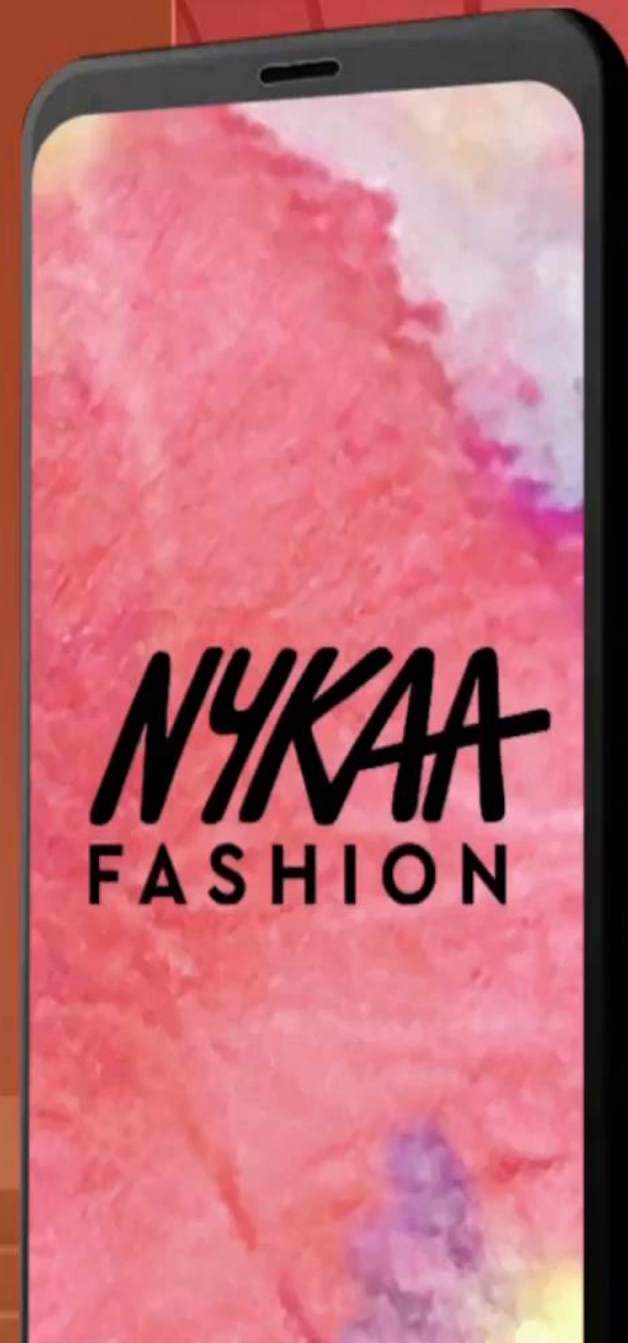


*NYKAA*

Investor Presentation  
Quarter ended June 30, 2024

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FSN E-Commerce Ventures Limited





**NYKAA**

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# Performance Highlights

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*NYKAA*

# Q1FY25 Performance Summary

## GMV

**Rs. 33,209 mn**

**+25%** YoY Growth

## Revenue from Operations

**Rs. 17,461 mn**

**+23%** YoY Growth

## Gross Profit

**Rs. 7,560 mn**

**+22%** YoY Growth

## EBITDA

**Rs. 961 mn**

**+31%** YoY Growth

## Adj. EBITDA

**Rs. 1,090 mn**

**+44%** YoY Growth

## PBT

**Rs. 221 mn**

**127%** YoY Growth

Margin\* **5.5%** (↑34 bps YoY)

Margin\* **6.2%** (↑90 bps YoY)

Margin\* **1.3%** (↑58 bps YoY)

**PAT\*\* of Rs 136 mn (150% YoY)**

Adj. EBITDA is before ESOP expenses, GCC business and organisational restructuring expenses

\* Margin% is on Revenue from Operations

\*\* PAT is after considering share of loss of associate

# Industry leading growth across Beauty and Fashion

All figures in Rs mn

## Beauty

28% YoY

19,908

Q1FY24

25,429

Q1FY25

GMV

## Fashion

15% YoY

6,758

Q1FY24

7,741

Q1FY25

23% YoY

12,984

Q1FY24

15,935

Q1FY25

Revenue

21% YoY

1,225

Q1FY24

1,486

Q1FY25

# One Nykaa: Key highlights for the quarter

## Customers



**35 mn**

Cumulative Customer Base

+33% YoY

## Brand Partners



**6,700+**

Global & Domestic Brands

added more than 1,500 brands in a year

## Beauty Stores



**200**

Stores\*  
milestone achieved

Largest network in India

## Fulfilment

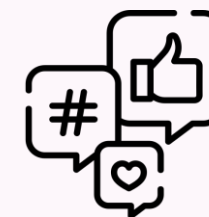


**44**

Warehouses\*\*  
[servicing 98% pincodes]

Investing in faster delivery in Top cities

## Content



**1 bn reach**

created through multiple IPs

Category creation through Nykaa Play, Stepification

**~\$ 400 mn**

Consolidated GMV in Q1FY25



\* as on Jul'24

\*\* includes 3P managed warehouses and FDA

Figures as on June 30,2024, unless stated otherwise

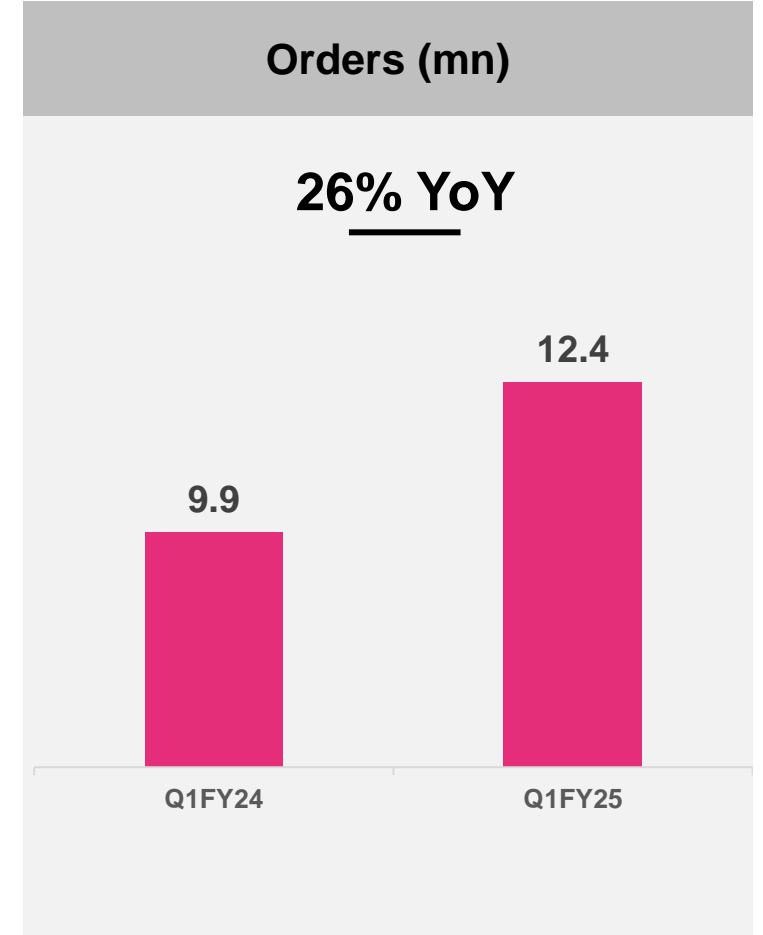
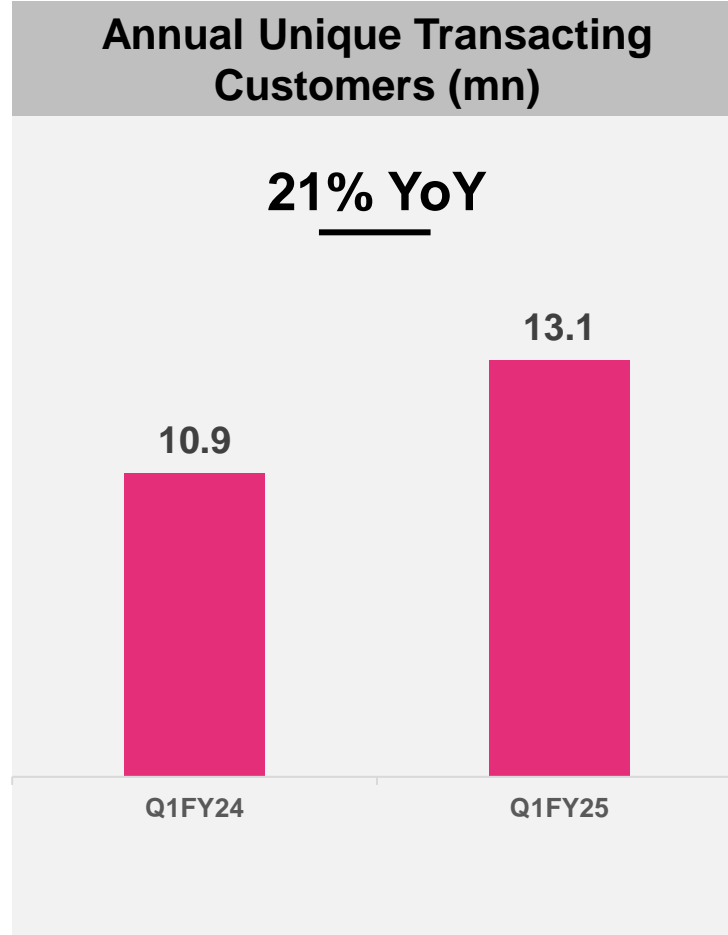
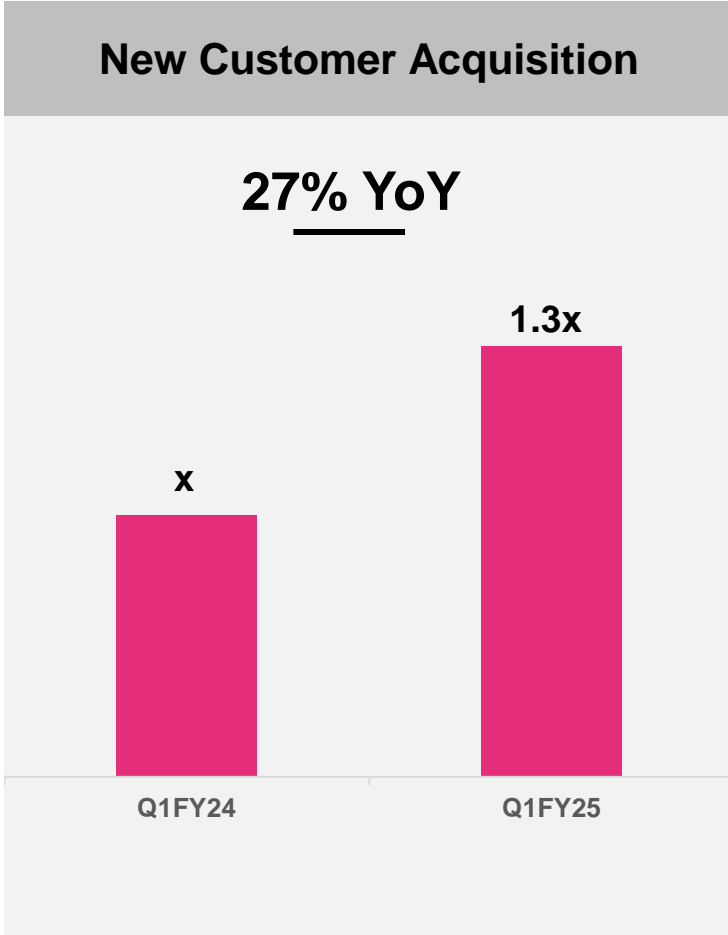
Conversion rate: 1 USD = 80 INR

# Beauty Multi Brand Retail

---



# New customer acquisition driving order growth





# Nykaa continues to be the retailer of choice for domestic and international BPC brand partners

## Colour Cosmetics

aflairza

CHIPMUNK

Pep Nails  
KITS THAT CARE

prishé  
beauty

Secret lives  
Choices for your every mood

SHILLS®  
PROFESSIONAL

## Bath & Body

august  
BIOSCIENCE

CURAPROX

KHEONI  
sustainable wellness

omeo



The  
Sass  
Bar

## Skincare

Ahaglow

肌本科  
dermistry+  
ROHTO

haruharu  
wonder®

ma:nyo

neude.  
The science of \_milk.

SUROSKIE

## Fragrances

AMOUROUD  
PARFUMS

ANNA SUI

DONATO

Guy Laroche Paris  
Parfums

MEMO  
PARIS

NISARA

## Haircare

HASK®

KERRATO®  
HAIR FIBRES

MYSTIQ  
LIVING

NATURE  
SPELL

से. SACRED GROVE प्रो.  
INDIA

SugarBoo  
CURLS

## Other Categories

BRIYO  
SUPPLEMENTS

CITTA®  
GENTLE. SAFE. TESTED.  
Traditions Backed By Science

ED  
Libertee

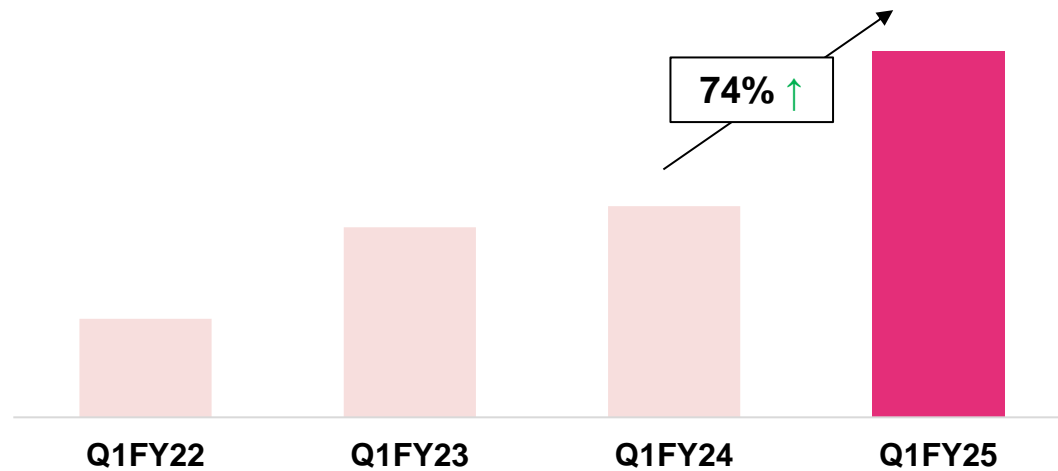
MiDazzle  
MI MAKEUP MI WAY

SANGYA

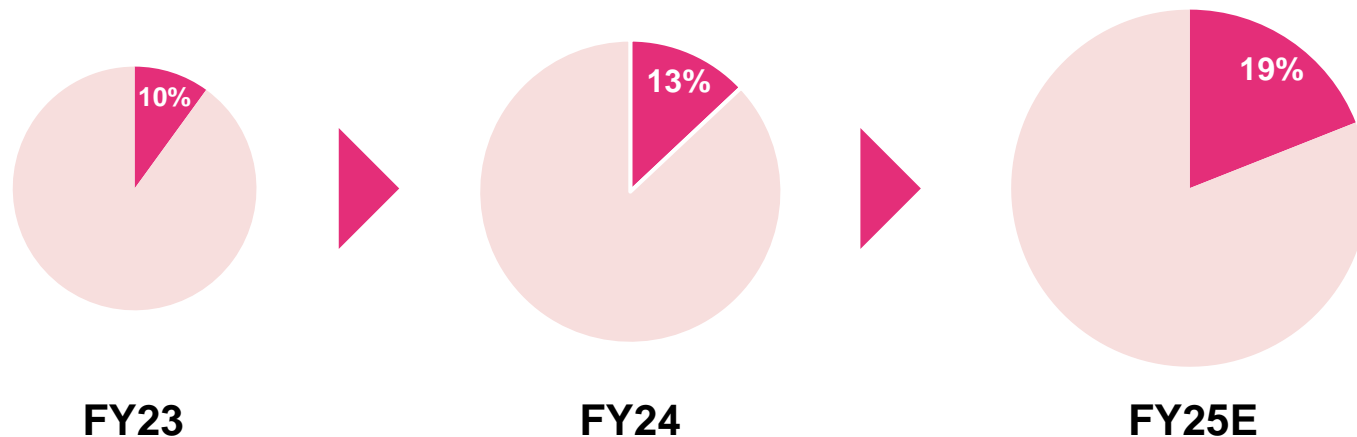
WishNew  
WELLNESS

# Nykaa is doubling down on prestige fragrances and aims to gain significant market share

**Prestige Fragrances are a focus area for Nykaa and have witnessed high growth in Q1 FY '25...**



**... with the ambition to gain market share and become the #1 prestige fragrances retailer in India**



## Illustrative list of key brands on Nykaa

- BURBERRY
- Dior
- ESTÉE LAUDER
- GIORGIO ARMANI
- JO MALONE LONDON
- LANCÔME PARIS
- paco rabanne
- TOM FORD
- YVES SAINT LAURENT

+ many more to be added

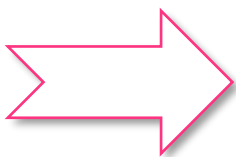


**An exclusive collective of discerning prestige keepers meticulously curated to create the fragrance category**

# Kickstarted the year of stepification through multiple owned IPs



Q1FY25 GMV (YoY)

A graphic for NYKAA's skincare routine. It features the NYKAA logo at the top, followed by four pink circles containing the letters C, S, M, and S, representing Cleanser, Serum, Moisturizer, and Sunscreen. Below the circles is the text "INDIA'S DAILY SKINCARE ROUTINE".

