



November 06, 2023

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra – Kurla Complex,  
Bandra (E), Mumbai – 400 051

**BSE Limited**  
Corporate Relationship Department,  
2<sup>nd</sup> Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai – 400 001

**Symbol: NYKAA**

**Scrip Code: 543384**

Dear Sirs,

**Sub: Investor Presentation**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Investor Presentation for the quarter and half year ended September 30, 2023, to be used by the Company for the analyst/ institutional investors meeting(s) scheduled today i.e., November 06, 2023.

Kindly take the same on record.

Thanking You.

Yours faithfully,  
**For FSN E-Commerce Ventures Limited**

---

**Sujeet Jain**  
Chief Legal and Regulatory Officer,  
Company Secretary & Compliance Officer  
Membership No.: F6144

Encl.: as above



# NYKAA

Investor Presentation  
Quarter ended September 30, 2023

---

FSN E-Commerce Ventures Limited

# ***Table of Contents***

**1**

**Performance Highlights**

**2**

**Pioneer of India's BPC Industry**

**3**

**Nykaa Fashion at an Inflection point**

**4**

**House of Brands**

**5**

**ESG**

**6**

**Financial Performance**



**NYKAA**

# Performance Highlights

---

*NYKAA*

## Q2 FY24: Strong profitable growth

### NSV

**Rs. 14,983 MM**

**+24%** YoY Growth

### Revenue from Operations

**Rs. 15,070 MM**

**+22%** YoY Growth

### Gross Profit

**Rs. 6,496 MM**

**+16%** YoY Growth

Gross Margin\* **43.1%** (↓221 bps YoY)

### EBITDA

**Rs. 806 MM**

**+32%** YoY Growth

EBITDA Margin\* **5.4%** (↑38 bps YoY)

### PBT

**Rs. 133 MM**

**51%** YoY Growth

PBT Margin\* **0.9%** (↑17 bps YoY)

### PAT\*\*

**Rs. 78 MM**

**50%** YoY Growth

PAT Margin\* **0.5%** (↑10 bps YoY)

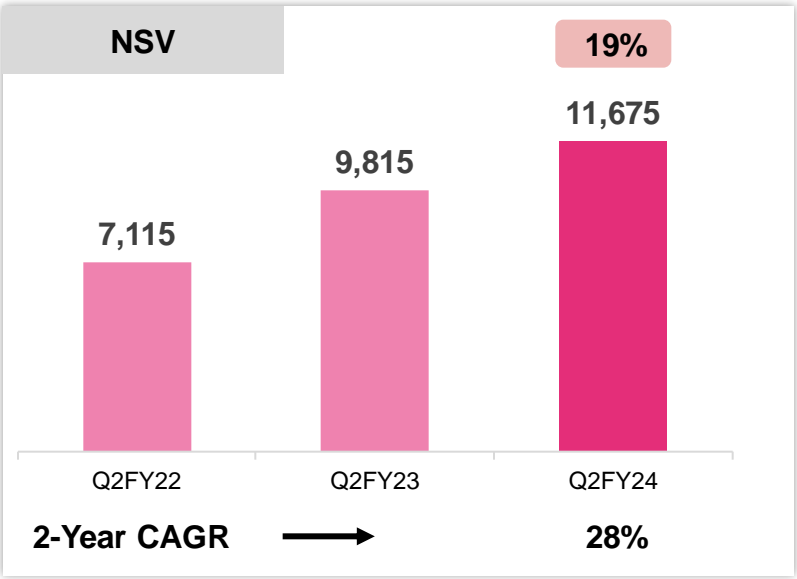
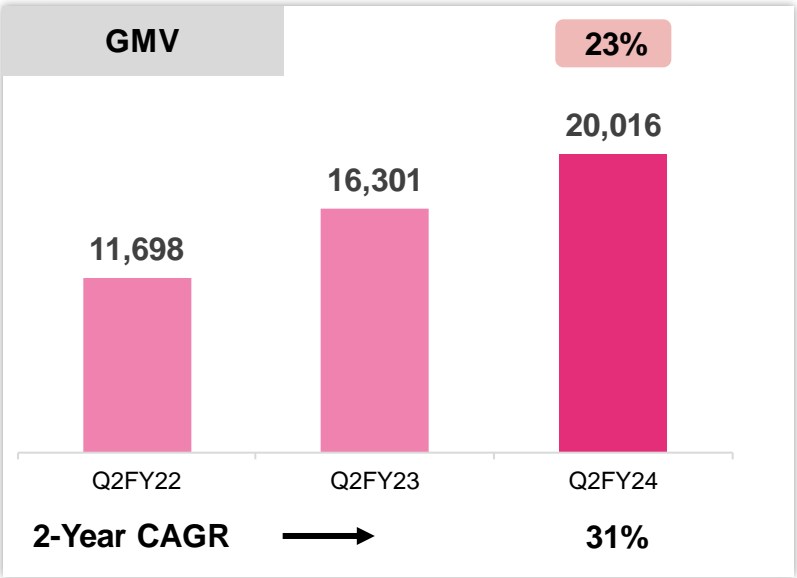
**GMV** of **Rs 29,435 MM** [**25%** YoY Growth]

\* Margin% is on Revenue from Operations

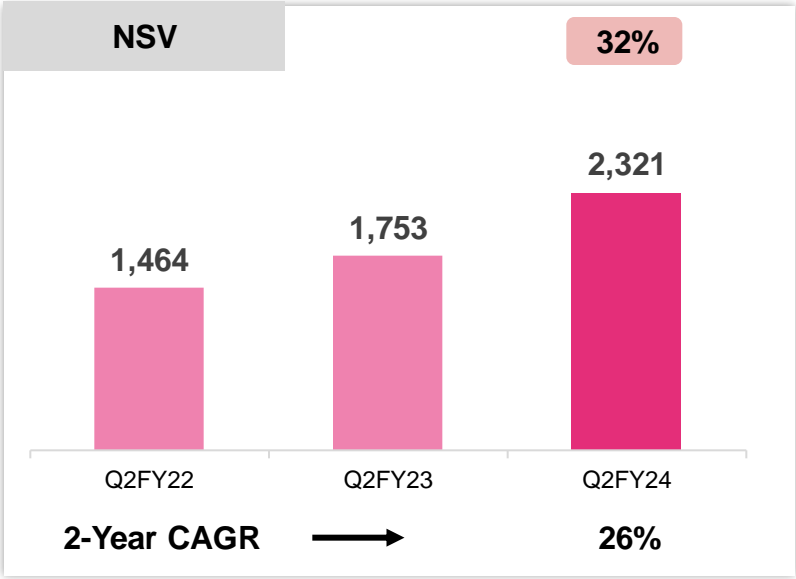
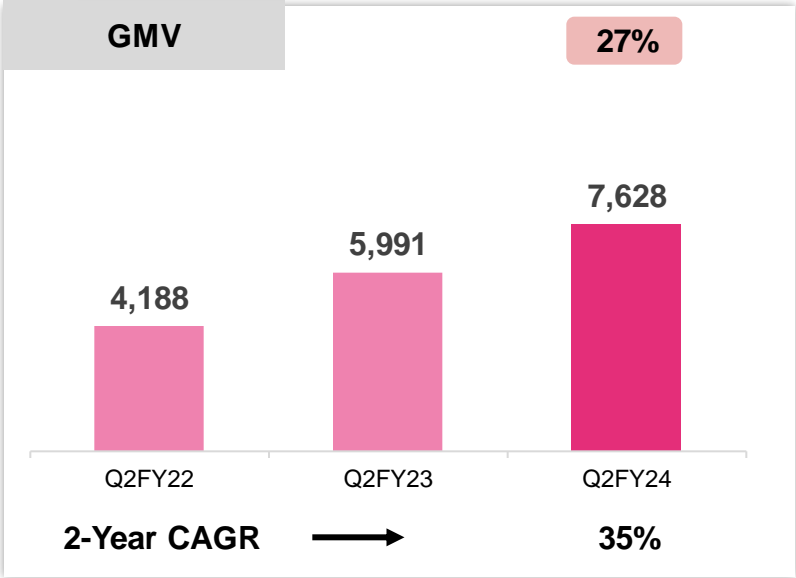
\*\* PAT is after considering share of loss of associate

# Strong growth across all verticals

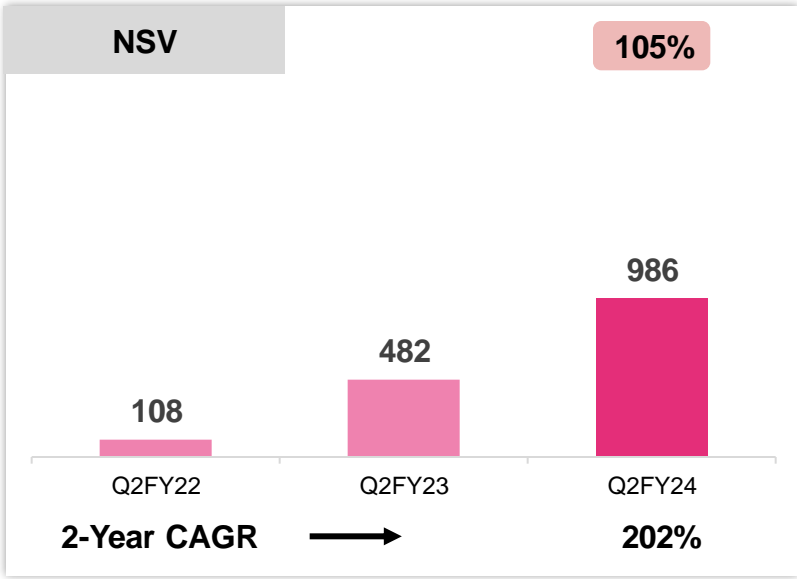
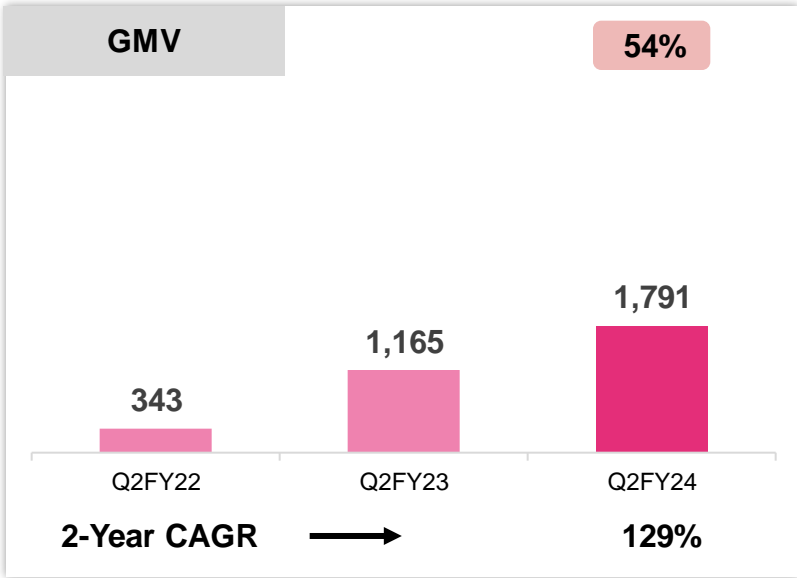
## BPC