**Sunscreen growth**  
**1.3x**  
of Skin category

A graphic for NYKAA's "Prep-Cover-Set" makeup collection. It features a semi-circular arch with the text "PREP-COVER-SET" and "BY NYKAA" below it. Inside the arch are images of various makeup products like foundation, concealer, and powder.

**Setting Spray**  
**1.7x**  
of Color Cosmetics  
category

A graphic for NYKAA's "Healthy Hair Habits" hair care line. It features the text "TREAT WASH NOURISH" in small circles above the words "HEALTHY HAIR HABITS" in large, bold letters. Below this is "BY NYKAA".

**Hair Serum**  
**2.6x**  
of Hair category

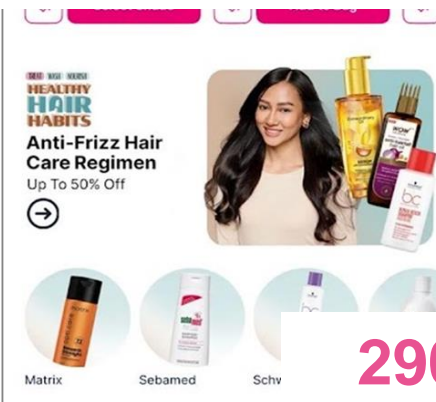
**420 mn**  
Reach in Q1FY25

# Healthy Hair Habits (HHH): Nykaa's Flagship Hair Event to drive regime upgradation and basket building

**Objective:** Drive 'stepification' by empowering consumers with a **haircare routine**, Educating about **high efficacy solutions** to solve **specific hair concerns**

## 360-degree activation

### On-platform

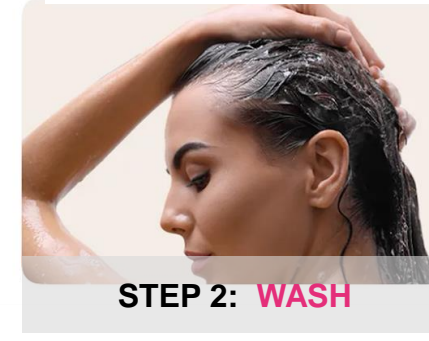


**290 mn**  
Impressions

### Off-platform



## TREAT WASH NOURISH HEALTHY HAIR HABITS BY NYKAA



## Category building (Jun'24)

GMV YoY

Hair Serum



**60%**

Hair Masks



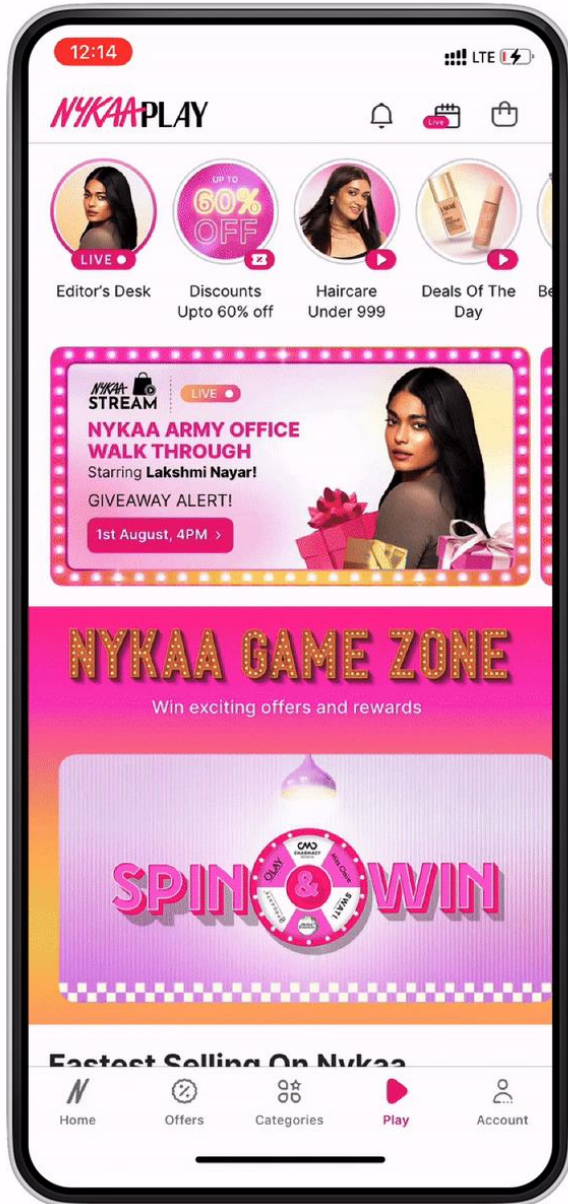
**32%**

**24%**

Hair customer growth vs BAU

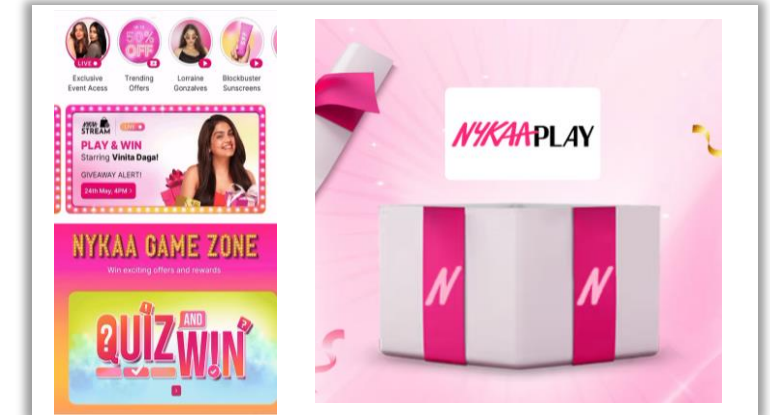
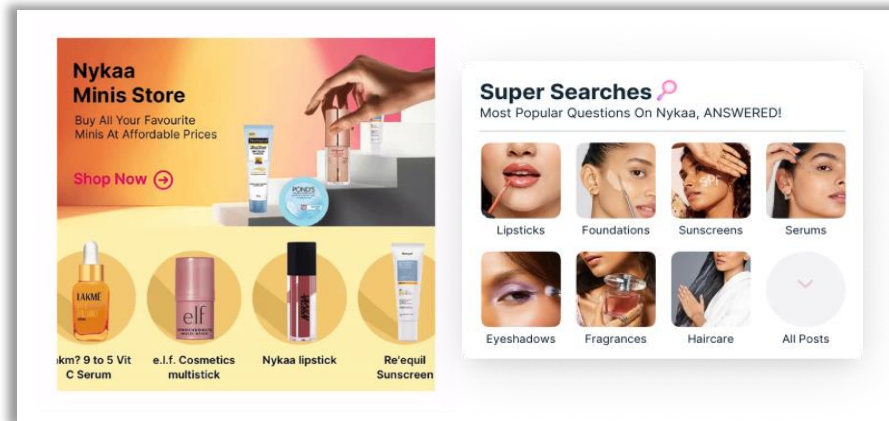
# Nykaa Play: Gamified on-app beauty discovery experience

Shoppable content, livestreaming, games, influencer stores and more..



Improving product discovery and consideration

Building on engagement to improve visit frequency



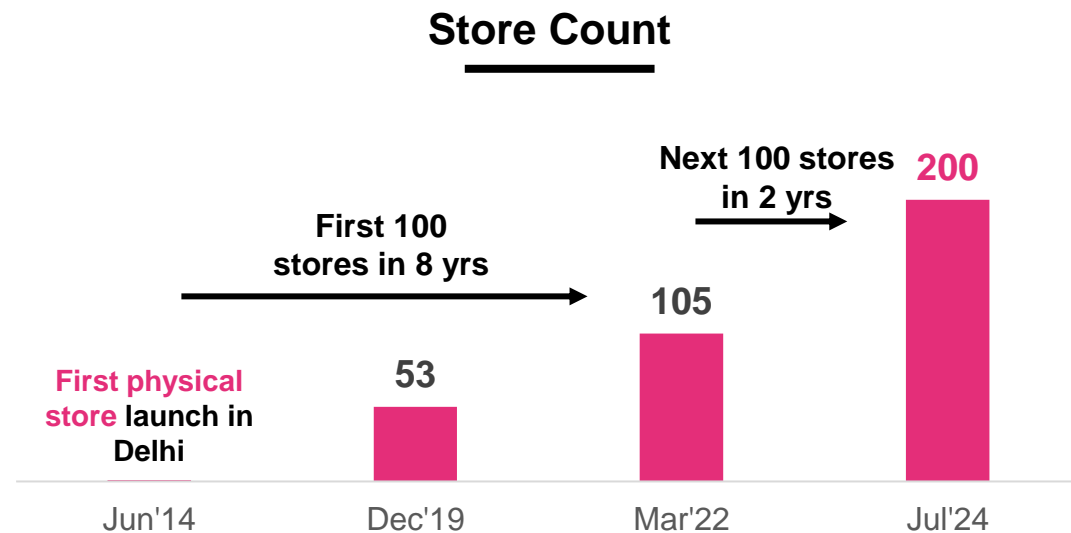
**35% higher**  
cart addition\*

**30% higher**  
Visits per visitor\*

**Leveraging play for driving customer engagement, improving purchase frequencies, and retention on the platform**

\* for Nykaaplay visitors

# Achieved 200 stores milestone in Jul'24



Strong presence across  
**72 cities**  
(as on Jun'24)

**1.9 L sq. ft**  
Total Area  
*[doubled in last 2 years]*

**8%**  
of Omnichannel Beauty GMV\*

**70%**  
3-year Revenue CAGR

\* Omnichannel Beauty GMV includes Nykaa.com, Nykaa Physical Stores, and Beauty owned brands

# New Store Launches: Nykaa Luxe



# New Store Launches: Nykaa On Trend



**Amritsar**



**Rourkela**



## 10 Prestige Brand Events



## 60 Masterclasses in store and in mall atriums



60 events  
across 30+  
cities

7,000+  
registrations

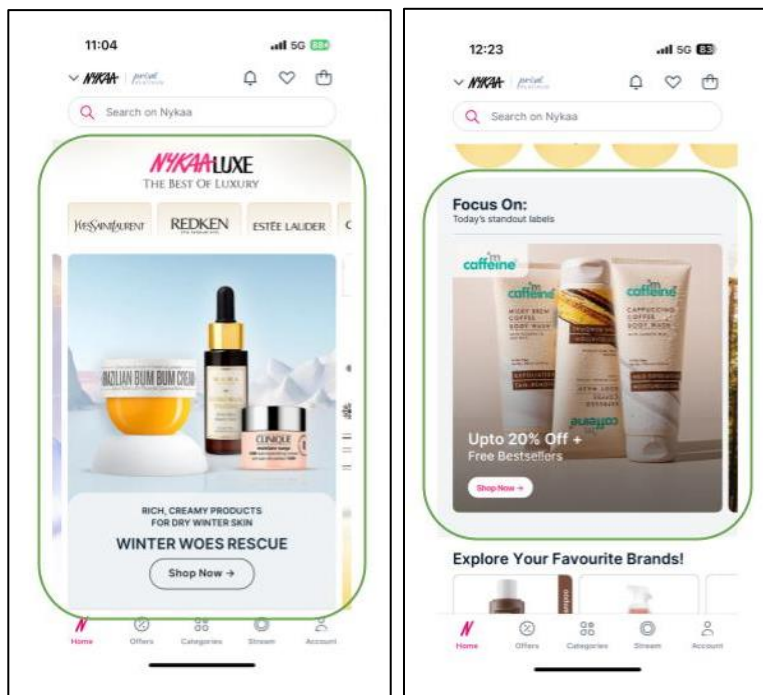
Partnership  
with the best of  
regional  
makeup artists  
to drive  
education and  
awareness



# Highly invested in providing a personalized experience to each user

## Cohort based discovery

- Improved luxe product discovery & revenue share basis identified customer cohort



- Observed higher CTR, impressions and increase in luxe revenue

## Hyper personalized collection widget

- Based on user's brand x category affinity
- Users' all past interactions (product views, cart additions, searches)
- Aids product discovery & conversion

### Explore Your Favourite Brands!



Forest Essentials  
For pigmentation

Lakme  
Makeup Combos

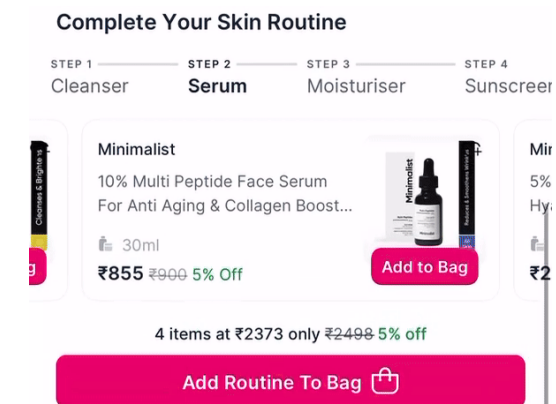
Wanc Showe

## Hyper personalized bestseller widget

- Based on users' category affinity
- Bestseller recommendations personalized by boosting relevant bestseller products

## Stepification via Routines Widget

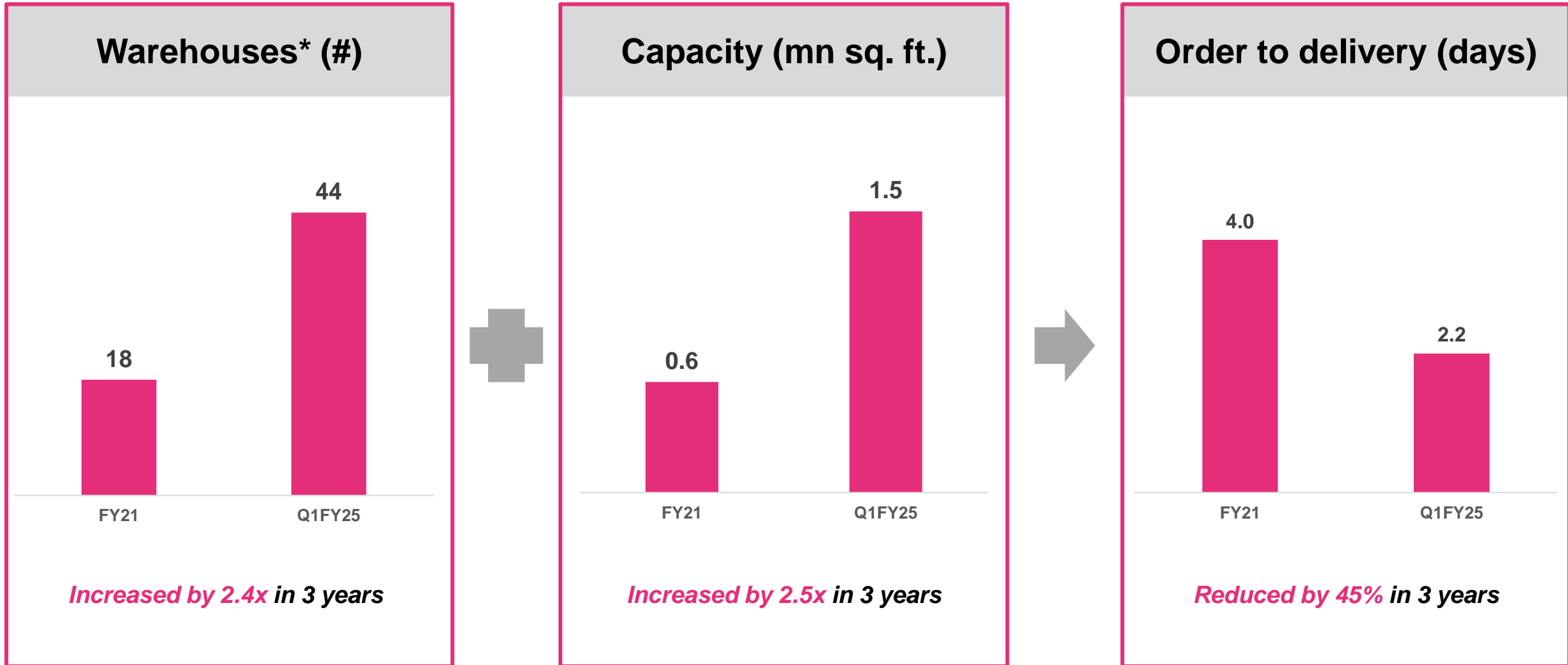
- Recommending relevant beauty routines (CSMS, TWN, PCS)
- Drive repeat sales and increase AOVs