## Fashion



## Others\*

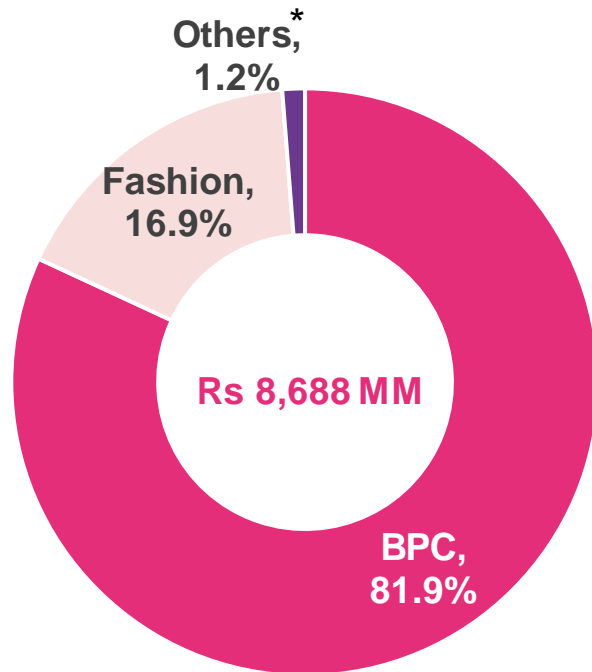


\* Others includes our new businesses NykaaMan, eB2B platform “SuperStore by Nykaa”, International, LBB, and Nudge

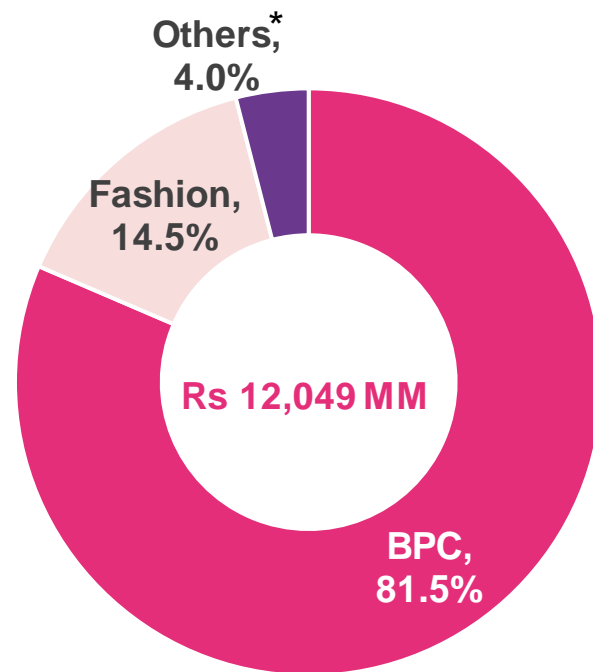
# Business diversification to serve a wider TAM

**NSV**

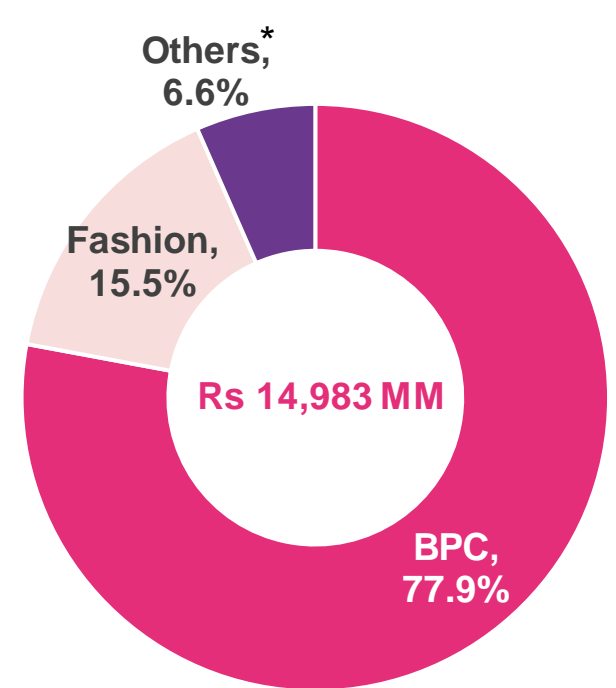
**Q2FY22**



**Q2FY23**

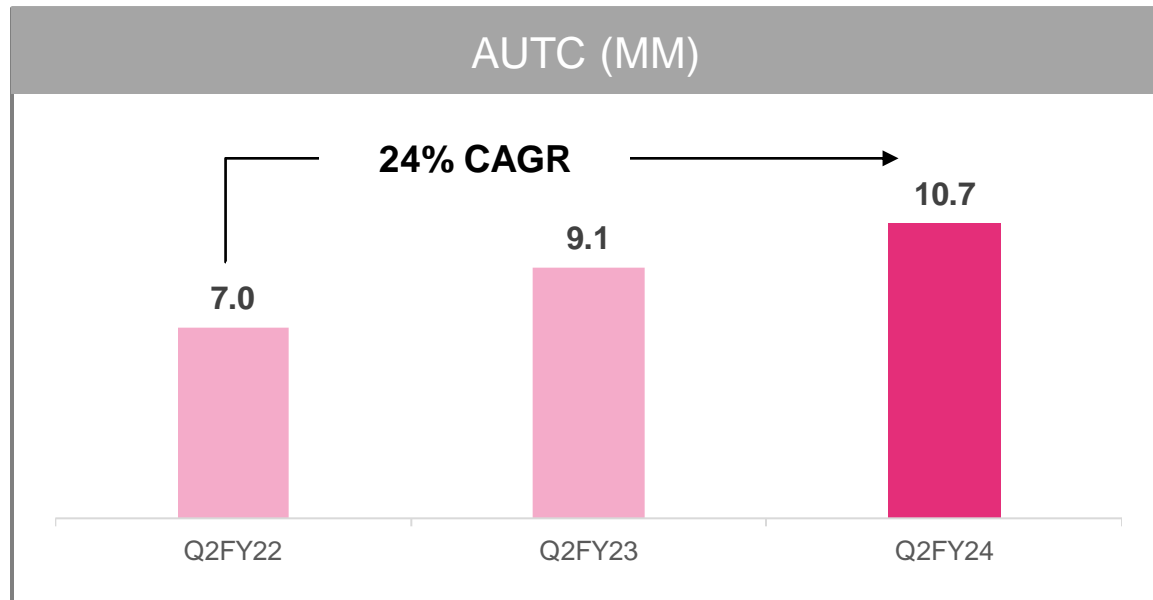
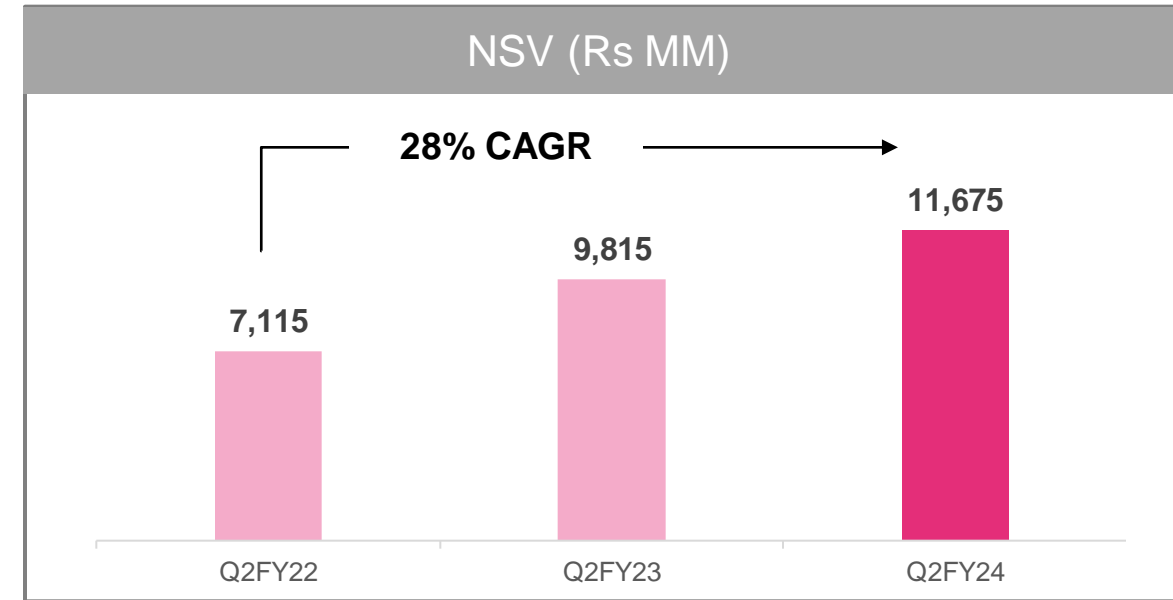
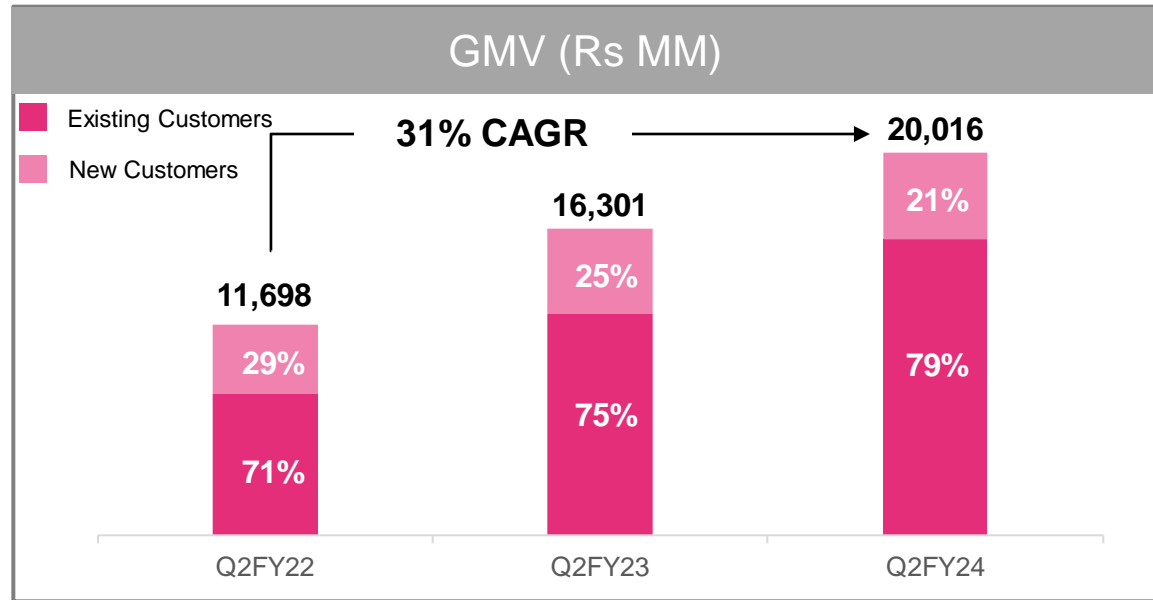


**Q2FY24**



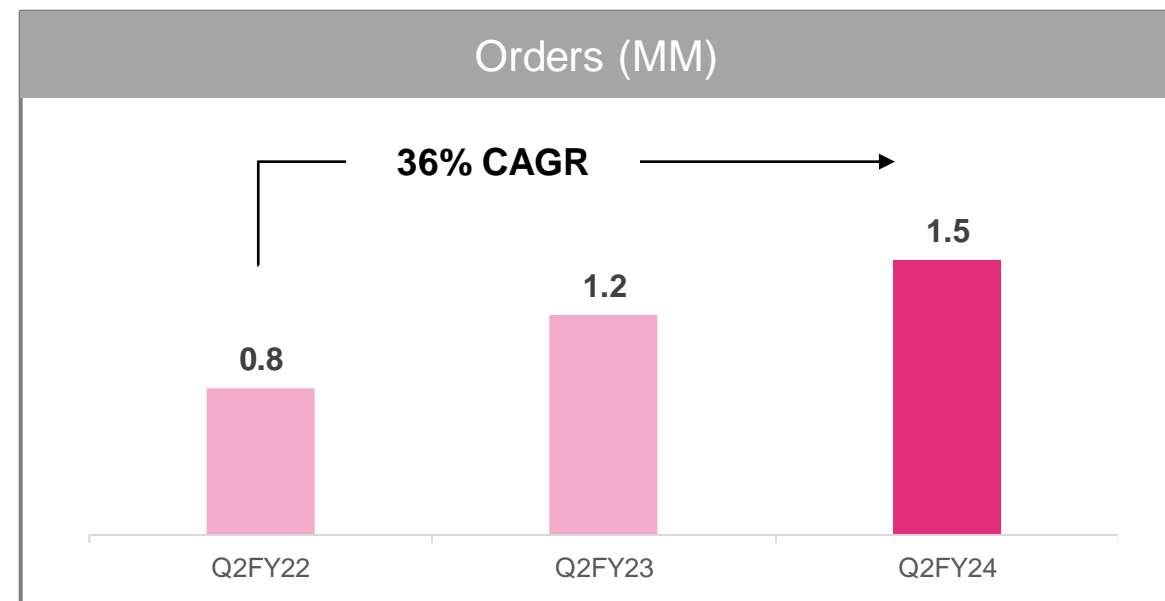
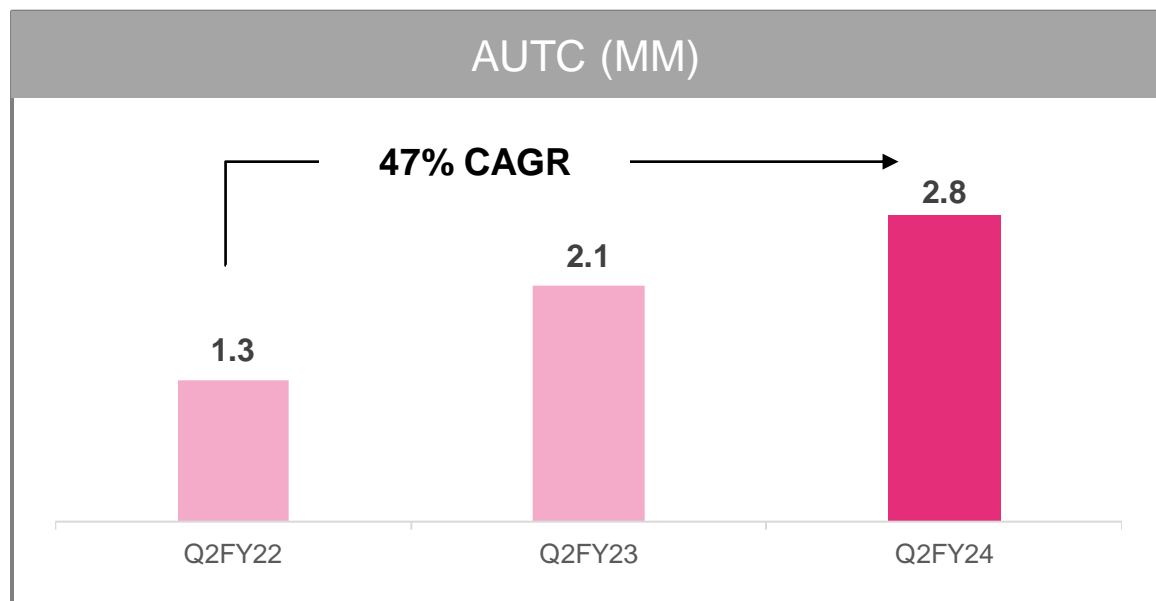
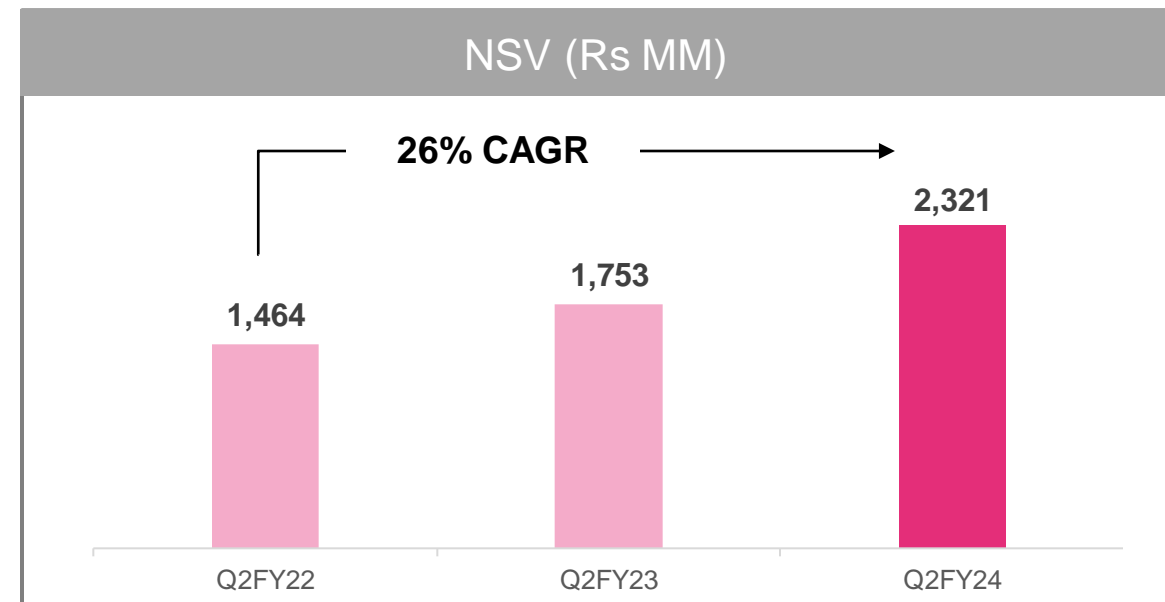
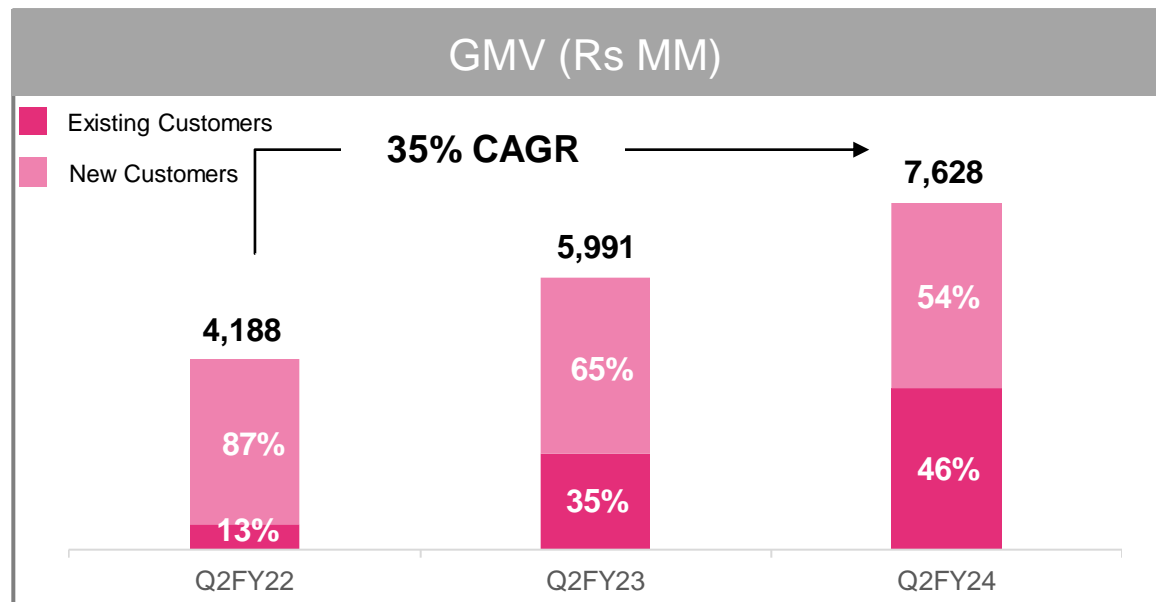
\* Others includes our new businesses NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge

# BPC: Strong growth across key metrics

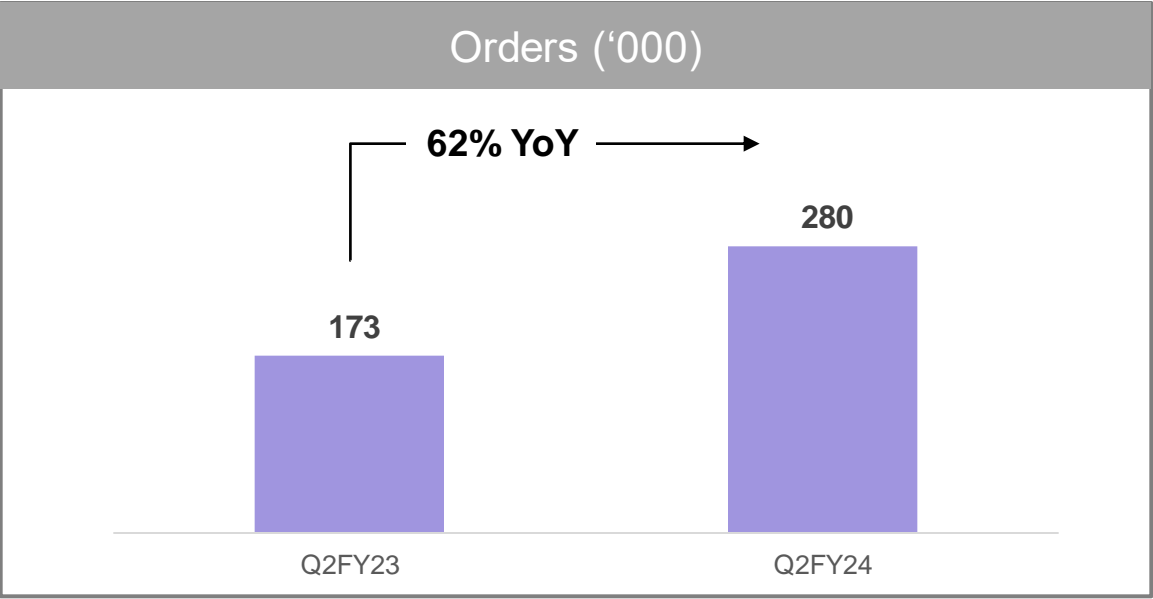
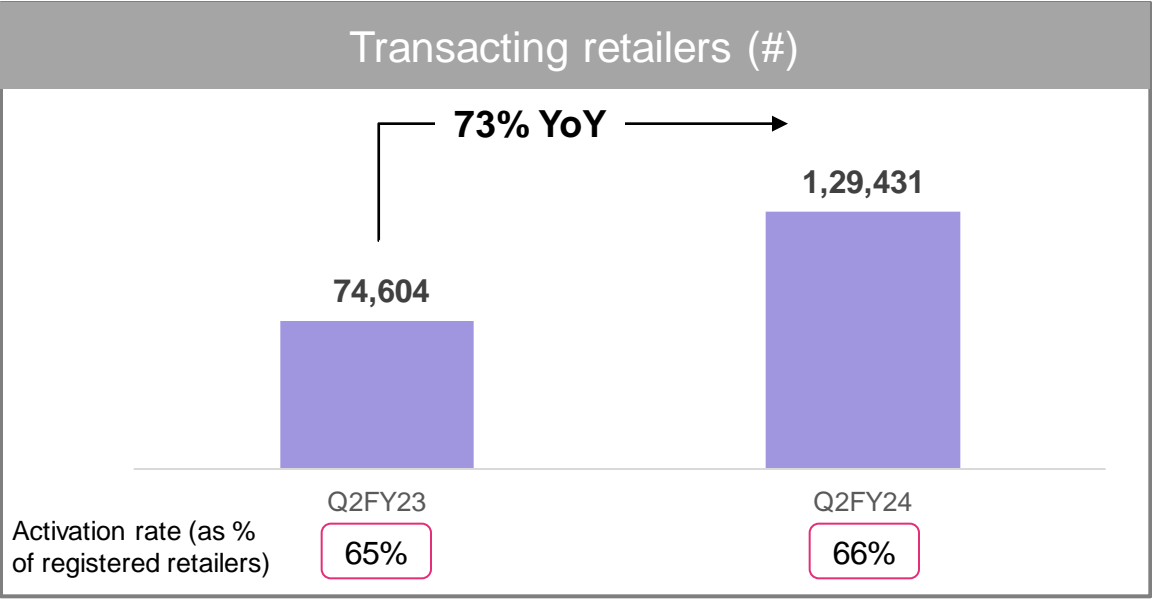
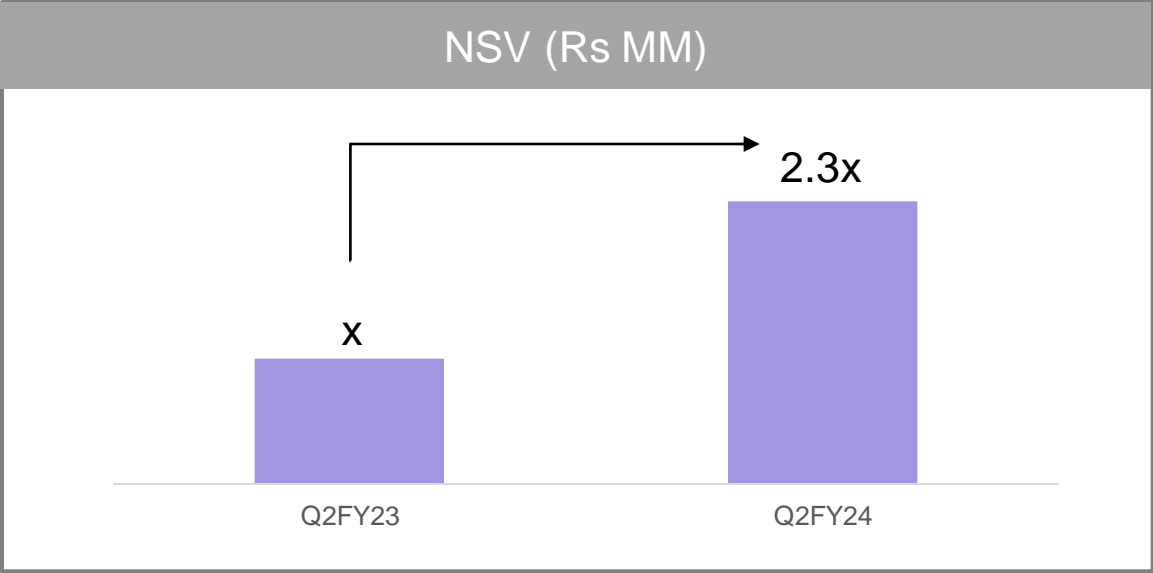
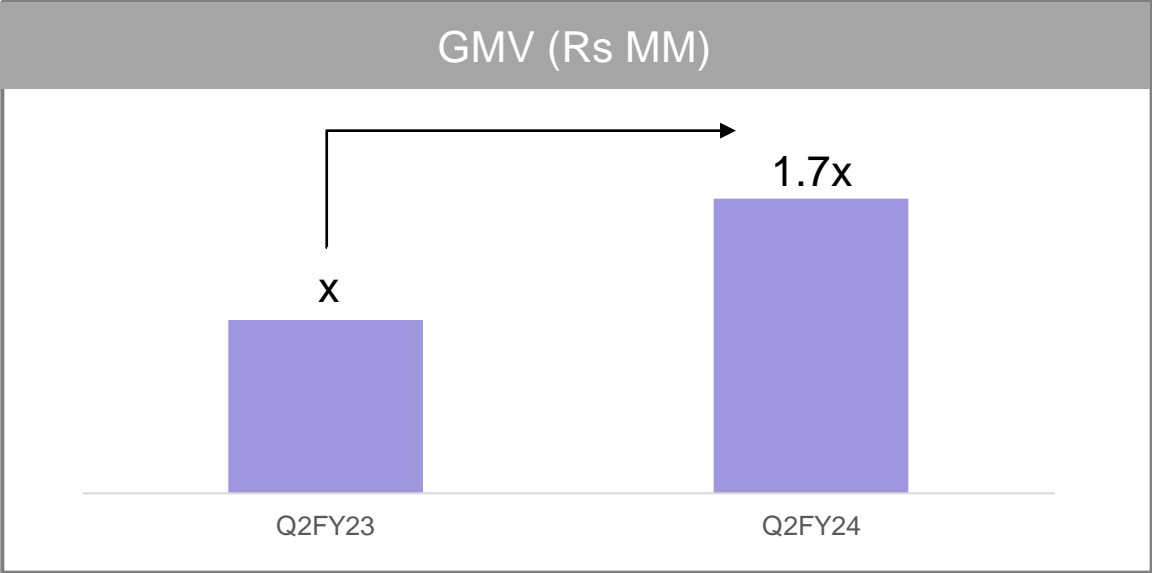




# Fashion: Improved revenue share from existing buyers



# eB2B: Significant progress on our path to profitability



Serving retailers across **770 cities**

BPC: Nykaa Pioneer of India's beauty industry



# Nykaa playbook demonstrating leadership in beauty

## Opportunity



**BPC organized** taking share from **unorganized** market with **online** growing the fastest



**Rising per capita spend** in Beauty  
Expected to reach **\$50 in 2030** from **\$15 in 2022**



Shift from **personal care** to **beauty**. Strong growth in **makeup, skincare** and **fragrances**

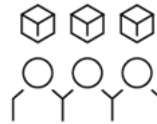
## Our Focus



Building **beauty ecosystem** through **education, experience, and events**



**Personalized discovery** and **curated experience** across the customer journey



Best in class assortment of **international, luxury, and home-grown brands**



**Winning partnership** with our brands through **omnichannel art of retailing**

## What we have achieved..

**79%\***

Revenue from **existing customer**

**\$80+\***

Annual spend by average customer on our platform  
[5x of industry average]

**21 MM+\*\***

Cumulative customer base

**3,600+\***

Domestic and International brands

**165\***

Physical stores

# India's biggest beauty festival – Nykaaland 2023



**80+**  
Brands  
participation

**800+**  
Influencers,  
MUAs & KOLs

**5,000+**  
Content  
generated

## New Launches

**ud**  
URBAN DECAY

*Iconic cosmetic brand from LA  
exclusively at Nykaa*



*Most renowned collection to  
India for the first time*

## Masterclass session by



**Mario Dedivanovic**

*Makeup Artist  
Founder, Makeup by Mario*



**Namrata Soni**

*Makeup and Hair Artist  
Founder, SimplyNam*



**Daniel Bauer**

*Makeup and Hair Artist  
Founder, Daniel Bauer  
Academy*

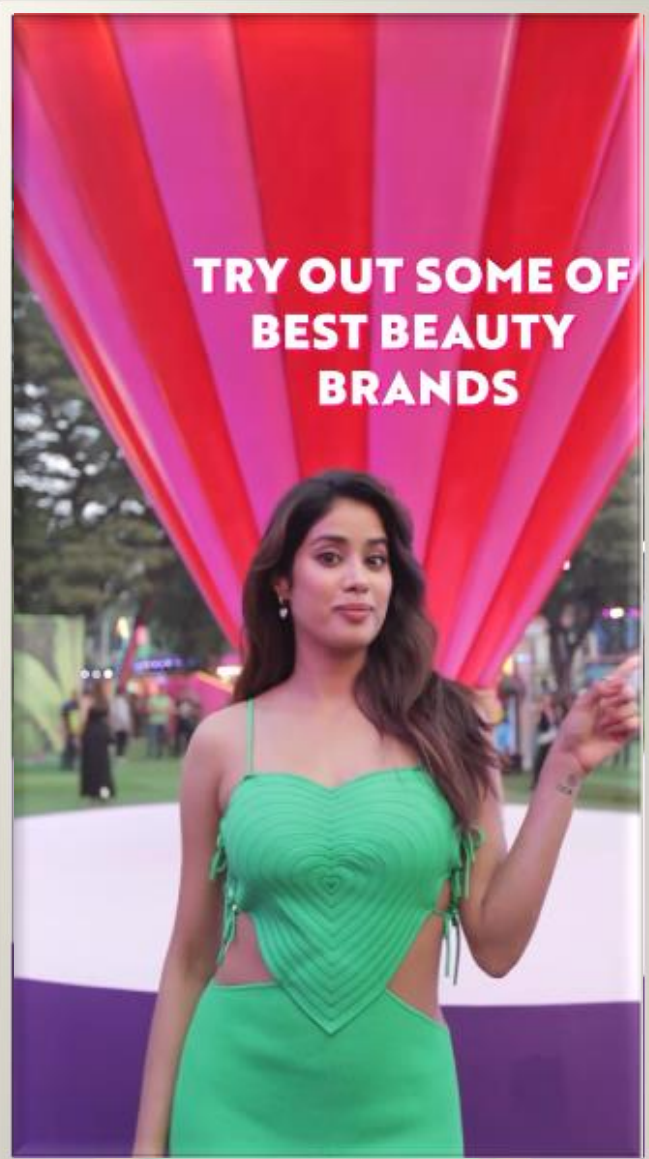
**15,000+ Attendees**

## Celebrities

*Katrina Kaif, Jahnvi Kapoor, Masaba, Kriti Sanon, Jim Sarbh,  
Nushratt Bharuccha and more...*