## CRM – Personalized Collections

- Push notifications based on users' brand x category preferences, products previously purchased
- Observed incremental CTRs and revenues

# Getting closer to the customers to drive delight in delivery

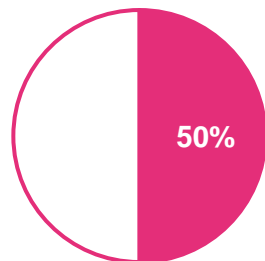


\* includes 3P managed warehouses and FDA

# Increasing Same day/Next day delivery share in Top cities

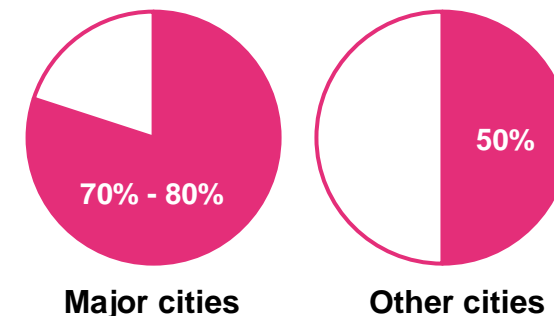
**Jun'24**

**12**  
Major cities



**Sep'24E**

**120+**  
cities



Share of SDD/NDD



City Coverage



Same Day /Next Day Coverage



**50%**  
*Of Nykaa's order volume comes from Top 12 cities*

**25%**  
*Of Nykaa's order volume*

**65%**  
*Of Nykaa's order volume comes from 120+ cities*

**~50%**  
*Of Nykaa's order volume*

**Same Day Delivery (SDD)**

Applicable for orders placed by customers before 12 PM on the same day

**Next Day Delivery (NDD)**

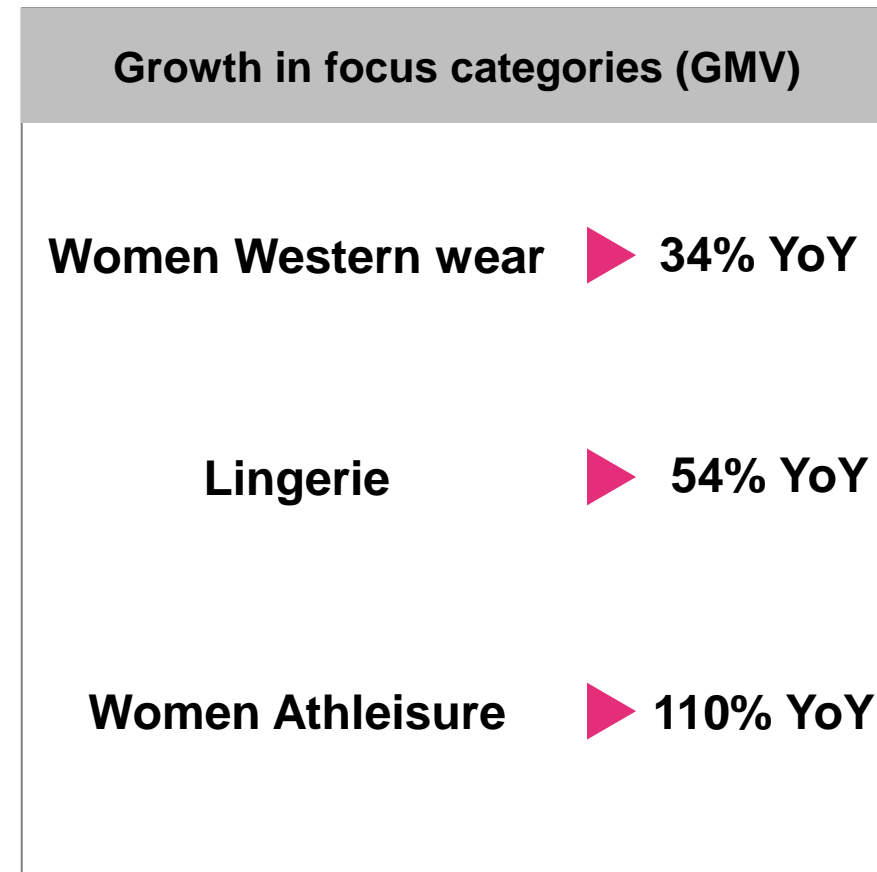
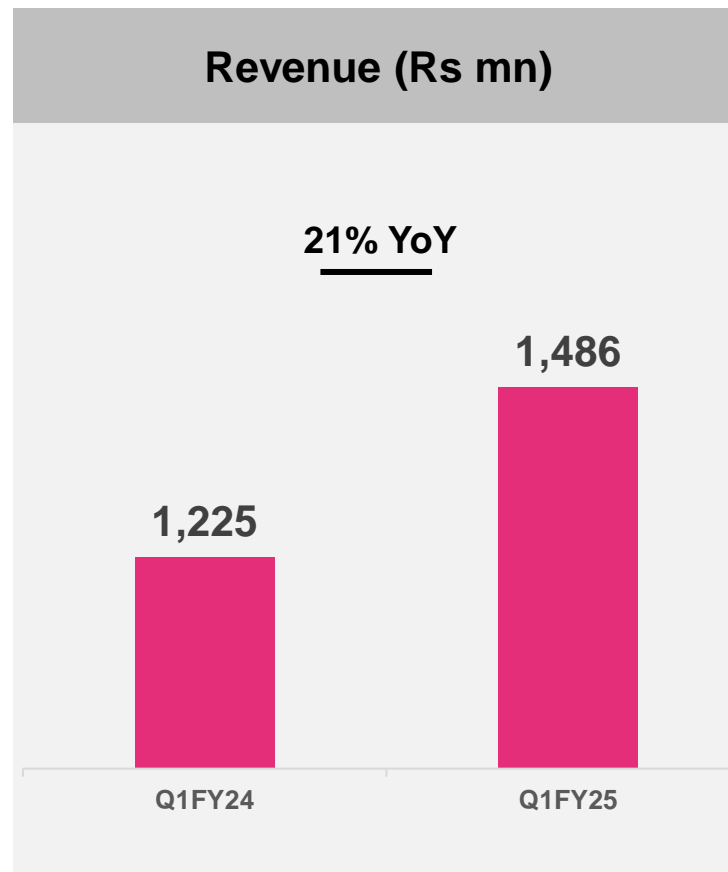
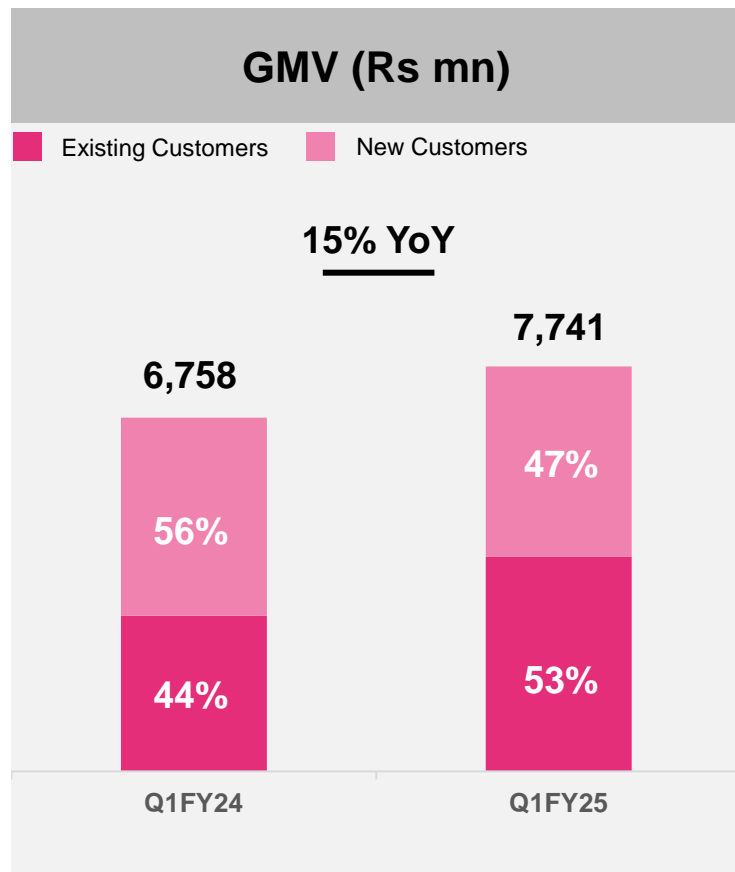
Applicable for orders placed by customers after 12 PM, order fulfilled by next day

Fashion

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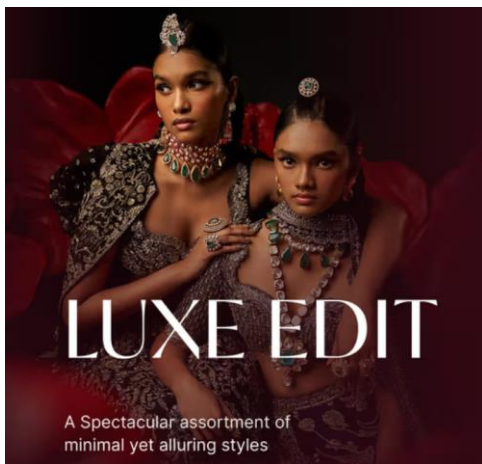
# Healthy growth in a muted demand environment



Revenue growth higher than GMV growth, driven by **leakages improvement** and **services related income/fees**

# Strengthening assortment across key properties

## Luxe Store



**20%**  
GMV YoY  
[Indian designer luxury]

**200+**  
Brands\*

### New Launches

TARINI VIJ

PINK CITY  
BY SARIKA

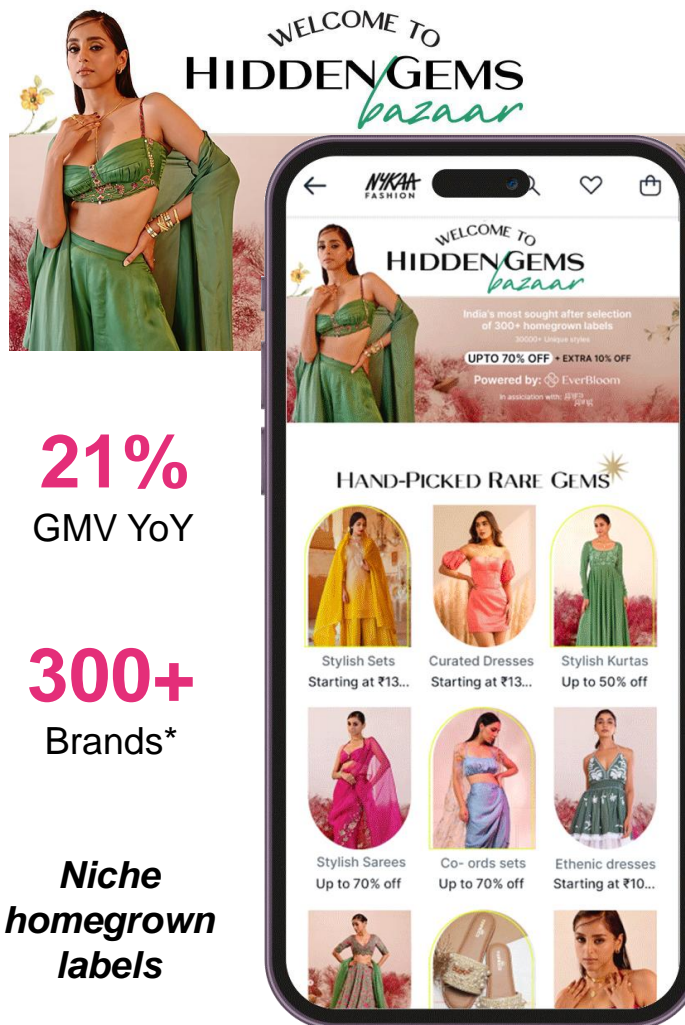
Wani



MEGHA & JIGAR

RAJIRAMNIQ

## Hidden Gems

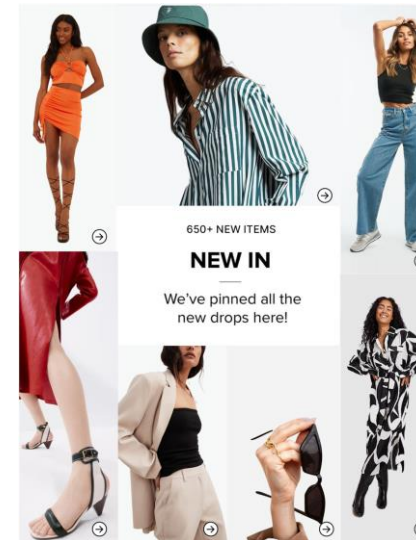


**21%**  
GMV YoY

**300+**  
Brands\*

**Niche homegrown labels**

## First in Fashion



**37%**  
GMV YoY

**24%**  
GMV contribution

**1,400+**  
Brands\*

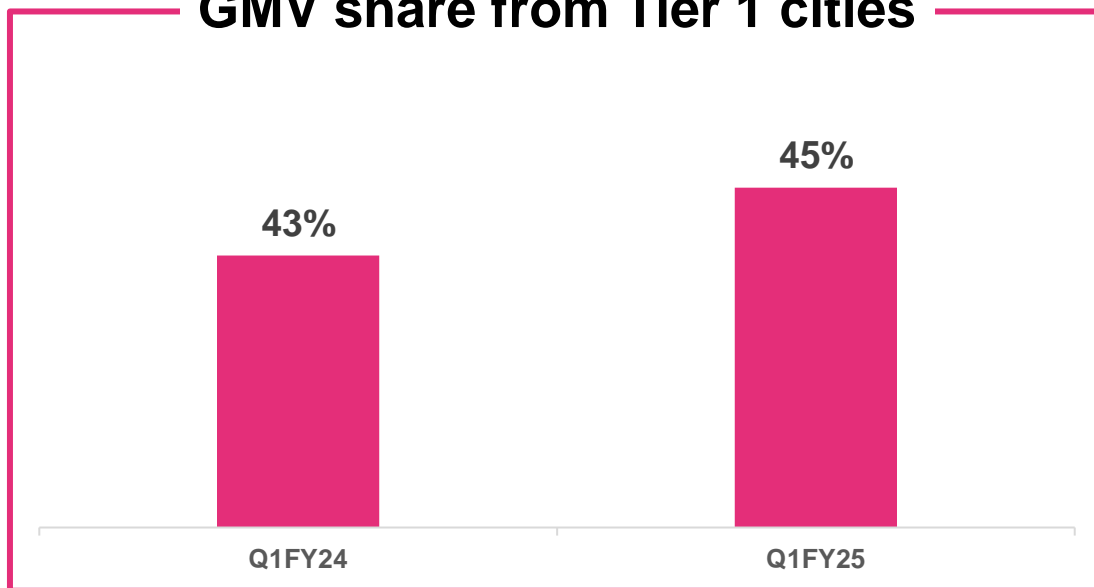
**Latest and curated fashion collections**



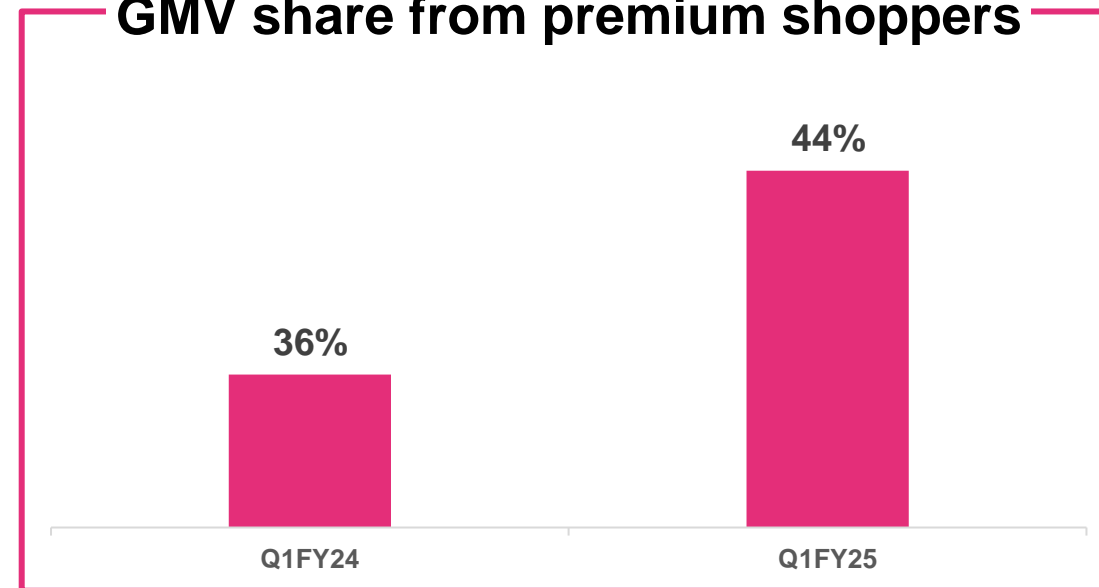
\* Total brand count as on Jun'24  
Data is for NykaaFashion.com