# India's biggest beauty festival – Nykaaland 2023



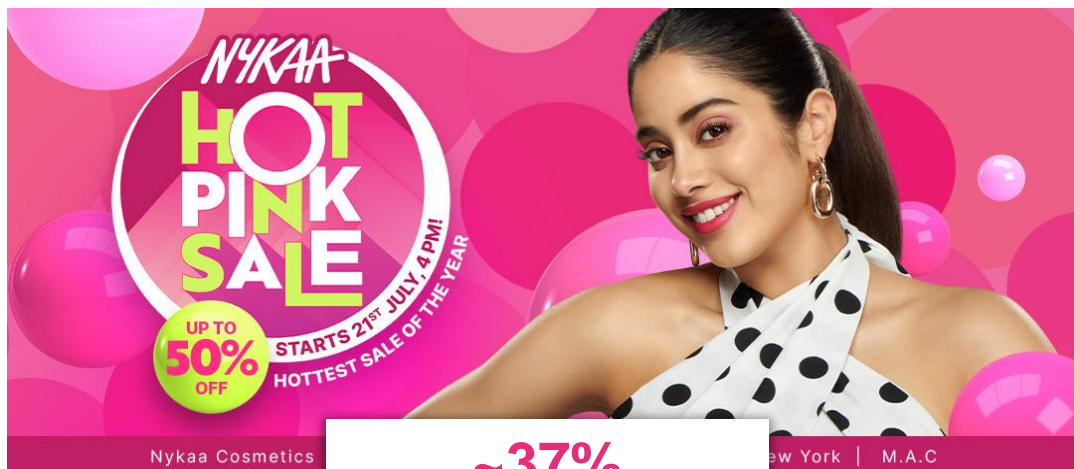


# India's biggest beauty festival – Nykaaland 2023





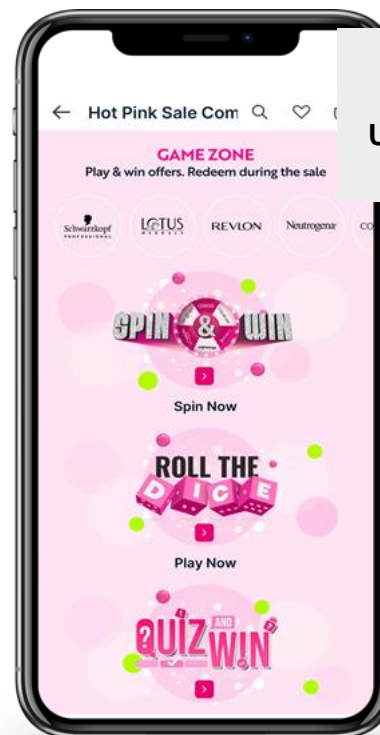
# Industry first innovative approach to beauty focused flagship sale events



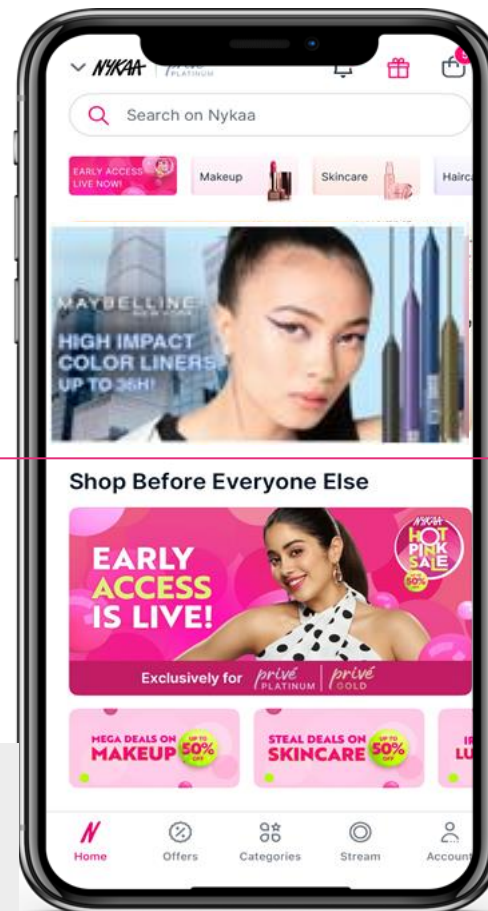
**~37%**  
Omni-channel beauty GMV  
Y-O-Y growth

**525 MM**

Reach through  
social media &  
Influencers



**200K**  
Users engaged with  
the **gamification**



**1<sup>st</sup> time ever**  
**Early access**  
for Prive Gold & Platinum

**Hourly flash  
sale offers**  
And exclusive offers on  
Luxury brands



Nykaa Eyes On Me! 10-  
in-1 Eyeshadow Palette -  
12gm  
₹599 ₹539 | **10% Off**  
Enjoy Free Gift  
★★★★★ (25915)  
Privé Gold Early Access Li...  
₹ 299 **(50%)**

Nykaa Black Magic! Gel  
Eyeliner - Jet Black  
3.5g  
₹599 ₹479 | **20% Off**  
Enjoy Free Gift  
★★★★★ (5870)  
Privé Gold Early Access Li...  
₹ 240 **(60%)**



# Strengthening omnichannel leadership

**~8%\***

Offline contribution to overall  
BPC GMV

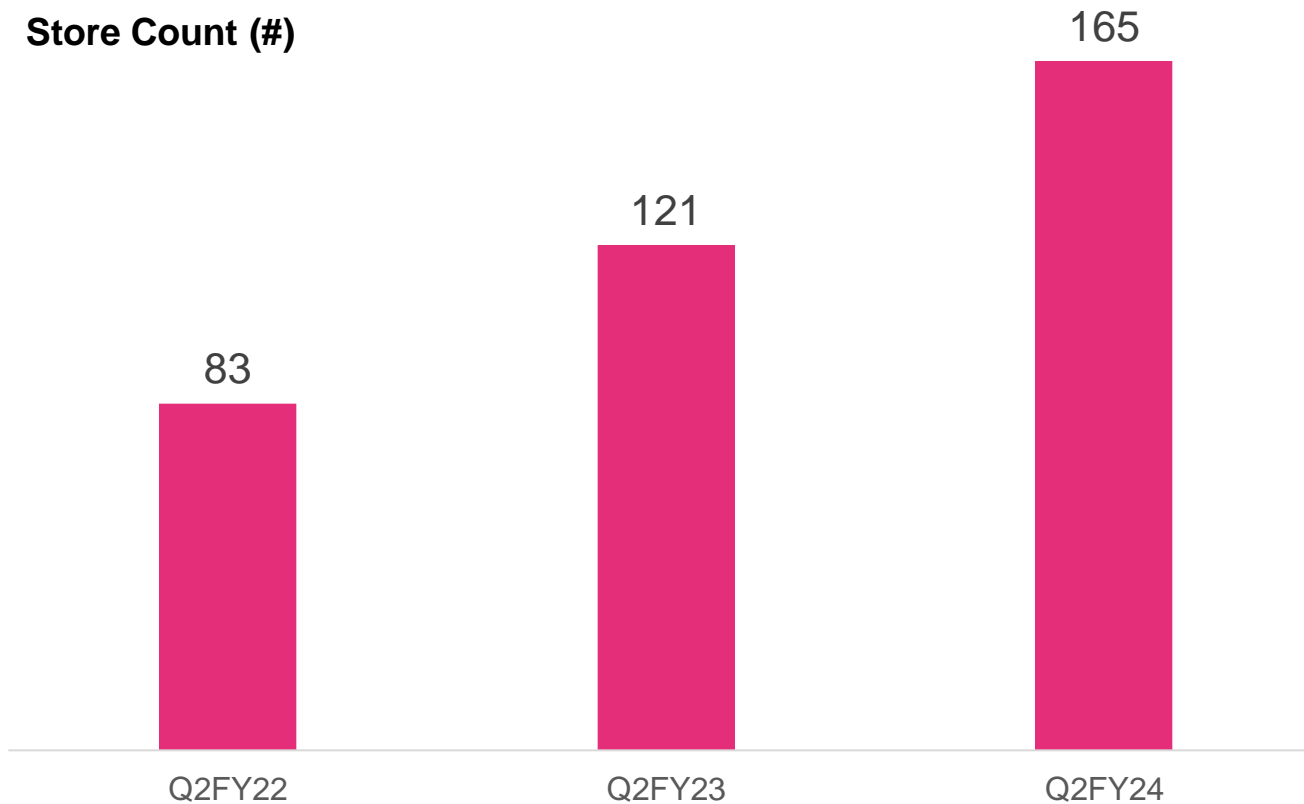
**~1.6L sq.ft.\***

Total offline store space  
[34% YoY growth]

**Rs 3,249\***

GMV/sq. ft./month

Store Count (#)



**71\*\* NYKAA  
ONTREND**



**65\*\* NYKAA  
LUXE  
THE LUXURY STORE**



**29\*\* NYKAA  
KIOSK**



Launched

**13 new stores**

in Q2FY24

\* For Q2FY24

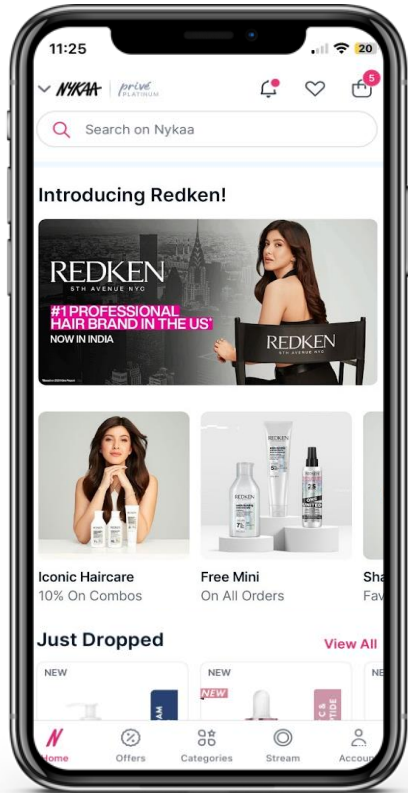
\*\* as of September 30, 2023

# Bringing the best of new international & domestic brands for our customers

## 3,600+\*

International & Domestic Brands

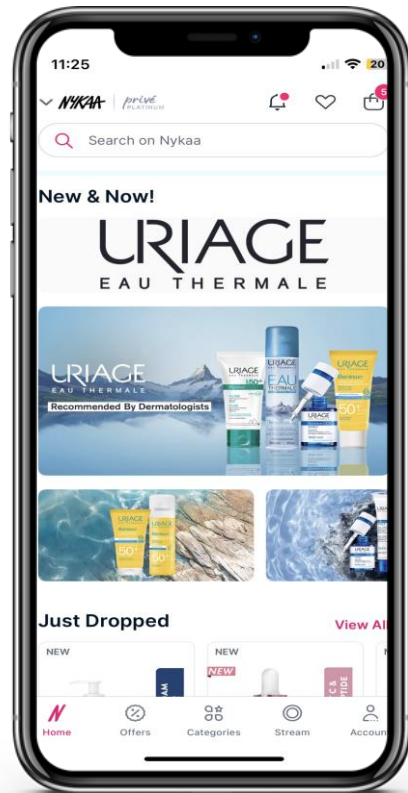
**Redken** – biggest haircare launch this year