# Improved customer mix driving improvement across metrics on platform

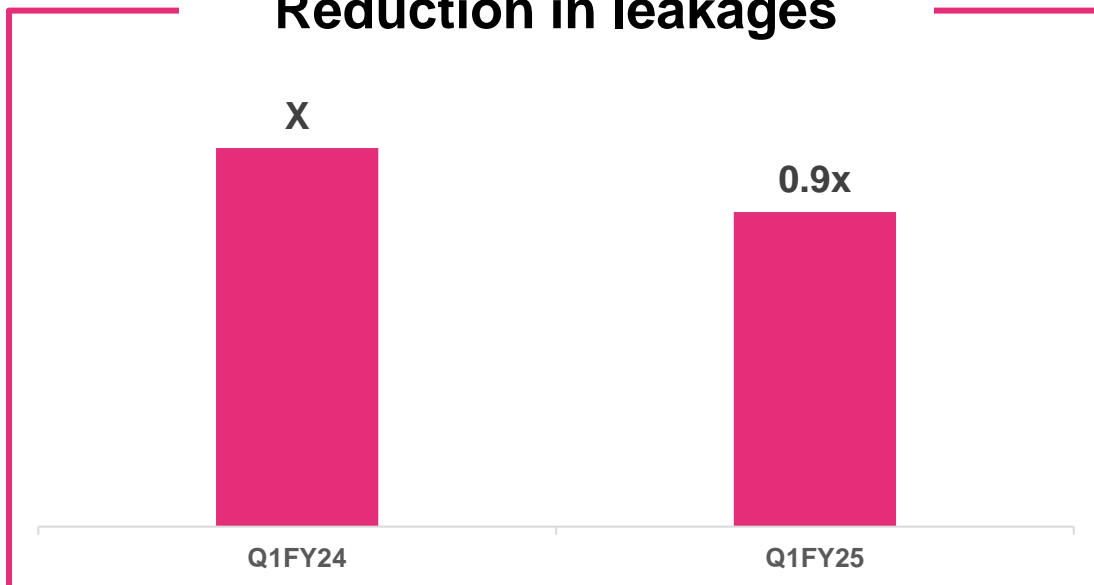
## GMV share from Tier 1 cities



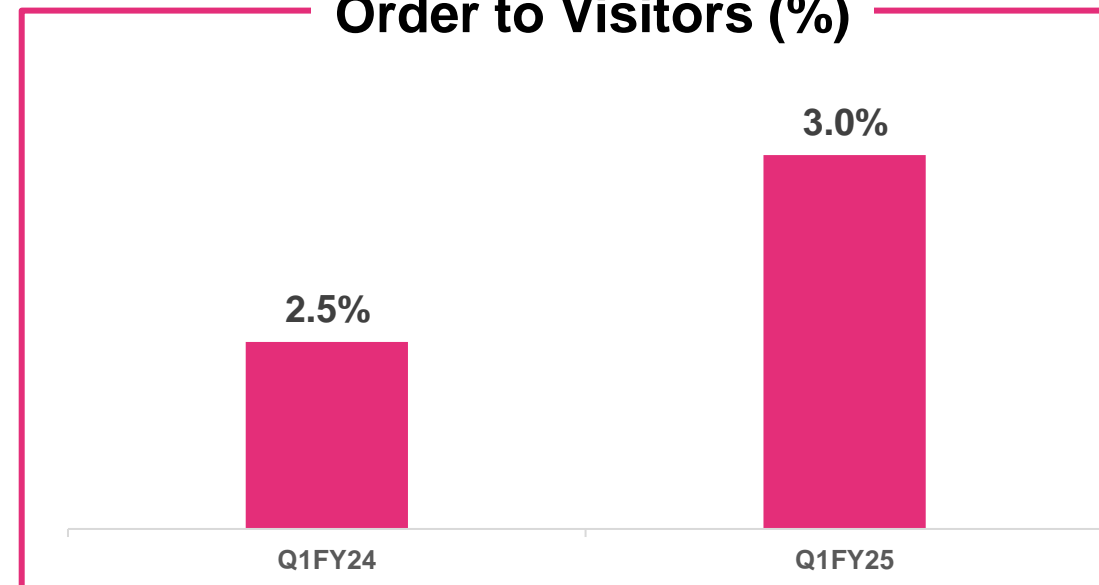
## GMV share from premium shoppers



## Reduction in leakages



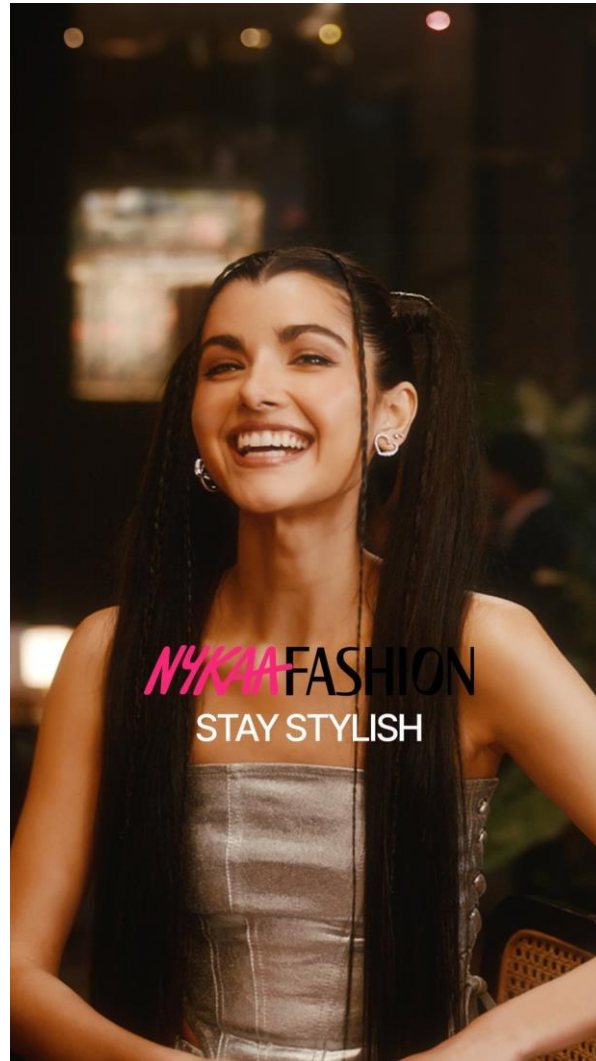
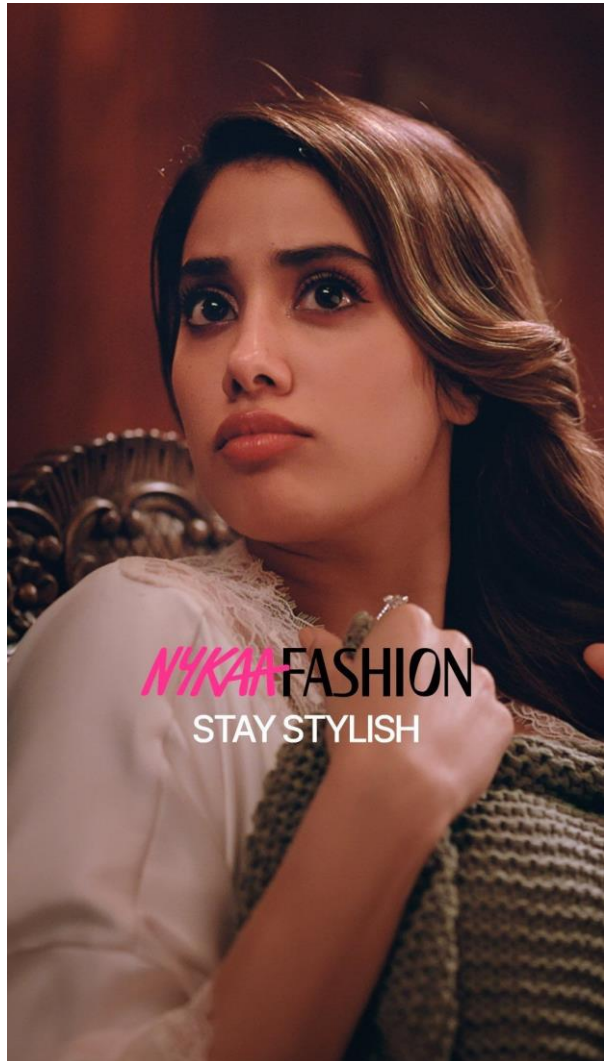
## Order to Visitors (%)





# Stay Stylish Campaign: Positioning Nykaa Fashion as the ultimate style destination

**4 Brand Films launched in Jun'24 with 1 Celeb & 3 High Impact KOL's**



**NYKAA FASHION**  
STAY STYLISH

**7 Lakh+**  
Influencer-Approved Styles

UP TO  
**70% OFF**

## **360 degree Amplification**

- *Owned media assets*
- *Influencers,*
- *Events & Activations*
- *Media Partnerships*

**127 mn**

Total Reach

**200+**

Media Clips

# Significant expansion of ~500 bps in profitability

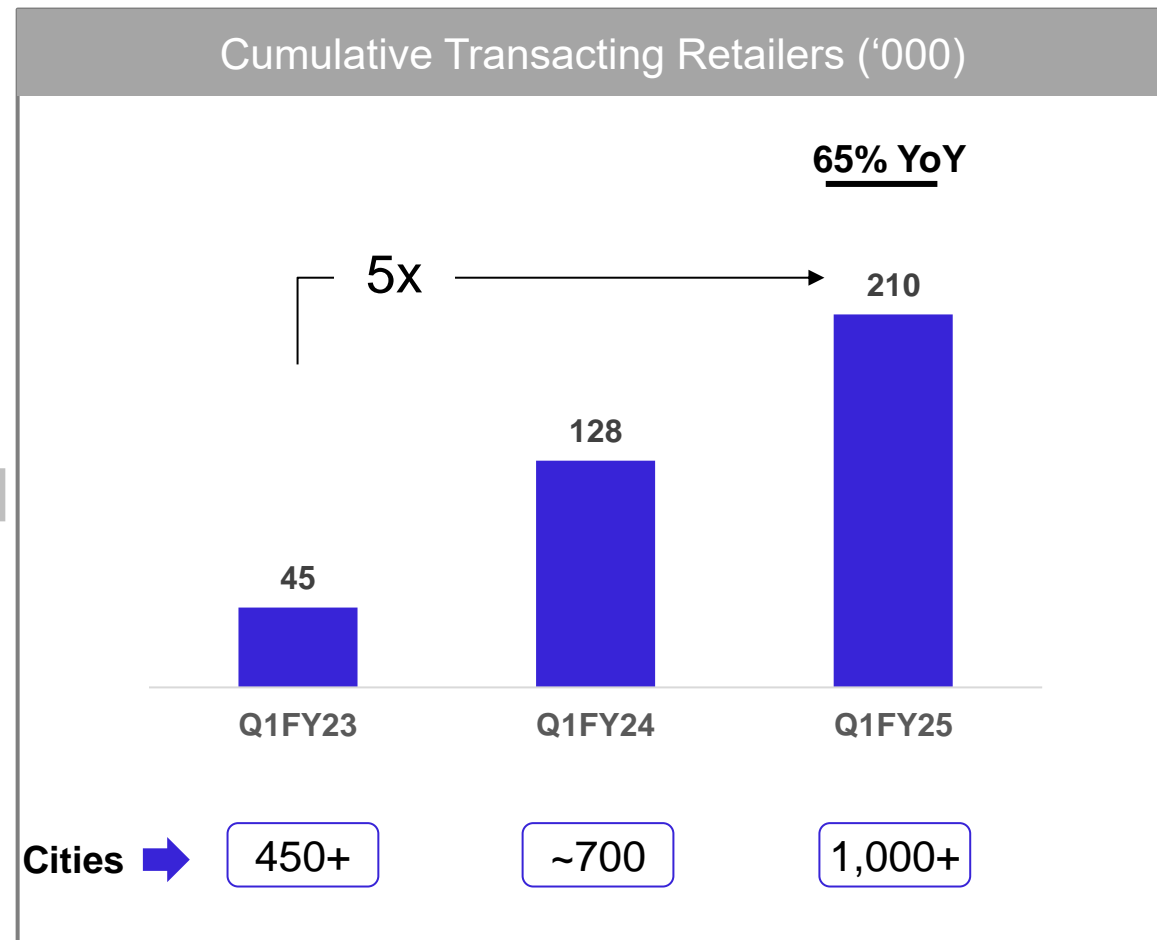
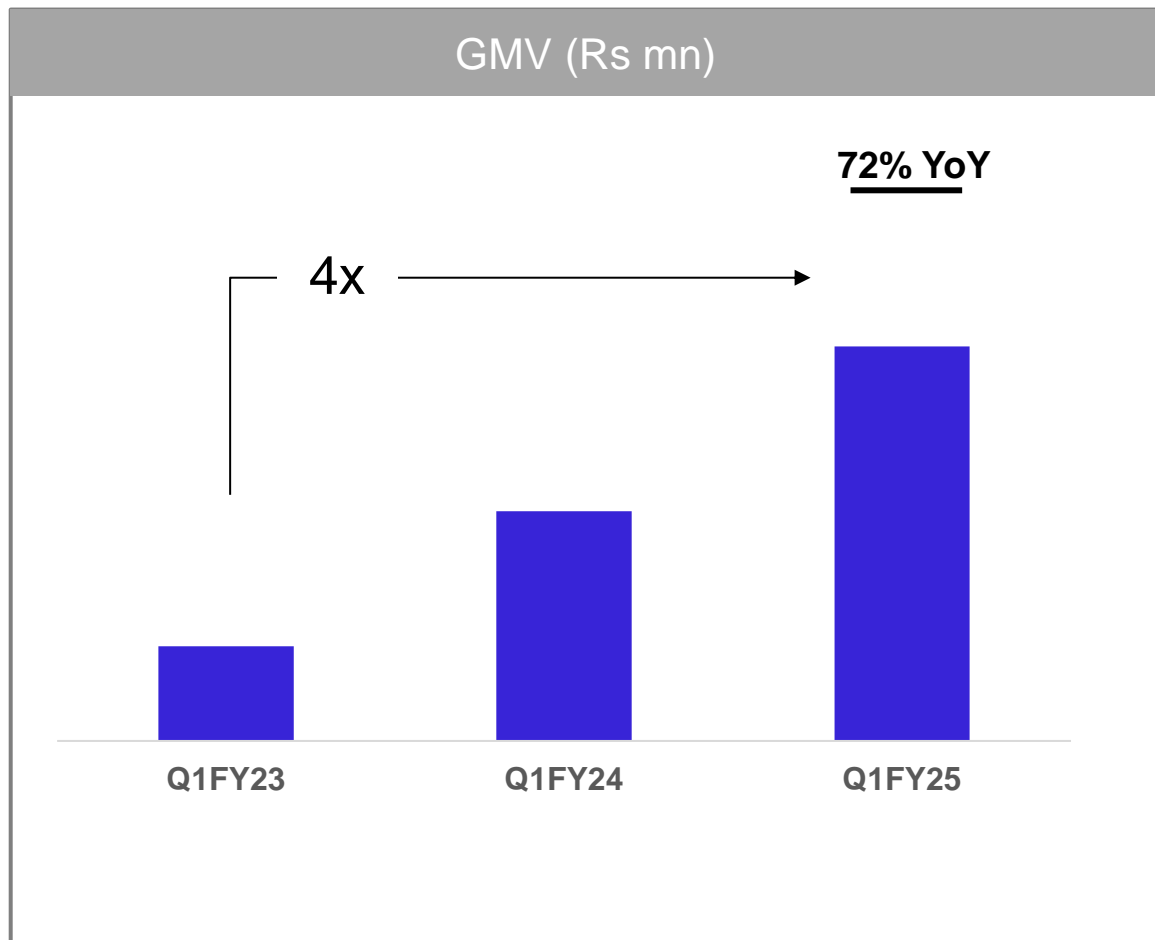
Fashion Vertical	Q1FY25 (as % of NSV)	YoY Change	Driving factors
<b>Gross Margin</b>	49.4%	↑356 bps	Improved marketing income, services related income and platform fees
Fulfilment expenses	9.7%	↓167 bps	Leakages optimization and increased share of land shipment
Marketing expenses	27.4%	↓101 bps	Better mix of repeat customers and improving order to visitor conversion
<b>Contribution margin</b>	10.1%	↑587 bps	
Other expenses (including employee and G&A)	19.4%	↑96 bps	Investment in people and technology
<b>EBITDA Margin</b>	-9.2%	↑492 bps	

# eB2B: Superstore by Nykaa

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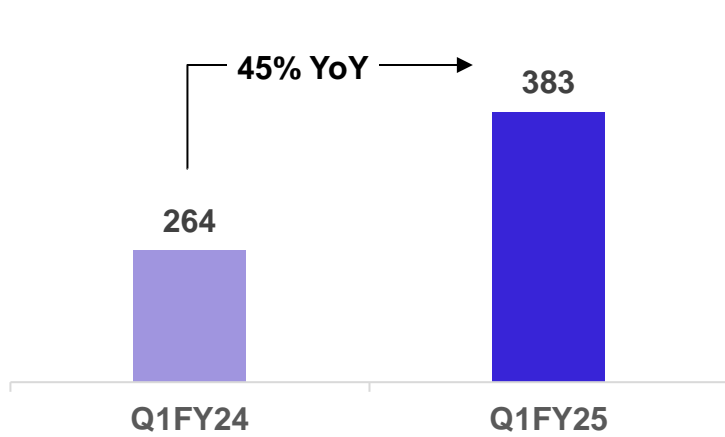


# Driving GMV growth as Superstore continues to widen reach



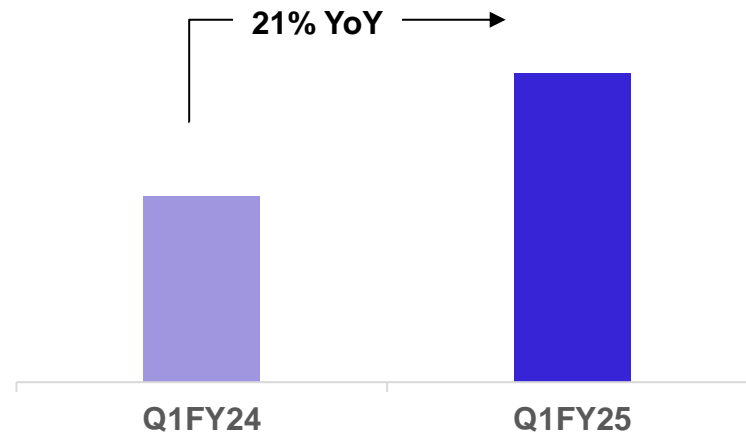
# Strong order growth YoY with improvement in critical order-level metrics

## Orders ('000)



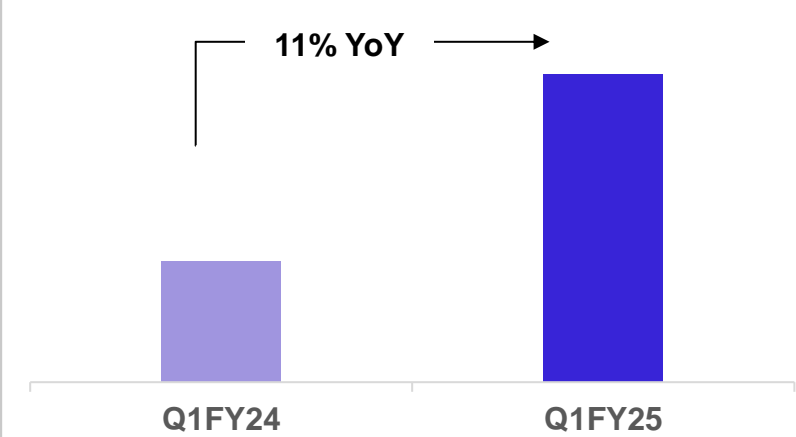
Driven by **increasing retailer network expansion**

## AOV (Rs)



Increasing share of **premium brands and featured brands**

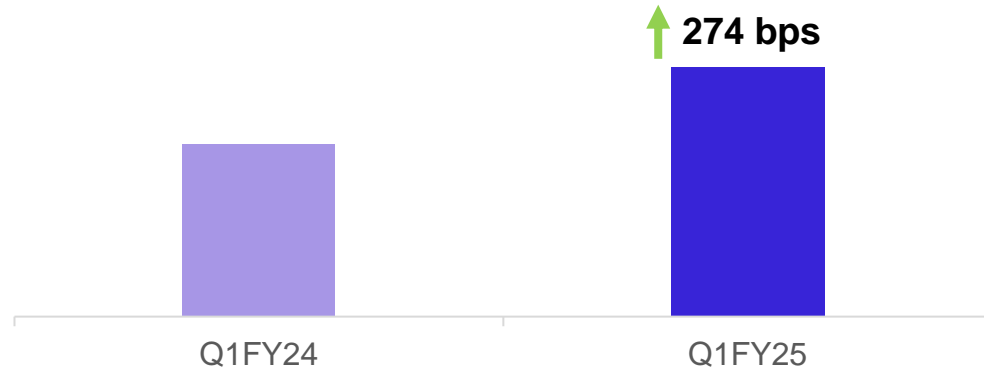
## Average Basket Size (ABS) (#)



Driven by increase in **product assortment**

# Sales mix, scale and efficiencies leading to margin and unit economics improvement

## Gross Margin



- Increased **Ad-Income share**
- Improved **featured brand shares**
- **Growing share of higher margin categories** like makeup, premium skincare

## Fulfilment Cost



- Moving from **3P** to **owned warehouses**
- Strong inventory management with **optimum space utilization**
- Reduction of **packaging cost per order** (down 16% YoY)

Contribution Margin improvement of **520 bps YoY**

-18.5%

Q1FY24 Contribution margin  
(as % of NSV)

-13.3%

Q1FY25 Contribution margin  
(as % of NSV)





# Nykaa's House of Brands

---



# Our owned brands continue to scale

## Annualized GMV runrate (Rs mn)

		Q1FY23	<u>2 yrs journey</u> →	Q1FY25
Core		900+	8.3x →	7,500
		1,000+	1.6x →	1,600+
		650+	2.5x →	1,600+
Emerging	 <i>[KICA acquired in Apr'22]</i>	~30	6.6x →	200+



# Targeted intervention to drive growth across each brand lifecycle

	Beauty owned brands	Fashion owned brands	Focus Area	
High Growth brands	<p>DOT &amp; KEY</p> <p>Kay Beauty</p>	<p>Nykd BY NYKAA</p>	Maintain momentum with investment in marketing and offline expansion	
Mature brand	<p>NYKAA Cosmetics</p>	<p>TWENTY DRESSES</p> <p>RSVP</p>	Accelerate growth by revamping innovation funnel	
Small brands with high potential	<p>Wanderlust</p> <p>NYKAA PERFUMERY</p> <p>earth rhythm</p>	<p>NYKAA SKINRX</p> <p>NYKAA NATURALS</p> <p>NYVEDA™</p>	<p>KICA</p> <p>MIXT.</p> <p>likha</p> <p>gajra gang</p>	Drive awareness, brand building, category/assortment depth

# Beauty Owned Brands: Innovation fuelling brand's growth

**NYKAA**  
Cosmetics

**NYKAA**  
cosmetics

**Lip Glaze**



*New Lip formulation driving 2x category for the brand*

**DOT & KEY**

**Sunscreen**



*Innovative product formats to increase category depth  
Among Top3 sunscreen brand across all marketplaces*

**Kay**  
Beauty

**Rank 4 on highlighters for top variant**

*Introducing new Liquid highlighter collections*

**Liquid Highlighter**



**Wanderlust**

**NYKAA WANDERLUST**

**NEW DREAMING OF PARIS**  
BATH & BODY COLLECTION

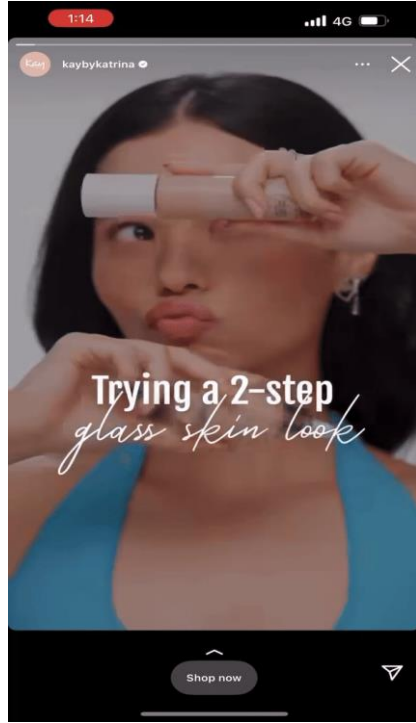
with the scent of  
**Champagne & Berries**



**New Bath & Body Range**

*Assortment building with innovative collection and packaging*

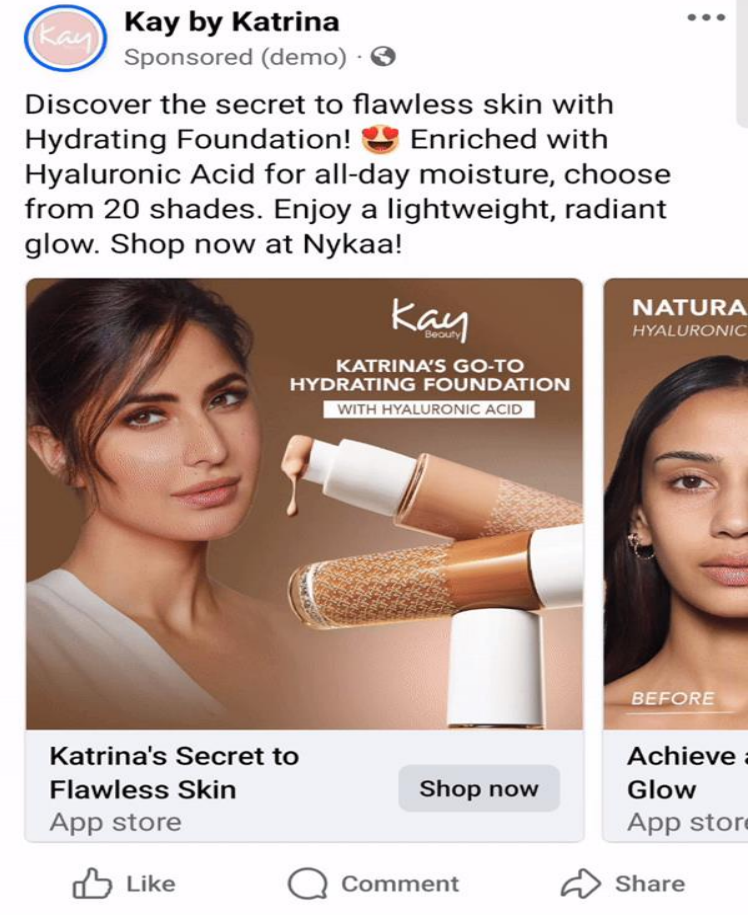
# Kay Beauty: Foundation Marketing Campaign Case Study



**40 mn**  
Impression generated

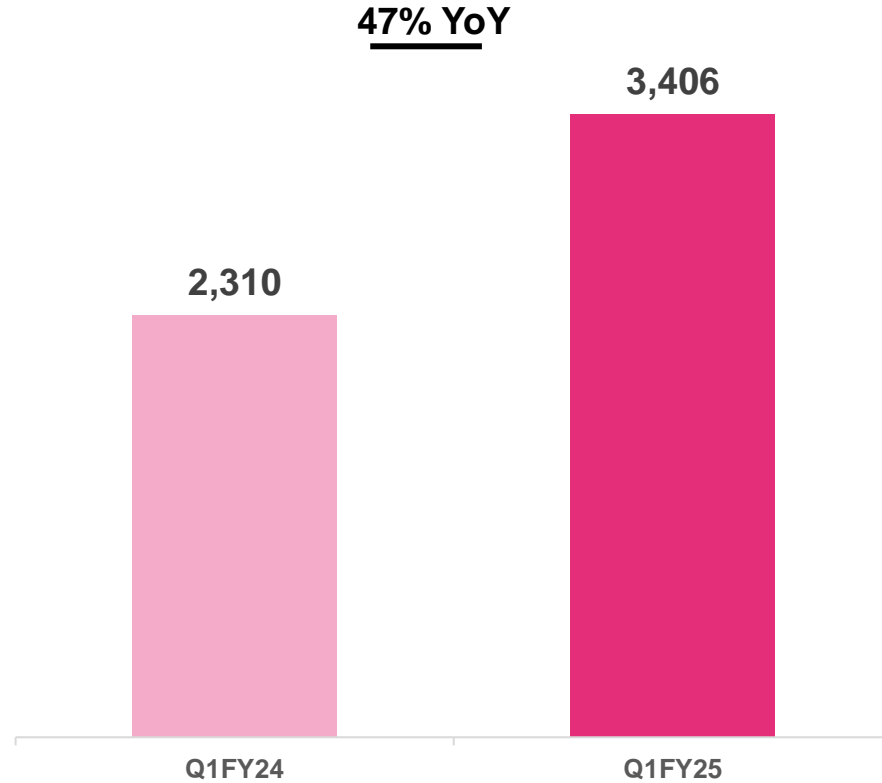
**2X Faster growth**  
than Category

**~10%**  
Contribution to Kay Beauty GMV (Q1)



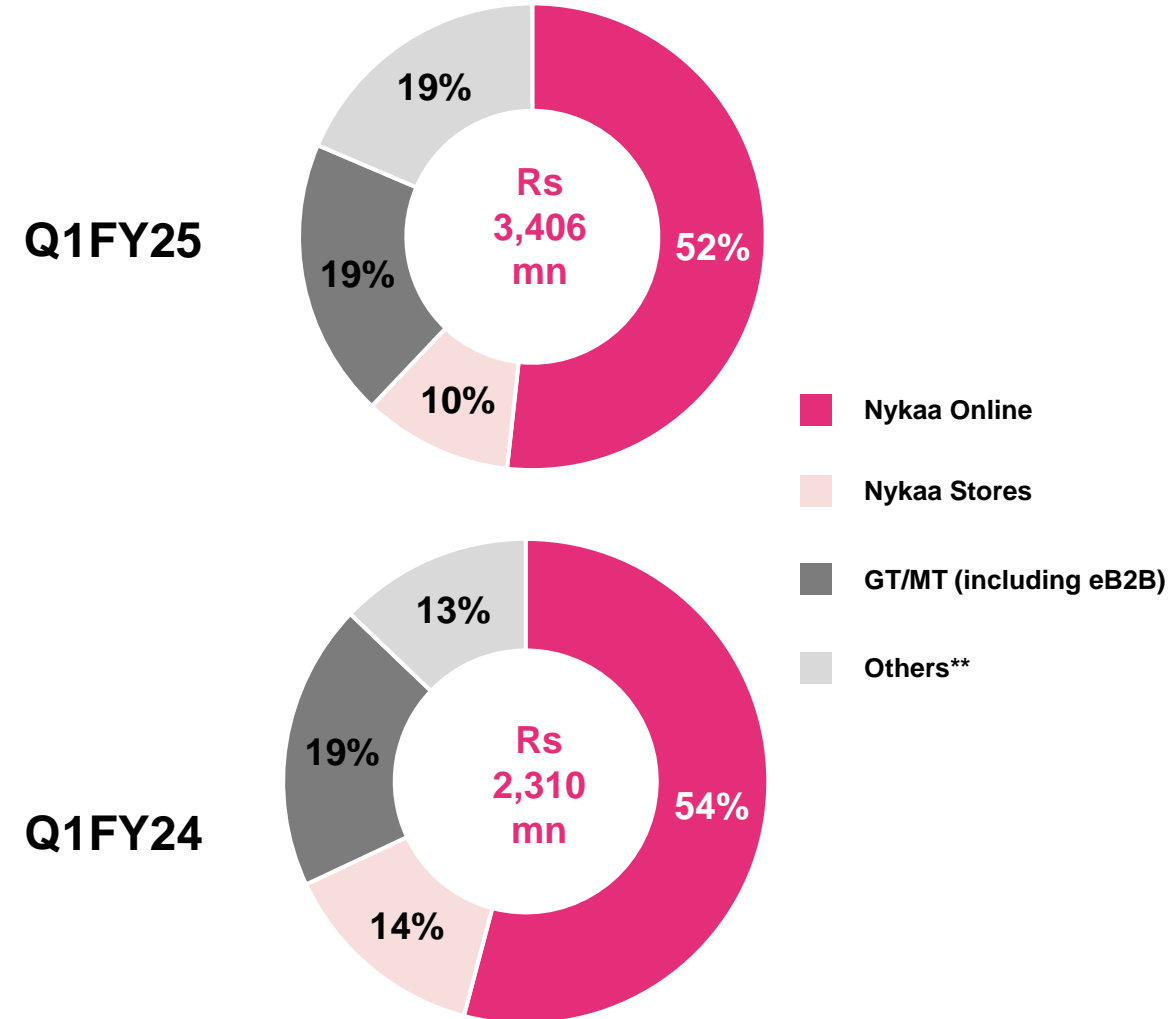
# Beauty House of Brands: 47% YoY growth