10K+

New SKUs launched across top 400 brands

**Uriage** – International dermat recommended bestseller



Skincare favourites



Formula 10.0.6



Novology



Versed



Juice beauty



Natasha Moor – Only on Nykaa



Lamel



Sugar Play

Makeup

The Good bug – Wellness



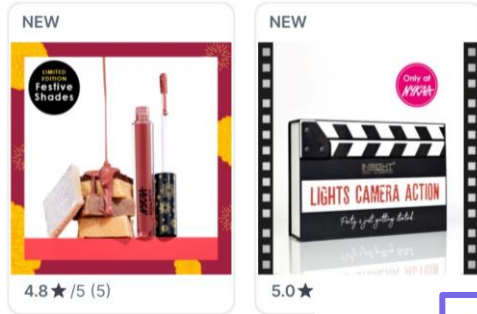
\* as of September 30, 2023



# Adding to the customer's journey with new properties across the discovery funnel

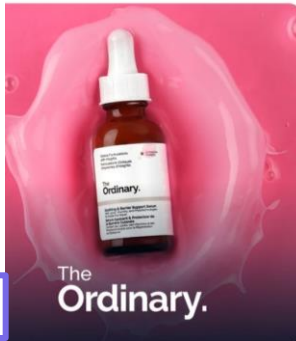
## New & Now @Nykaa

### Freshly Dropped



Curated collection of new launches from brands in the Beauty space

### New On Our Radar



### Brewing & Rising



## Nykaa's Next in Beauty

### Globally Growing



Curating high potential beauty brands

### Consciously Created



Cutting-edge makeup that knows no limits



Infused with unadulterated herbal powders & oils

### Trending On IG



Ayurvedic formulations that celebrate real skin



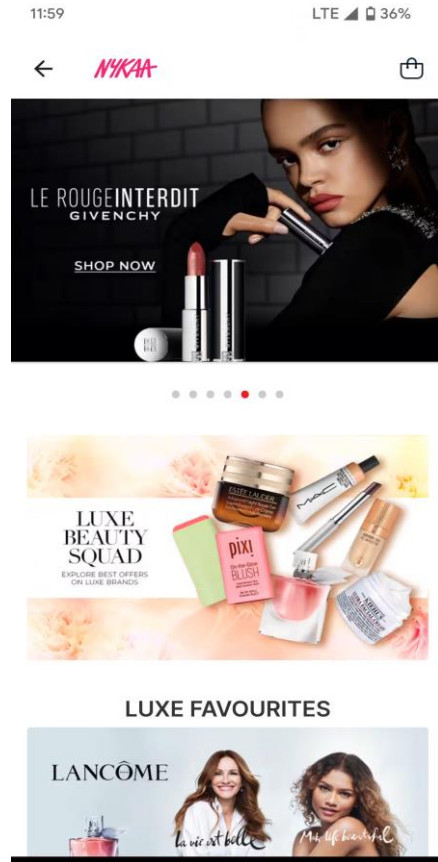
K-beauty-inspired products that push the envelope

# Rebuilding our Nykaa Luxe store front for a personalized shopping experience

\* as on September 30, 2023

## Before

- Smaller brand imagery
- Limited availability to create video assets on the page
- No Latest luxury trend discussion on the luxury page



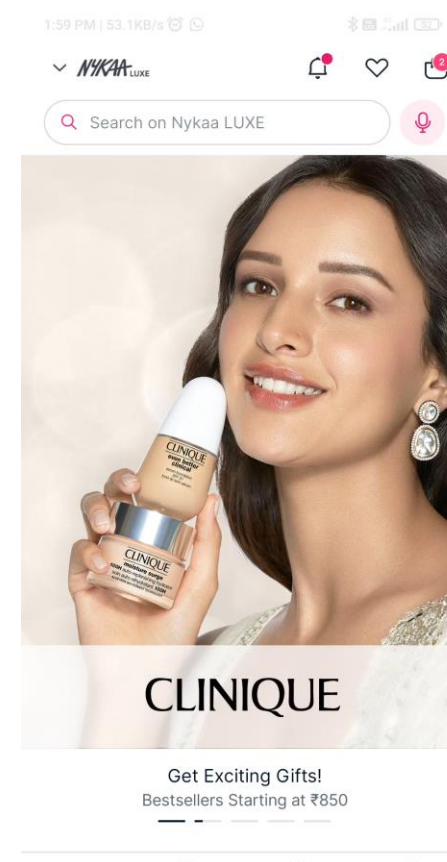
Revamped Luxe Store interface

150+\*

Luxury Brands

## After

- Larger Imagery for enhanced branded storytelling
- Improvement in UI functionality via Video and GIF enabled assets
- User Engagement through Content led conversations on latest luxury trends





# Curated offline experiences through events and masterclasses

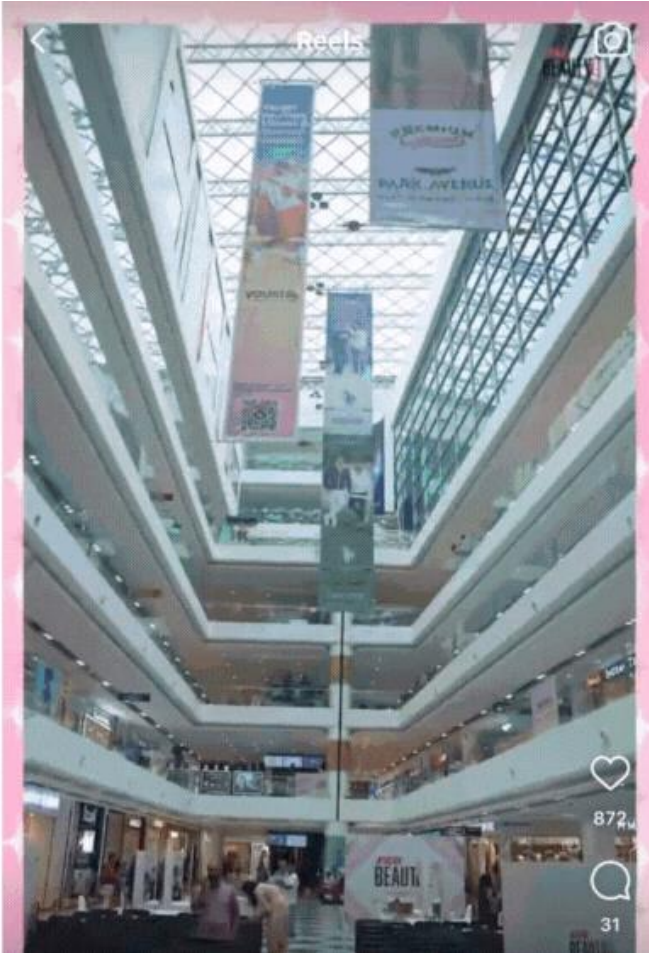
**NYKAA**  
**BEAUTY** **BAR**  
*I Beauty* EDITION

Re-Launched in  
**2023**, post covid

**7 Beauty Bars**  
across 7 cities

**~10,000**  
Cumulative  
Registrations

**~50 Mn**  
Cumulative impression  
across all channels



## Offline Events

Session with the Caudalie  
Founder and skin analyzer  
in store



Personalization and Gifting  
Activation



Masterclasses and  
Guestlisted events



# Destination for Korean beauty enthusiasts

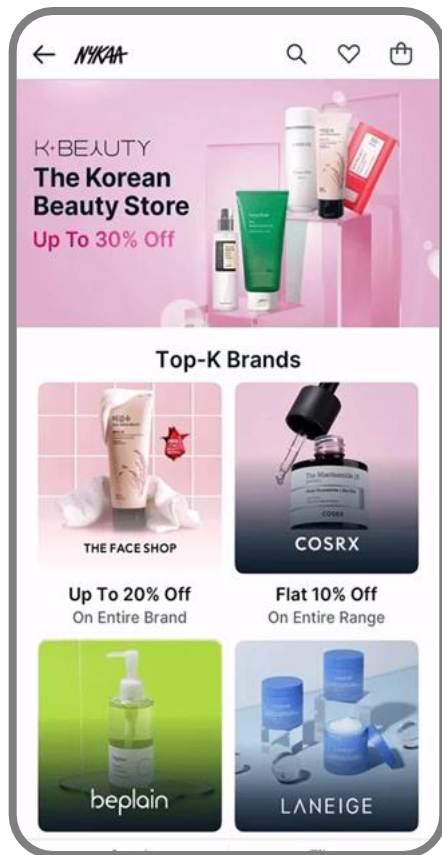
## Trending Searches

**+148%**  
KOREAN  
SUNSCREEN

**+61%**  
GLASS SKIN

**+50%**  
Growth in Top  
Korean brands

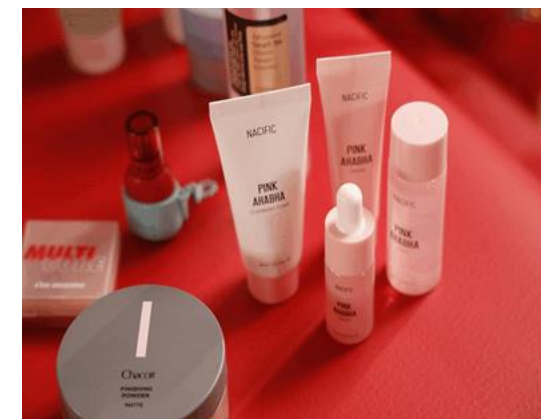
## Dedicated K-beauty store



## K- beauty on-site content



## Korean beauty events



Sulwhasoo

LANEIGE

belif

TONYMOLY

THE FACE SHOP

innisfree LISÉN

COSRX

BEAUTY  
OF  
JOSEON

dear,  
**klairs**

SATURDAY  
SKIN

THANK YOU FARMER

ETUDE  
HOUSE

It'S SKIN



# CSMS: Introducing India's daily skin care routine

## Understanding Skincare Customers

### Customer Behaviour

- Indian consumers don't follow a regime
- Indian skin is unique with different needs

### Customer Voice

- Existing skincare routines are confusing; have too many steps, and don't address key concerns faced by most Indians (pigmentation, acne)

"Serum in the AM or PM??"

"Why use sunscreen daily?"

"Should I double cleanse?"

## Collaboration with 100+ Dermatologists

### Surveyed across the country

Given the lack of awareness on skin regimes, captured expert recommendations on:

- Ideal regime - no. of steps
- Top Skincare concerns
- Must use products
- Must do step



## 4 Steps for Indian Skin



- 4 simple steps Cleanser. Serum. Moisturiser. Sunscreen
- Specifically for Indian Skin & Climatic conditions
- Addressing concerns relevant to the Indian consumer

# CSMS: 360° awareness building for customer education

## 50+ KOL & Influencers

### Approach

- KOL + dermatologists across age groups and demographics
- Conversations around Indian skin concerns with CSMS being the ultimate solution
- Relatable, educational, and functional content onsite and offsite to drive routine awareness and adoption



123 MM  
Impressions

### Omnichannel own platform

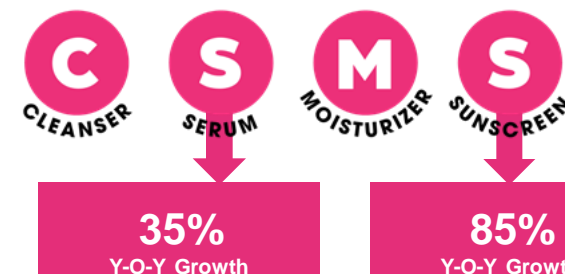


### Off Platform



## Brand Partners & Customer Adoption

60%+ Nykaa customers shop skincare



Identified customer cohorts to personalize journey across categories

**3.12**  
Category Width  
[vs India avg. of 1.5]

Received Industry alignment: key partners and brands endorse CSMS



# Nykaa Fashion at an inflection point

---



# Nykaa Fashion playing in a niche, more premium segment

## Opportunity



India **online premium fashion** market sized at **\$2 Bn** and expected to grow by **3.5x** in **2030**



**Rising per capita spend** in Fashion. Expected to reach **\$160 Bn** in **2030** from **\$54 Bn** in **2022**



Integration of **tech** and **luxury** to drive more **personalized customer experience**

## Our Focus



**Customer Education and Inspiration**



Strong focus on **curated** and **differentiated assortment** to **uplift customer's journey**