## GMV\* of Beauty owned brands (Rs mn)



**Owned brands expanding presence in offline channels - through Kiosks/ Nykaa stores and GT/MT vis Nykaa D. 3P marketplaces going well**

## GMV Channel Mix

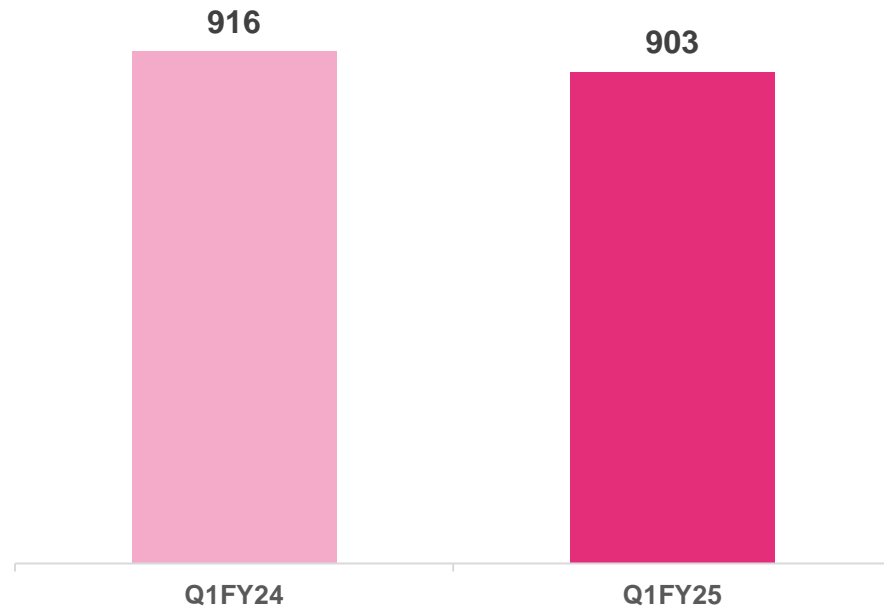


\* doesn't include GMV/NSV of Earth Rhythm, as company holds a minority stake in the brand

\*\*Others primarily includes other online marketplaces

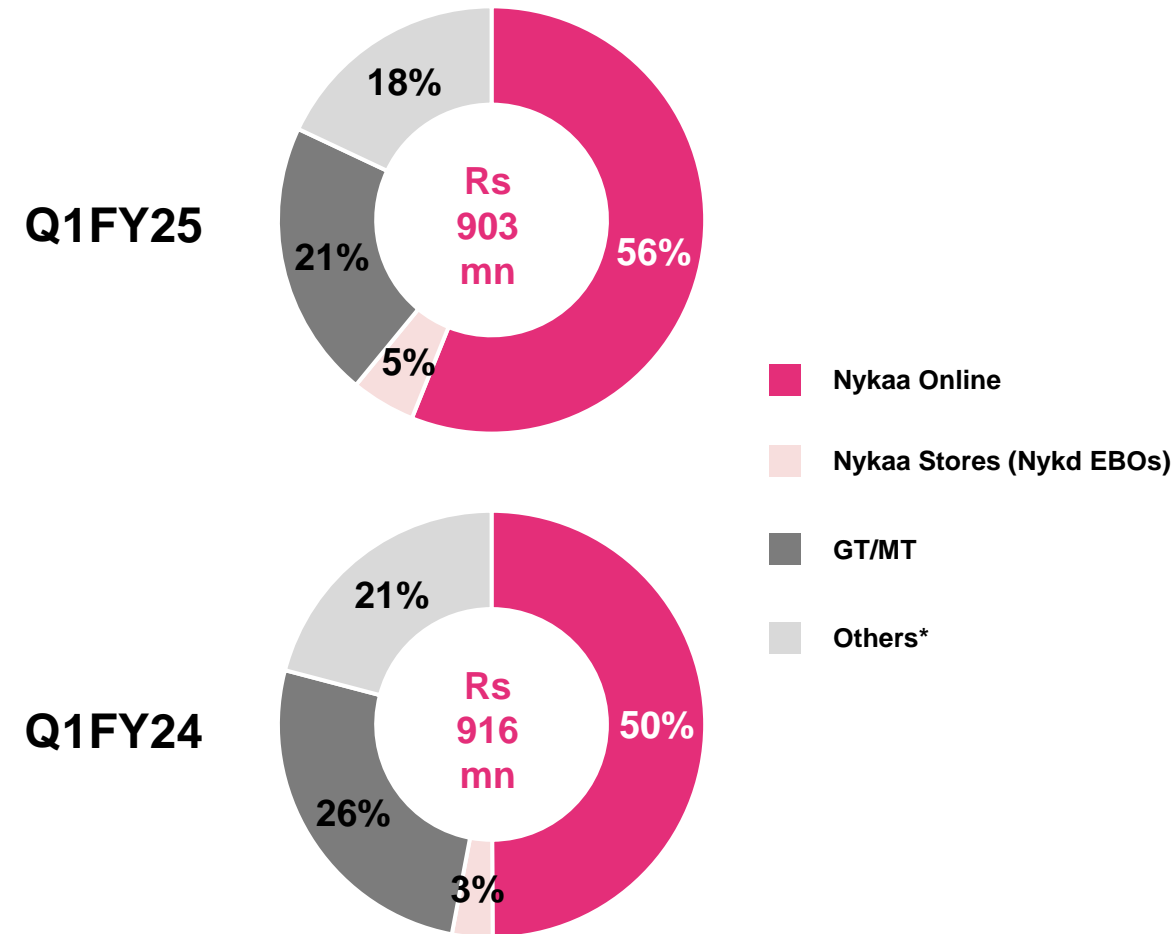
# Fashion House of Brands: Nykaa Platforms driving growth

## GMV of Fashion owned brands (Rs mn)



*GMV growth from 3P channels (-14% YoY) was muted, which was compensated by owned brands GMV growth on Nykaa Fashion platform (10% YoY)*

## GMV Channel Mix



\* Others primarily includes other online marketplaces

\*\* 3P Channels includes GT/MT and other online marketplaces

## Brand Overview

*Differentiated skincare solutions that are effective, safe, and fun to use*



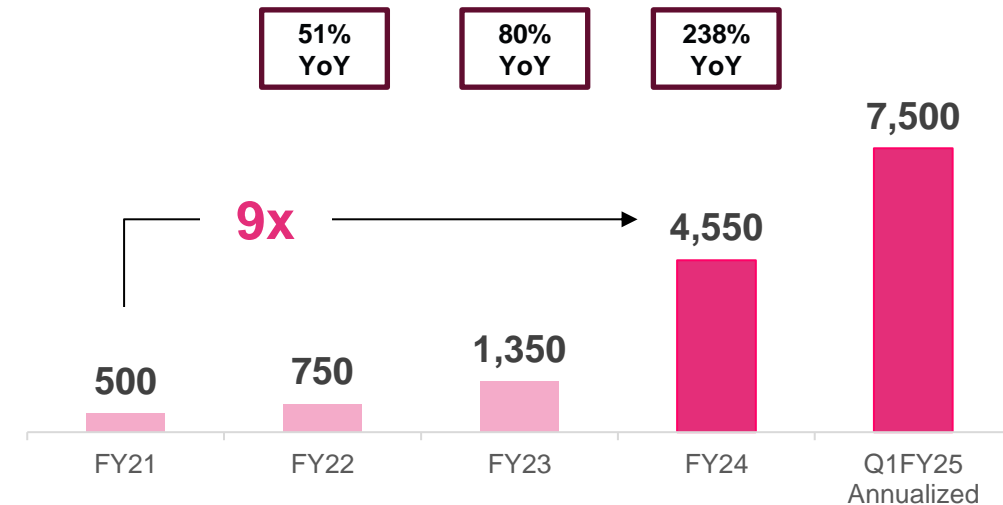
**Estd. in  
2018 June**

**Profitable  
since  
Q4FY23**

## Investment Update

- FSN E-commerce Ventures Limited is acquiring an additional **39% stake** in the current financial year for a total amount of Rs 265 Crs
- FSN E-commerce Ventures Limited acquired **51% stake** in Dot & Key in September 2021

## GMV (Rs mn)



## Differentiated assortment



### Water light Vit C Sunscreen

Moving away from typical oil based and heavy on the skin to formulation that was super light on their consumer skin.

### SPF Based Lip Balm

First to launch SPF Lip Balm



### Cooling Watermelon Sunscreen

Sunscreens are most used in the hottest time of the year. Consumers needed a sunscreen that'd give them protection but also provided cooling.

## Clutter breaking packaging



Unique patented, hat-capped packaging has become a standout feature in the market, drawing attention and fostering brand loyalty

## Focusing on core categories



Focusing on core categories like Sunscreens and Moisturisers

Prioritizing core categories which are fast growing, with more runway helps brand grow without hitting ceiling

## In-house R&D capabilities



***In-house R&D lab, fully equipped lab to help create and test formulations in house.***

**28**  
New SKUs in FY24

**30% of NSV**  
from new launches in  
FY24

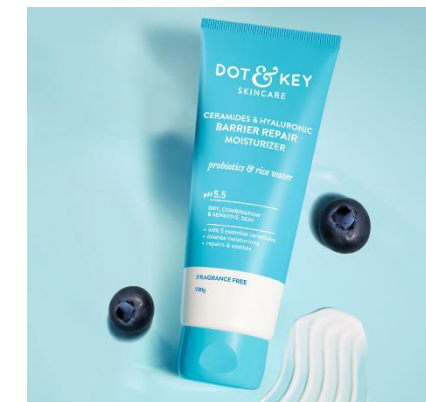
## Rigorous and Agile NPD process

Well defined and structured NPD process



*62 trials of sunstick to deliver final products*

Agility in innovation



*First to launch barrier repair range*



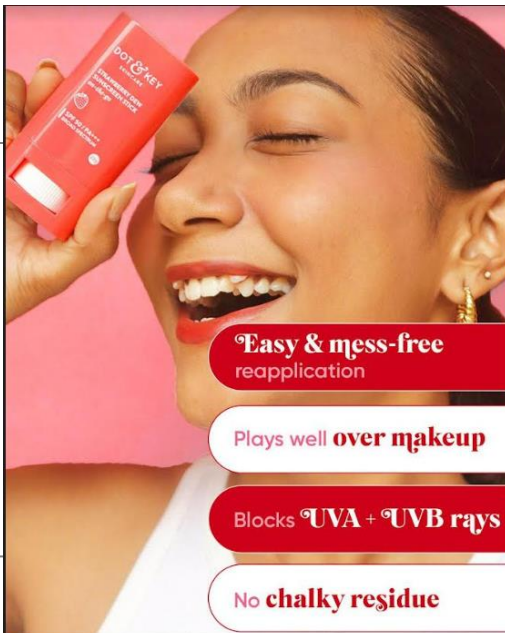
- Average Rating is **4.4/5.0** (based on 35k+ reviews) on Nykaa
- **~85%** reviews are positive
- **Most loved reviews** on – **Product quality** and **innovative packaging**
- Most reviewed products are **Moisturizer, Sunscreen** and **Facewash**

*Customer Perception*

**45% - 50%**  
*Customer retention*  
*(Website & Nykaa)*

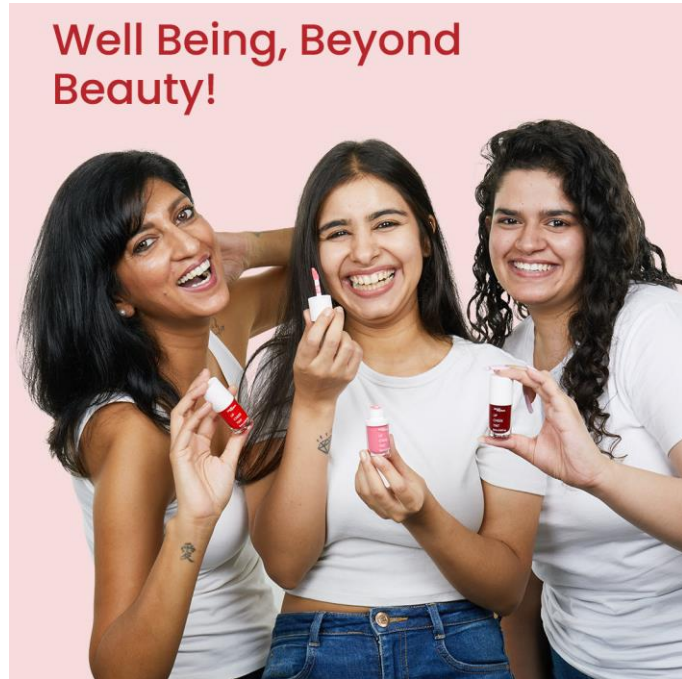
*Social Engagement*

- **Instagram Followers - 372k**
- High Engagement Rate on Social Media
- Organic traffic on website is **70%+**



## Brand Overview

**D2C new age brand** specializing in **skincare, makeup, haircare** and **bath and body products**



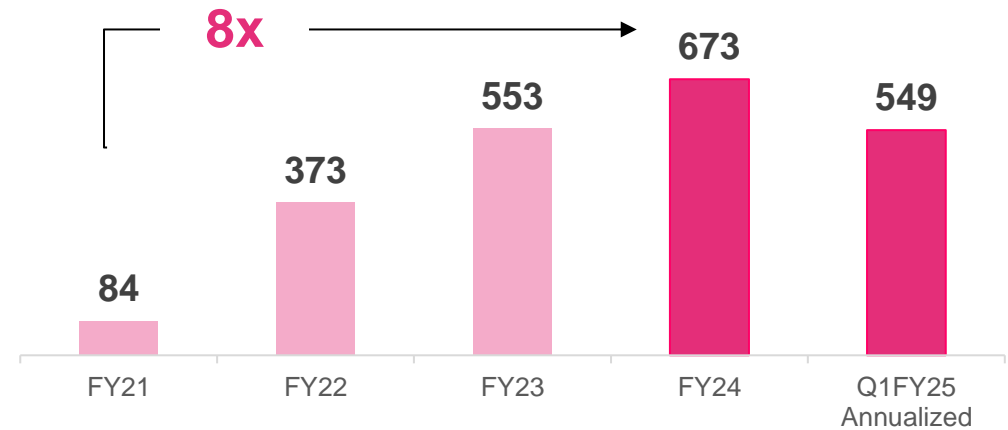
Estd. in  
**2019**

SKU  
**250+**

## Investment Update

- FSN E-commerce Ventures Limited is acquiring a **majority stake** in Earth Rhythm
- This in addition to the **18.57% stake** acquired in Earth Rhythm in April 2022

## GMV (Rs mn)



CERTIFIED ORGANIC | PLANT BASED | 99% PLASTIC FREE

## Good For You. Good For The Earth.

Earth Rhythm isn't just our name. It is a commitment to producing the purest, healthiest products and educating everyone on why being Earth Concious is so important.

### Innovative shampoo and conditioner bar solution



**Eco-friendly packaging design** using recyclable materials

**Lower water consumption – production and application**

### Accessories (Reusable)



**Reusable** makeup accessories to **reduce wastages**

### Inclusive and Gender-Neutral brand ethos



Diverse skincare range across **skin tone, age and gender**

**Gender Neutral, highly inclusive and diverse** communication



**PETA certified Plastic neutral certified**

## R&D



**In-house fully equipped  
R&D Lab**

**50%**

Innovations in FY24

**15**

New SKUs in FY24

**In house** testing and stability studies enables **save cost + high quality** formulations

**Being 1<sup>st</sup> in many..**



**India's first  
water free  
Sunspray**

**First to launch  
breakthrough products  
such a *Gel to milk series*  
and *Phyto series***

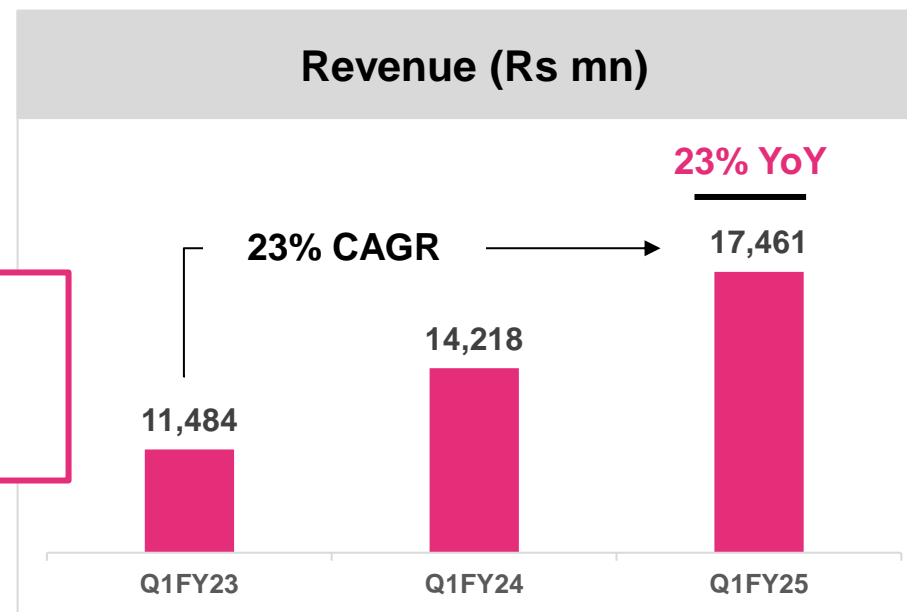
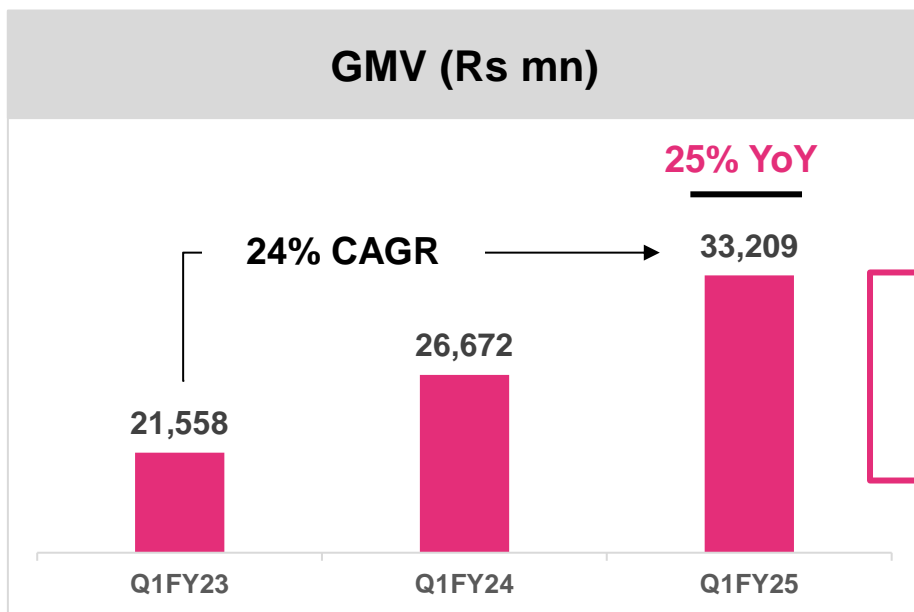


# Financial Performance

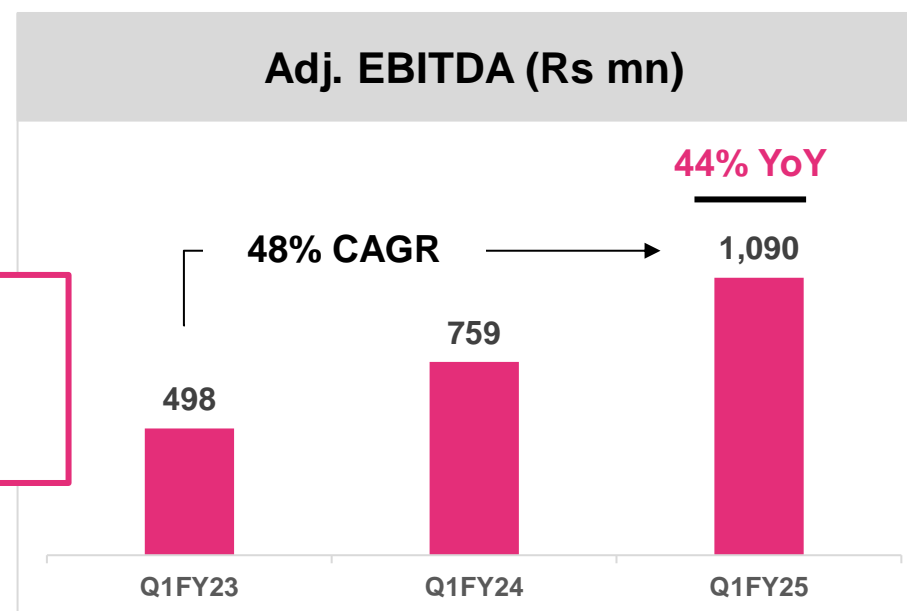
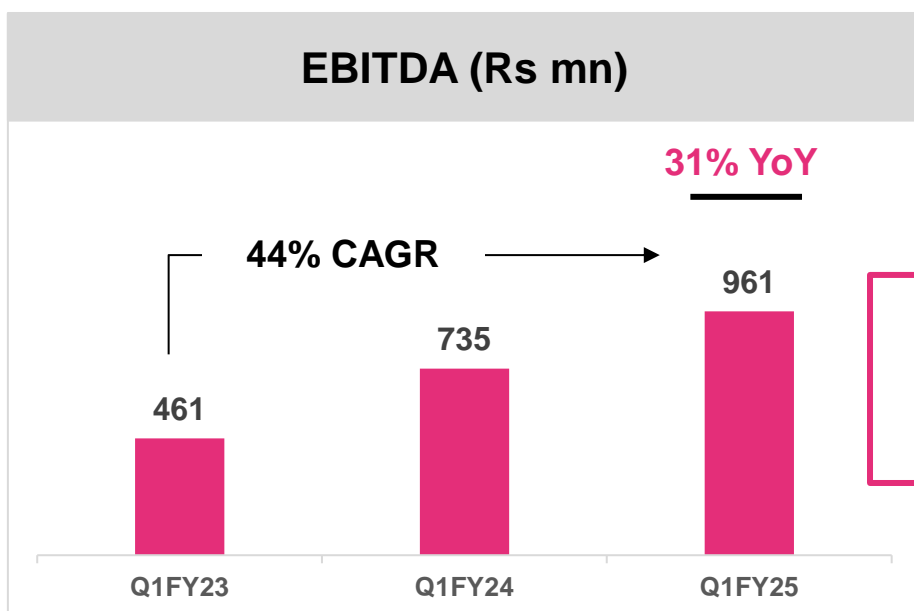
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# Topline growth and profitability momentum sustains



Maintaining strong topline growth



Improving Profitability

1. Adj. EBITDA is before ESOP expenses, GCC business and organisational restructuring expenses  
2. Margin as % of Revenue

# Profit and Loss Statement

All Values in Rs mn

Particulars	Q1FY25	Q1FY24	YoY
<b>Revenue from Operations</b>	<b>17,461</b>	<b>14,218</b>	<b>23%</b>
<b>Gross Profit</b>	<b>7,560</b>	<b>6,186</b>	<b>22%</b>
<b>Gross Margin</b>	<b>43.3%</b>	<b>43.5%</b>	<b>-21 bps</b>
Fulfilment expenses	1,667	1,357	23%
<i>As % of revenue from operations</i>	<i>9.5%</i>	<i>9.5%</i>	<i>0 bps</i>
Marketing and S&D expenses	2,484	1,918	29%
<i>As % of revenue from operations</i>	<i>14.2%</i>	<i>13.5%</i>	<i>-73 bps</i>
Employee Expenses	1,559	1,386	12%
<i>As % of revenue from operations</i>	<i>8.9%</i>	<i>9.7%</i>	<i>82 bps</i>
Other Expenses	890	790	13%
<i>As % of revenue from operations</i>	<i>5.1%</i>	<i>5.6%</i>	<i>46 bps</i>
<b>EBITDA</b>	<b>961</b>	<b>735</b>	<b>31%</b>
<b>EBITDA Margin</b>	<b>5.5%</b>	<b>5.2%</b>	<b>34 bps</b>
<b>PBT</b>	<b>221</b>	<b>97</b>	<b>127%</b>
<b>PBT Margin</b>	<b>1.3%</b>	<b>0.7%</b>	<b>58 bps</b>
<b>PAT</b>	<b>136</b>	<b>54</b>	<b>150%</b>
<b>PAT Margin</b>	<b>0.8%</b>	<b>0.4%</b>	<b>39 bps</b>
<b>Adj. EBITDA</b>	<b>1,090</b>	<b>759</b>	<b>44%</b>
<b>Adj. EBITDA Margin</b>	<b>6.2%</b>	<b>5.3%</b>	<b>90 bps</b>

1. PAT is after considering share of loss of associate

2. Adj. EBITDA is before ESOP expenses, GCC EBITDA and organisational restructuring expenses

# Quarterly Vertical Performance: Business Wise

(All amounts in Rs mn, unless otherwise stated)

Particulars	Q1 FY25				Q1 FY24			
	Beauty	Fashion	Others	Total	Beauty	Fashion	Others	Total
<b>GMV</b>	<b>25,429</b>	<b>7,741</b>	<b>39</b>	<b>33,209</b>	<b>19,908</b>	<b>6,758</b>	<b>6</b>	<b>26,672</b>
<i>Growth</i>	<i>28%</i>	<i>15%</i>		<i>25%</i>	<i>28%</i>	<i>13%</i>		<i>24%</i>
<b>NSV</b>	<b>14,695</b>	<b>2,449</b>	<b>39</b>	<b>17,183</b>	<b>12,121</b>	<b>2,089</b>	<b>5</b>	<b>14,215</b>
<i>Growth</i>	<i>21%</i>	<i>17%</i>		<i>21%</i>	<i>28%</i>	<i>19%</i>		<i>26%</i>
<b>Revenue from Operations</b>	<b>15,935</b>	<b>1,486</b>	<b>40</b>	<b>17,461</b>	<b>12,984</b>	<b>1,225</b>	<b>10</b>	<b>14,218</b>
<i>Growth</i>	<i>23%</i>	<i>21%</i>		<i>23%</i>	<i>24%</i>	<i>21%</i>		<i>24%</i>
Gross Profit	6,328	1,210	22	<b>7,560</b>	5,223	957	6	<b>6,186</b>
Fulfilment expenses	1,417	237	12	<b>1,667</b>	1,114	237	6	<b>1,357</b>
Marketing & advertisement expense	1,268	672	9	<b>1,949</b>	971	594	2	<b>1,567</b>
Selling and Distribution expenses	413	52	0	<b>465</b>	285	37	0	<b>322</b>
<b>Contribution Profit</b>	<b>3,230</b>	<b>249</b>	<b>1</b>	<b>3,480</b>	<b>2,853</b>	<b>89</b>	<b>-2</b>	<b>2,941</b>
Other expenses (Including Employee and G&A expenses)	1,975	474	69	<b>2,518</b>	1,800	384	21	<b>2,206</b>
<b>EBITDA</b>	<b>1,255</b>	<b>-226</b>	<b>-68</b>	<b>961</b>	<b>1,053</b>	<b>-295</b>	<b>-23</b>	<b>735</b>
<b>Key Ratios as a % to NSV</b>								
Gross Profit Margin %	<b>43.1%</b>	<b>49.4%</b>		<b>44.0%</b>	<b>43.1%</b>	<b>45.8%</b>		<b>43.5%</b>
Fulfilment expenses %	9.6%	9.7%		<b>9.7%</b>	9.2%	11.3%		<b>9.5%</b>
Marketing and Advertisement expense %	8.6%	27.4%		<b>11.3%</b>	8.0%	28.5%		<b>11.0%</b>
Selling and Distribution expenses %	2.8%	2.1%		<b>2.7%</b>	2.4%	1.8%		<b>2.3%</b>
<b>Contribution Margin %</b>	<b>22.0%</b>	<b>10.1%</b>		<b>20.2%</b>	<b>23.5%</b>	<b>4.3%</b>		<b>20.7%</b>
Other expenses%	13.4%	19.4%		<b>14.7%</b>	14.9%	18.4%		<b>15.5%</b>
<b>EBITDA Margin %</b>	<b>8.5%</b>	<b>-9.2%</b>		<b>5.6%</b>	<b>8.7%</b>	<b>-14.1%</b>		<b>5.2%</b>

Notes:

1. Branding Media & Production Cost is not considered for Contribution Profit as it is not allocatable, and its benefit accrue over long term
2. Fulfilment expenses include freight, payment gateway charges, warehouse off-roll manpower, warehouse operation expenses and packaging expenses
3. Selling and distribution expenses include BA/BDE cost, 3P channel commission, distributor expenses and customer care service charges



# Key Highlights of Vertical Reporting

Improvements	Levers
<p><b>Gross margin expansion of 48 bps YoY</b></p>	<ul style="list-style-type: none"> <li>• <b>Beauty gross margin</b> remains steady</li> <li>• Expansion of <b>Fashion gross margin</b> driven by marketing income, services related income and platform fees</li> <li>• <b>Superstore gross margin</b> expansion led by improved Ad-income and higher share of featured brands</li> </ul>
<p><b>Marketing expenses up by 31 bps</b></p>	<ul style="list-style-type: none"> <li>• Accelerated <b>new customer</b> acquisition in <b>Beauty</b> led to higher marketing expenses YoY</li> <li>• <b>Fashion</b> marketing expenses improved YoY due to <b>better customer mix</b> and <b>conversion</b></li> </ul>
<p><b>S&amp;D expenses up by 44 bps</b></p>	<ul style="list-style-type: none"> <li>• SnD expense in <b>Beauty increased</b> due to <b>owned brands</b> penetration further into 3P offline and online channels</li> <li>• <b>Fashion</b> S&amp;D expenses increased slightly due to <b>Nykd's EBO expansion</b></li> </ul>
<p><b>Other expenses improved by 86 bps</b></p>	<ul style="list-style-type: none"> <li>• <b>Scale efficiencies</b> in <b>Beauty</b></li> <li>• <b>Investment in tech</b> and <b>employee</b> still continues in <b>Fashion</b></li> </ul>

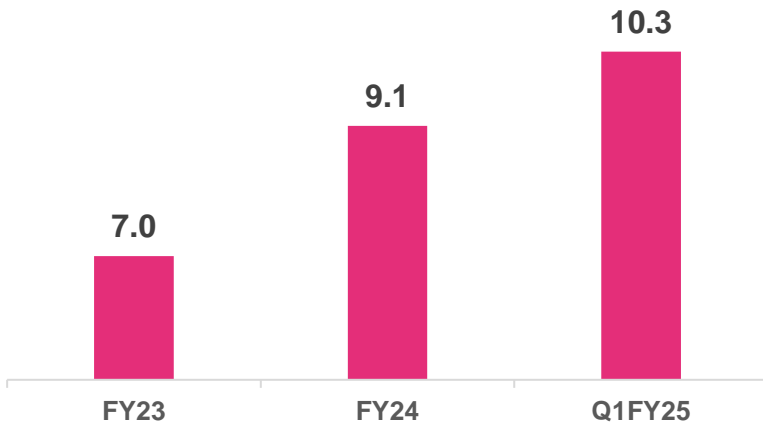
**Beauty** includes Nykaa.com, Nykaa Physical Stores, Beauty Owned Brands, Nykaa Man Grooming, Nudge, and Superstore by Nykaa

**Fashion** includes Nykaa Fashion, LBB, and Nykaa Man Lifestyle

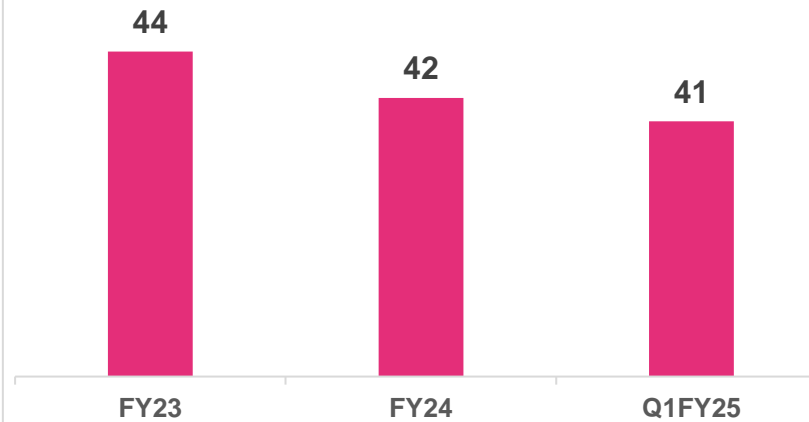
**Others** includes GCC business and International business

# Focus on a leaner balance sheet

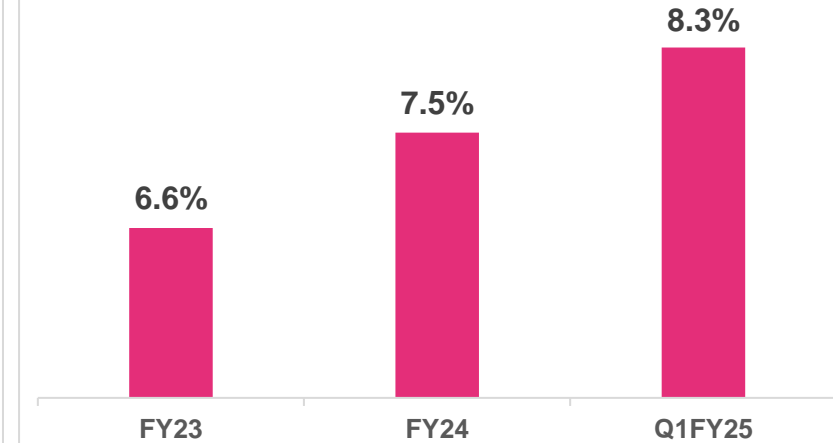
## Fixed Assets Turnover (x)



## Working Capital Days



## ROCE (%)



**Focus on capital efficiency resulting in consistent improvement in ROCE**

## ❑ Acquisition of western wear and accessories business by way of slump sale from Nykaa Fashion Limited to FSN E-Commerce Ventures Limited:

After the successful completion of phase one in which Athleisure and Lingerie business was transferred in Q4'24, the company has now completed the Acquisition of western wear and accessories business by way of slump sale from Nykaa Fashion Limited to FSN E-Commerce Ventures Limited in Q1'25. This will help to streamline and consolidate owned brand business in a single entity, similar to beauty owned brands business which are already within FSN E-commerce Ventures Limited.