Brand partnerships focused on retailing **latest styles + brand stories**



**Hyper-personalized discovery** in a cluttered and discounted market

## What we have achieved..

**26%+\***

Sale from new season collection

**46%\***

GMV from existing customer

**~3%\***

Order conversion per unique visitors on NykaaFashion.com

**~\$110\***

Annual spend by average customer on our platform  
**[2x of industry average]**

# Customer-first approach to discovery and assortment

150+ Brands\*



11K+ Styles\*

250+ Brands\*

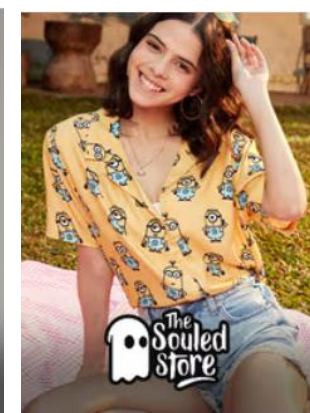
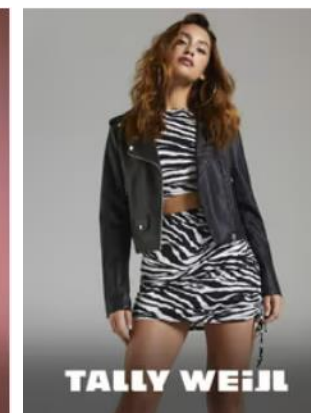
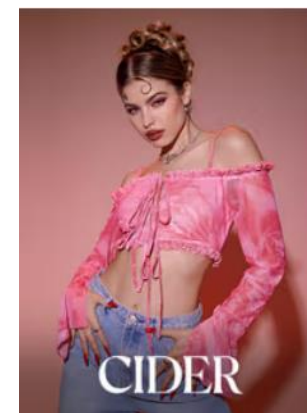


30K+ Styles\*

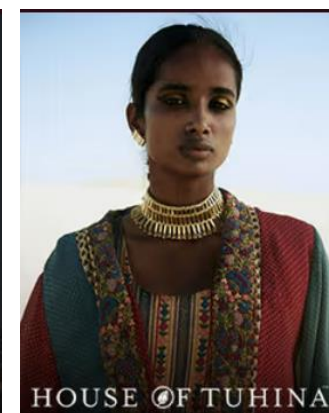
3,000+\*

International & Domestic Brands

**Gen Z Store:** Niche Home gown Labels



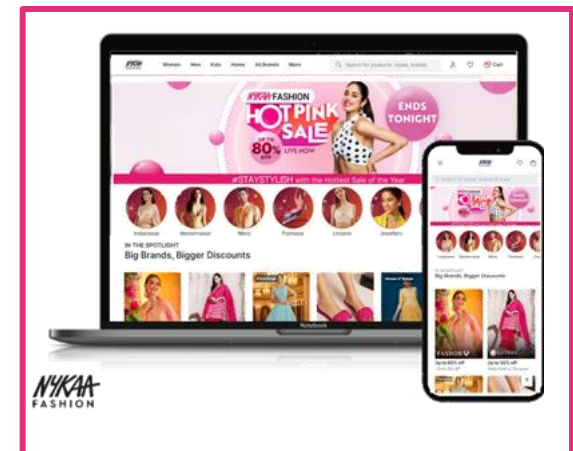
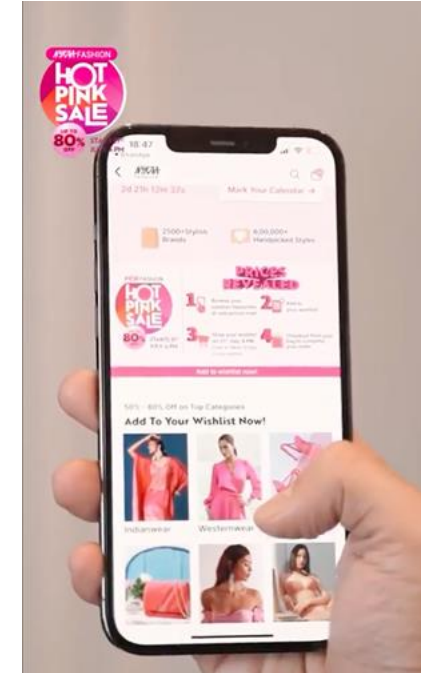
**Luxe Store:** Curated and alluring collection of domestic and international luxury brands



# Nykaa Fashion Hot Pink Sale: Now amongst the country's biggest fashion flagships



## Pre-Buzz engagement across channels



**Biggest flagship  
sale event** for  
Nykaa Fashion

**18 MM+**  
Visits

**~9 MM**  
Unique Visitors

**1.3%**  
Order to visit  
conversion



# Becoming platform of choice for brands

## Becoming Platform of choice for emerging and popular brands



2<sup>nd</sup> platform of choice for popular Indian wear brands



Platform providing **strong visibility to homegrown niche labels** to uplift discovery



Important platform for **promoting upcoming trends and new launches** for brand

Nykaa has always been a **preferred platform for Forever New** as it helps us increase our visibility to a target audience that Forever New caters to.

It is because of **great marketing collaterals**, we are able to reach the targeted and relevant, making it **easier to provoke genuine interest in the target audience**.

Also, with Nykaa we have discussed and **rolled out strategies with such ease that it has only strengthened the brand relations**

*Ecom Head, Forever New India*

Nykaa has played a **crucial role as an e-commerce platform for Kazo**, aligning well with the **brand's aesthetic and target customer profile**. This **partnership has experienced substantial growth over time**, and Kazo aims to **sustain this collaboration, further expanding its business** on Nykaa Fashion

*Director, Kazo Brands*

Nykaa and Forever 21 have been **working very closely to offer trendy and quirky fashion** to Nykaa consumers. The intent shown by Nykaa in **promoting upcoming trends has been significant** and as a result it has the **highest contribution to fresh contribution for Forever 21 across all marketplaces**.

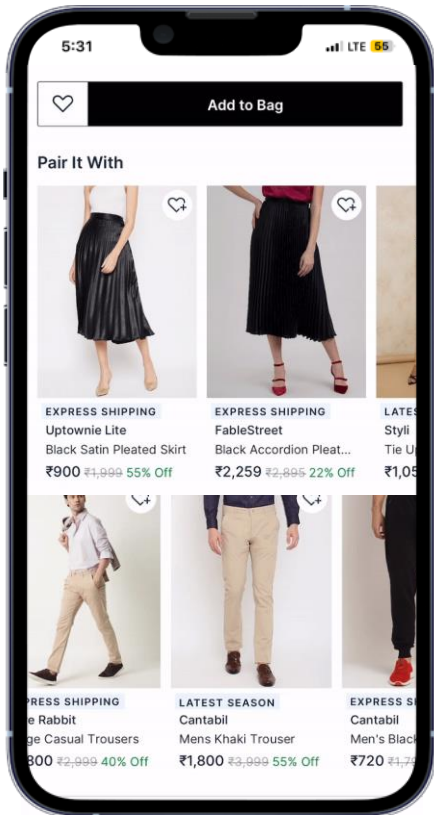
*Ecom Head, Forever 21*

Nykaa Fashion is an important partner for **American Eagle**. Over the last year, we have seen **>2x growth as a result of close collaboration & joint efforts taken** by both the teams. Team Nykaa has been proactive in discussing growth plans for AE. Last month we became **the largest ABFRL brand (in GSV terms) on Nykaa**. The **premium audience base** (reflective in the fact that average selling price is highest for us on Nykaa relative to other marketplaces), **higher women's contribution (>60%) and seamless browsing experience of Nykaa** augurs well with the positioning and intent of American Eagle. We look forward to a **meaningful, sustainable association in this growth journey**.

*Head of Ecom and Marketing, American Eagle*

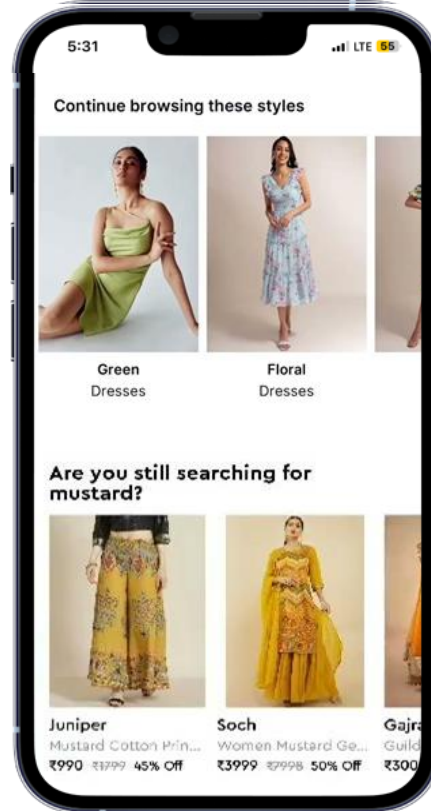
# Leading the way with scalable technology solutions for customers