## ❑ Acquisitions update:

The Board of Directors at its meeting held on August 13, 2024 approved the following transactions:

- a) Acquisition of 5,29,286 shares in Dot & Key Wellness Private Limited, a subsidiary of the Company, for a consideration of upto Rs. 265.3 crores. Post this investment, the Company's equity Interest in D&K will increase from 51% to 90%.
  
- b) Acquisition of up to 57,302 shares and 12,226 warrants of Earth Rhythm Private Limited for a consideration of upto Rs. 44.5 crores resulting in Earth Rhythm becoming subsidiary of the Company.



**Thank you**

# Glossary

Term	Description
Annual Unique Transacting Customers (AUTC)	Unique customers identified by their email-id or mobile number who have placed at least one Order on our websites, mobile applications or physical stores during the last 12 months ended as on measurement date. Annual Transacting Customers, with respect to beauty and personal care, denotes Annual Transacting customers on the Nykaa websites and mobile applications and physical stores. Annual Transacting customers, with respect to Fashion, denotes Annual Transacting customers on the Nykaa Fashion website and the mobile application, with respect to Others, denotes Annual Transacting customers on the Nykaa Man website and the mobile application, "SuperStore by Nykaa" website and mobile application
Average Order Value (AOV)	GMV generated across our websites, mobile applications and physical stores divided by Orders considered for such GMV.
Contribution Profit	Contribution Profit is a non-GAAP financial measure. Contribution Profit refers to Gross profit for the period, after the adjustment of Fulfillment Expenses, Marketing Expenses (Other than branding), Selling & Distribution Expenses.
Cost of Goods Sold	Cost of Goods Sold is a non-GAAP financial measure. cost of goods sold refers to cost of material consumed, purchase of traded goods, changes in finished goods and stock-in-trade.
EBITDA	EBITDA is a non-GAAP financial measure. EBITDA refers to our profit/(loss) before Tax for the period, as adjusted to exclude (i) Other Income, (ii) Depreciation and Amortization Expenses, (iii) Finance Costs. EBITDA Margin refers to the percentage margin derived by dividing EBITDA by Revenue from Operations
Adjusted EBITDA	Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA refers to our profit/(loss) before Tax for the period, as adjusted to exclude (i) Other Income, (ii) Depreciation and Amortization Expenses, (iii) Finance Costs, (iv) ESOP expenses & (v) GCC business and (vi) organizational restructuring cost Adjusted EBITDA Margin refers to the percentage margin derived by dividing Adjusted EBITDA by Revenue from Operations.
Gross Profit	Gross Profit is a non-GAAP financial measure. Gross Profit refers to Revenue from Operations less COGS. Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by Revenue from Operations.
Gross Merchandise Value (GMV)	Monetary value of Orders inclusive of taxes and gross of discounts, if any, across our websites, mobile applications and physical stores prior to product returns or order cancellations and including sales to and through third party channels. GMV, with respect to BPC, denotes GMV of BPC vertical. GMV, with respect to Fashion, denotes GMV of Fashion vertical. GMV, with respect to Others, denotes GMV of Other Verticals
Monthly Average Unique Visitors (MAUV)	Number of unique devices (laptops, mobile phones, etc.) which recorded at least one Visit to our websites or mobile applications during the month. Monthly Average Unique Visitors, with respect to BPC, denotes Monthly Average Unique Visitors on the Nykaa websites and mobile applications. Monthly Average Unique Visitors, with respect to Fashion, denotes Monthly Average Unique Visitors on the Nykaa Fashion website and the mobile application. Monthly Average Unique Visitors, with respect to Others, denotes Monthly Average Unique Visitors on the Nykaa Man website and the mobile application, "SuperStore by Nykaa" website and mobile application
Revenue from operations	Revenue from operations includes sale of products, marketing support revenue, income from marketplace and logistics services
Net Sales Value (NSV)	NSV refer to Net Sales Value and calculated basis GMV minus Discounts, Cancellation & Returns, and Taxes.
Orders	All orders placed on our websites, mobile applications and physical stores prior to any cancellations and returns. Orders, with respect to BPC Vertical, includes all Orders that placed on Nykaa websites & mobile applications and Physical Store, having at least one BPC product. Orders, with respect to Fashion Vertical, includes all Orders that placed on Nykaa website & mobile application, and Fashion.com website & mobile application having at least one fashion product . Orders, with respect to Others includes all Orders that placed on Nykaa Man website & application, and "SuperStore by Nykaa" website & mobile application.
Visits	Number of visits to our websites and mobile applications. A visit is considered ended when no new request has been recorded in more than 30 minutes from the same device to the website or the mobile application. Visits, with respect to beauty and personal care, denotes Visits to the Nykaa websites and mobile applications. Visits, with respect to Fashion, denotes Visits to the Nykaa Fashion website and the mobile application. Visits with respect to Others, denotes Visits to Nykaa Man website and mobile application, "SuperStore by Nykaa" website and mobile application
Existing Customers	Existing Customers, identified by their email-id or mobile number, are Customers who placed at least one Order in any prior Financial Year on our websites or mobile applications.
New Customers	New Customers, identified by their email-id or mobile number, are Customers who placed at least one Order in any current Financial Year on our websites or mobile applications.
Verticals	<p><b>Beauty</b> includes BPC, Nykaa Man Grooming, Nudge, and Superstore by Nykaa</p> <p><b>Fashion</b> includes Nykaa Fashion, LBB, and Nykaa Man Lifestyle</p> <p><b>Others</b> includes GCC business and International business</p>

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# Profit & Loss Statement

(All amounts in Rs mn, unless otherwise stated)

Particulars	Quarter Ended					Year Ended		
	Jun-24	Jun-23	Mar-24	YoY Growth	QoQ Growth	Mar-24	Mar-23	YoY Growth
<b>Revenue from Operations</b>	<b>17,461</b>	<b>14,218</b>	<b>16,680</b>	<b>23%</b>	<b>5%</b>	<b>63,856</b>	<b>51,438</b>	<b>24%</b>
Cost of goods Sold	9,901	8,032	9,577	23%	3%	36,464	28,657	27%
<b>Gross Profit</b>	<b>7,560</b>	<b>6,186</b>	<b>7,102</b>	<b>22%</b>	<b>6%</b>	<b>27,392</b>	<b>22,781</b>	<b>20%</b>
<b>Gross Profit Margin %</b>	<b>43.3%</b>	<b>43.5%</b>	<b>42.6%</b>	<b>-21 bps</b>	<b>71 bps</b>	<b>42.9%</b>	<b>44.3%</b>	<b>-139 bps</b>
Fulfilment expense	1,667	1,357	1,550	23%	8%	6,085	5,606	9%
<i>Fulfilment cost % to Revenue</i>	<i>9.5%</i>	<i>9.5%</i>	<i>9.3%</i>	<i>0 bps</i>	<i>-25 bps</i>	<i>9.5%</i>	<i>10.9%</i>	<i>137 bps</i>
Marketing & advertisement expense	2,018	1,597	1,911	26%	6%	7,372	5,906	25%
<i>Marketing &amp; advertisement expense % to Revenue</i>	<i>11.6%</i>	<i>11.2%</i>	<i>11.5%</i>	<i>-33 bps</i>	<i>-10 bps</i>	<i>11.5%</i>	<i>11.5%</i>	<i>-6 bps</i>
Selling and distribution expense	465	322	447	45%	4%	1,541	1,040	48%
<i>Selling &amp; distribution expense % to Revenue</i>	<i>2.7%</i>	<i>2.3%</i>	<i>2.7%</i>	<i>-40 bps</i>	<i>2 bps</i>	<i>2.4%</i>	<i>2.0%</i>	<i>-39 bps</i>
<b>Contribution Profit</b>	<b>3,410</b>	<b>2,911</b>	<b>3,194</b>	<b>17%</b>	<b>7%</b>	<b>12,394</b>	<b>10,229</b>	<b>21%</b>
<b>Contribution Margin %</b>	<b>19.5%</b>	<b>20.5%</b>	<b>19.2%</b>	<b>-95 bps</b>	<b>38 bps</b>	<b>19.4%</b>	<b>19.9%</b>	<b>-48 bps</b>
Employee benefits expense	1,559	1,386	1,421	12%	10%	5,649	4,917	15%
<i>Employee expense % to Revenue</i>	<i>8.9%</i>	<i>9.7%</i>	<i>8.5%</i>	<i>82 bps</i>	<i>-41 bps</i>	<i>8.8%</i>	<i>9.6%</i>	<i>71 bps</i>
Other expense	890	790	841	13%	6%	3,284	2,752	19%
<i>Others expense % to Revenue</i>	<i>5.1%</i>	<i>5.6%</i>	<i>5.1%</i>	<i>46 bps</i>	<i>-6 bps</i>	<i>5.1%</i>	<i>5.3%</i>	<i>21 bps</i>
<b>EBITDA</b>	<b>961</b>	<b>735</b>	<b>933</b>	<b>31%</b>	<b>3%</b>	<b>3,462</b>	<b>2,560</b>	<b>35%</b>
<b>EBITDA Margin %</b>	<b>5.5%</b>	<b>5.2%</b>	<b>5.6%</b>	<b>34 bps</b>	<b>-9 bps</b>	<b>5.4%</b>	<b>5.0%</b>	<b>44 bps</b>
Depreciation & Amortisation <sup>(2)</sup>	601	519	596	16%	1%	2,242	1,733	29%
<i>Depreciation &amp; Amortisation % to Revenue</i>	<i>3.4%</i>	<i>3.7%</i>	<i>3.6%</i>	<i>21 bps</i>	<i>14 bps</i>	<i>3.5%</i>	<i>3.4%</i>	<i>-14 bps</i>
Finance Cost (Net of other income) <sup>(3)</sup>	140	118	141	18%	-1%	529	444	19%
<b>Profit before Tax</b>	<b>221</b>	<b>97</b>	<b>196</b>	<b>127%</b>	<b>12%</b>	<b>690</b>	<b>384</b>	<b>80%</b>
<b>PBT Margin %</b>	<b>1.3%</b>	<b>0.7%</b>	<b>1.2%</b>	<b>58 bps</b>	<b>9 bps</b>	<b>1.1%</b>	<b>0.7%</b>	<b>33 bps</b>
Total tax expense	78	33	98			253	136	
<b>Profit before share of (loss) of associate</b>	<b>142</b>	<b>65</b>	<b>97</b>	<b>119%</b>	<b>45%</b>	<b>437</b>	<b>248</b>	<b>76%</b>
Share in loss of associate	-6	-10	-7			-40	-39	
<b>Net Profit for the period</b>	<b>136</b>	<b>54</b>	<b>91</b>	<b>150%</b>	<b>49%</b>	<b>397</b>	<b>210</b>	<b>90%</b>
<b>PAT Margin %</b>	<b>0.8%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>39 bps</b>	<b>23 bps</b>	<b>0.6%</b>	<b>0.4%</b>	<b>21 bps</b>

1. Adjusted EBITDA margin of 6.2% in Q1FY25, is before ESOP expenses, GCC EBITDA and organisational restructuring expenses

2. Amortization includes the depreciation on RoU (Right of Use Assets)

3. Finance cost includes the interest cost on lease liabilities (Net of Interest Income on Security Deposit & Gain on cancellation of lease)

# Quarterly Vertical Performance: Business Wise

(All amounts in Rs mn, unless otherwise stated)

Particulars	Q1 FY24				Q2 FY24				Q3 FY24				Q4 FY24			
	Beauty	Fashion	Others	Total	Beauty	Fashion	Others	Total	Beauty	Fashion	Others	Total	Beauty	Fashion	Others	Total
<b>GMV</b>	19,908	6,758	6	26,672	21,559	7,872	8	29,438	25,696	10,465	18	36,179	23,377	8,760	36	32,172
<i>Growth</i>	28%	13%		24%	25%	27%		25%	27%	36%		29%	34%	26%		32%
<b>NSV</b>	12,121	2,089	5	14,215	12,566	2,411	6	14,983	14,954	2,899	15	17,868	13,979	2,479	30	16,487
<i>Growth</i>	28%	19%		26%	23%	35%		24%	23%	29%		24%	28%	24%		28%
<b>Revenue from Operations</b>	12,984	1,225	10	14,218	13,695	1,365	10	15,070	16,227	1,640	21	17,888	15,193	1,454	33	16,680
<i>Growth</i>	24%	21%		24%	22%	31%		22%	22%	22%		22%	28%	31%		28%
Gross Profit	5,223	957	6	6,186	5,427	1,061	8	6,496	6,317	1,274	16	7,607	5,949	1,137	17	7,102
Fulfilment expenses	1,114	237	6	1,357	1,171	283	5	1,459	1,396	318	4	1,718	1,283	259	8	1,550
Marketing & advertisement expense	971	594	2	1,567	1,030	617	1	1,648	1,414	714	3	2,131	1,206	625	25	1,856
Selling and Distribution expenses	285	37	0	322	306	40	0	346	385	42	0	427	403	44	0	447
<b>Contribution Profit</b>	2,853	89	-2	2,941	2,920	121	2	3,043	3,121	200	10	3,331	3,056	209	-16	3,249
Other expenses (Including Employee and G&A expenses)	1,800	384	21	2,206	1,812	412	12	2,237	1,890	412	42	2,344	1,793	427	96	2,316
<b>EBITDA</b>	1,053	-295	-23	735	1,108	-291	-10	806	1,232	-212	-32	988	1,263	-218	-113	933
<b>Key Ratios as a % to NSV</b>																
Gross Profit Margin %	43.1%	45.8%		43.5%	43.2%	44.0%		43.4%	42.2%	43.9%		42.6%	42.6%	45.8%		43.1%
Fulfilment expenses %	9.2%	11.3%		9.5%	9.3%	11.8%		9.7%	9.3%	11.0%		9.6%	9.2%	10.4%		9.4%
Marketing and Advertisement expense %	8.0%	28.5%		11.0%	8.2%	25.6%		11.0%	9.5%	24.6%		11.9%	8.6%	25.2%		11.3%
Selling and Distribution expenses %	2.4%	1.8%		2.3%	2.4%	1.6%		2.3%	2.6%	1.4%		2.4%	2.9%	1.8%		2.7%
<b>Contribution Margin %</b>	23.5%	4.3%		20.7%	23.2%	5.0%		20.3%	20.9%	6.9%		18.6%	21.9%	8.4%		19.7%
Other expenses%	14.9%	18.4%		15.5%	14.4%	17.1%		14.9%	12.6%	14.2%		13.1%	12.9%	17.2%		14.0%
<b>EBITDA Margin %</b>	8.7%	-14.1%		5.2%	8.8%	-12.1%		5.4%	8.2%	-7.3%		5.5%	9.0%	-8.8%		5.7%



# Key Operational Metrics

Particulars	Unit	Q1FY24	Q1FY25	YoY
<b>Visits</b>				
Beauty	mn	269	<b>330</b>	23%
Fashion	mn	126	<b>127</b>	0%
<b>MAUV</b>				
Beauty	mn	27.3	<b>32.6</b>	19%
Fashion	mn	16.6	<b>15.8</b>	-5%
<b>Orders</b>				
Beauty	mn	9.9	<b>12.4</b>	26%
Fashion	mn	1.5	<b>1.7</b>	10%
<b>AOV</b>				
Beauty	Rs	1,922	<b>1,924</b>	0%
Fashion	Rs	4,058	<b>4,237</b>	4%
<b>AUTC</b>				
Beauty	mn	10.9	<b>13.1</b>	21%
Fashion	mn	2.6	<b>3.1</b>	18%