## AI generated recommendation

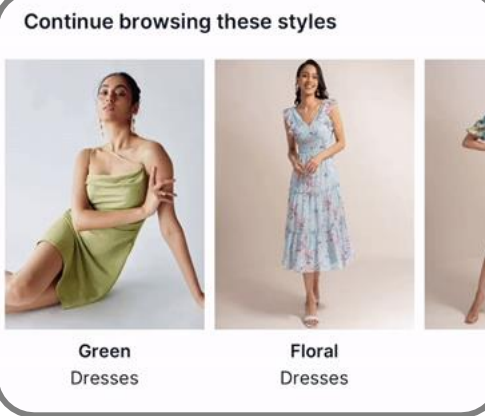


**Attribute recommendation by AI for pairing bottom wear categories with top wear products**

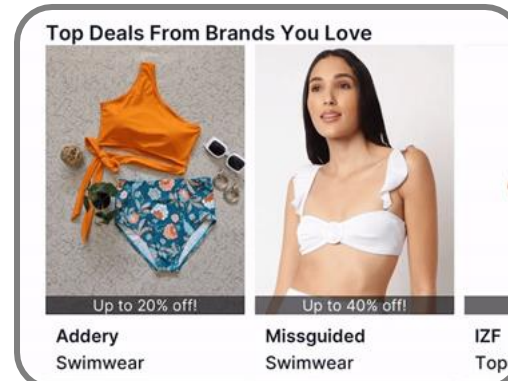
## Hyper-personalized widgets



**Recommendations on brands, categories, offers based on browsing and search history**

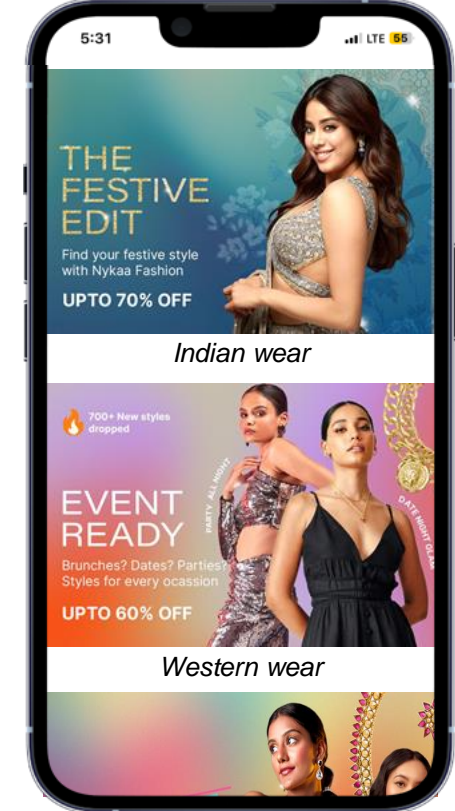


**Recommendations based on user's preference of styles and categories**



**Curated recommendation based on user's brand preference**

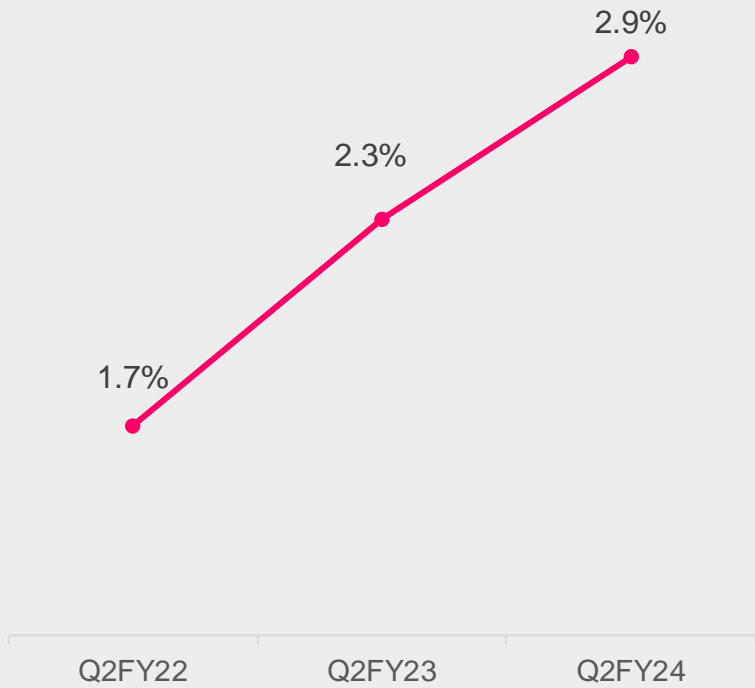
## User persona-based personalization



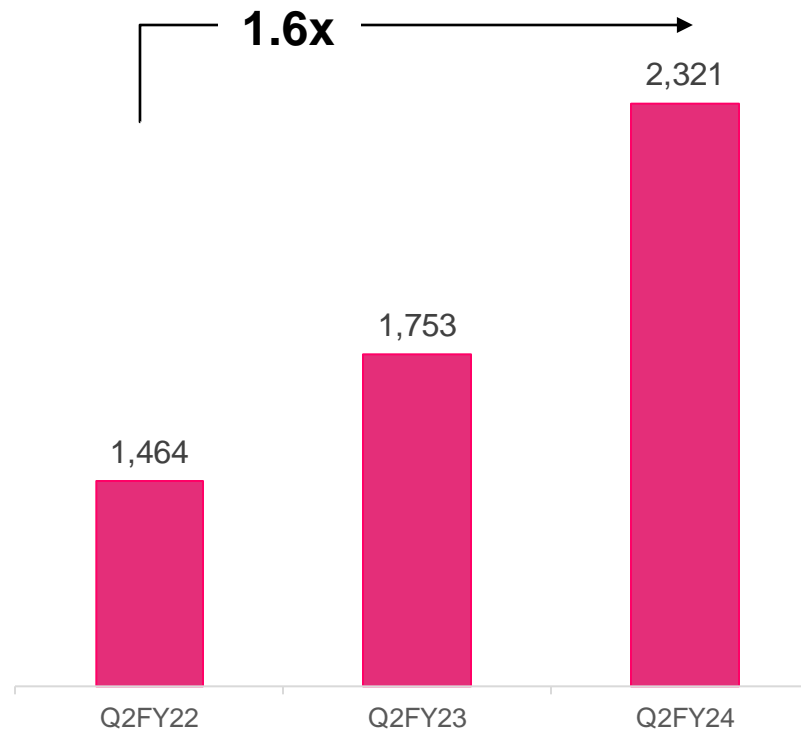
**Personalization of homepage banners based on category affinities**

# Driving scalable and profitable growth

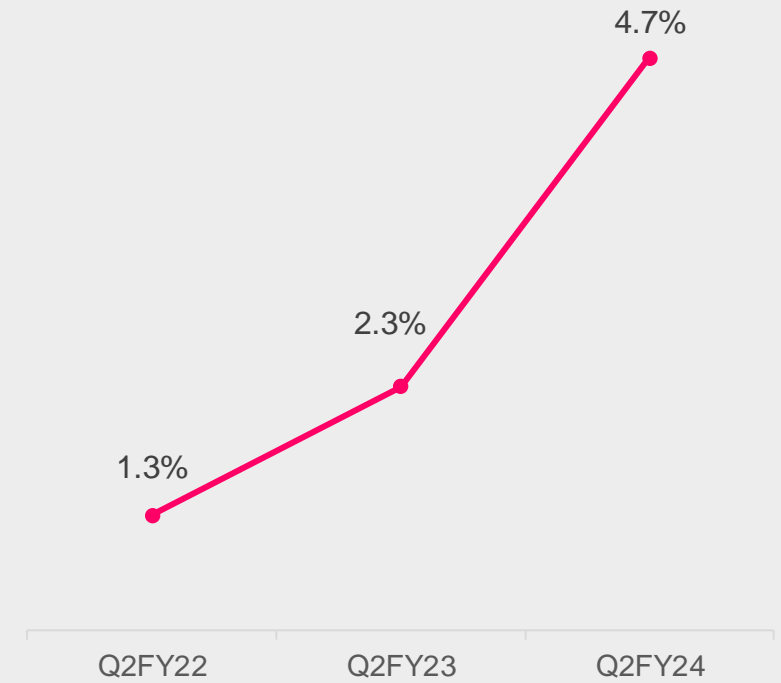
## Order to Unique Visitors Conversion %\*



## NSV (Rs MM)

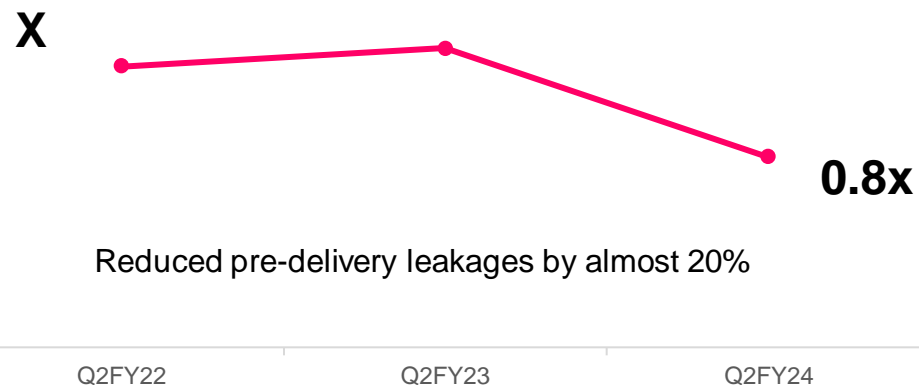


## Contribution Margin (As % of NSV)

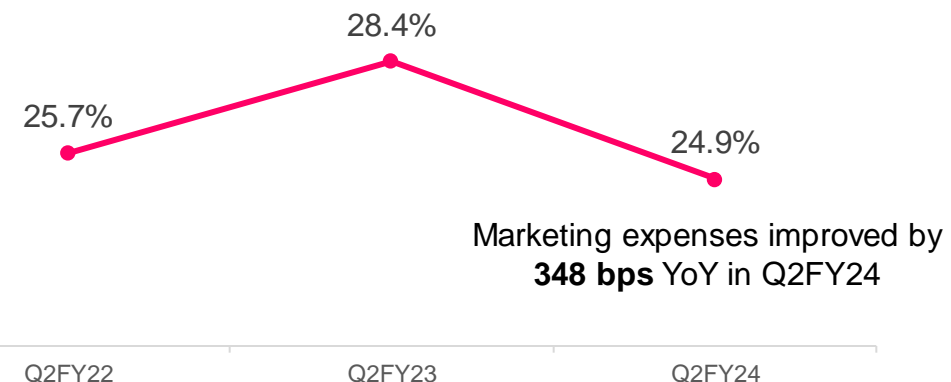


# Shaping the business to scale sustainably

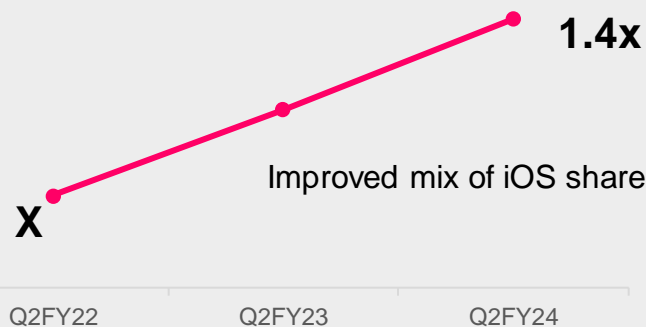
## Pre-Delivery Leakages



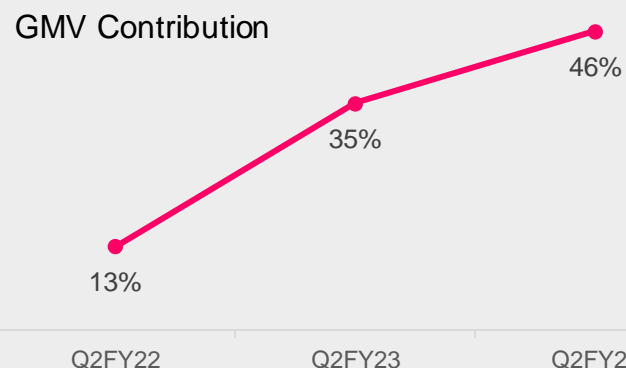
## Marketing Expenses (as % of NSV)



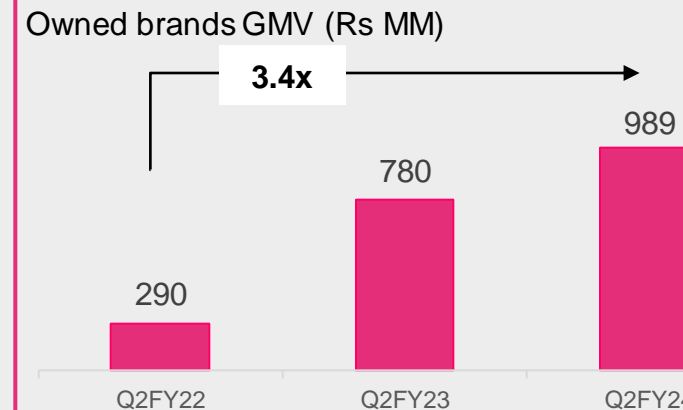
## Premiumization – improved revenue share from premium user base



## Improved revenue share from existing customers



## Scaling up our House of Brands





# Nykaa's House of Brands

---



# House of Brands: Consumer brands portfolio

13 BPC owned brands

**NYKAA**  
Cosmetics

**Kay**  
Beauty

**NYKAA**  
NATURALS

DOT & KEY

earth  
rhythm

**NYKAA**  
SKINRX

  
**NYVEDA**<sup>TM</sup>

  
Wanderlust

**NYKAA**  
SKIN  
SECRETS

**nudge**  
SUPER FOODS

Gentlemen's Crew  


*Stoi*  
by **NYKAA**

16 Fashion owned brands

 TWENTY  
DRESSES

*Nykd*  
BY NYKAA

PARIDITI

RSVP

*gajra*  
gang

**MIXT.**

pipa•bella

**azai**

K I C A

 Twig &  
Twine

*likha*

**ikykyk**  
IF YOU KNOW YOU KNOW

  
**GLOOT**

  
L E H A N

*gahan*

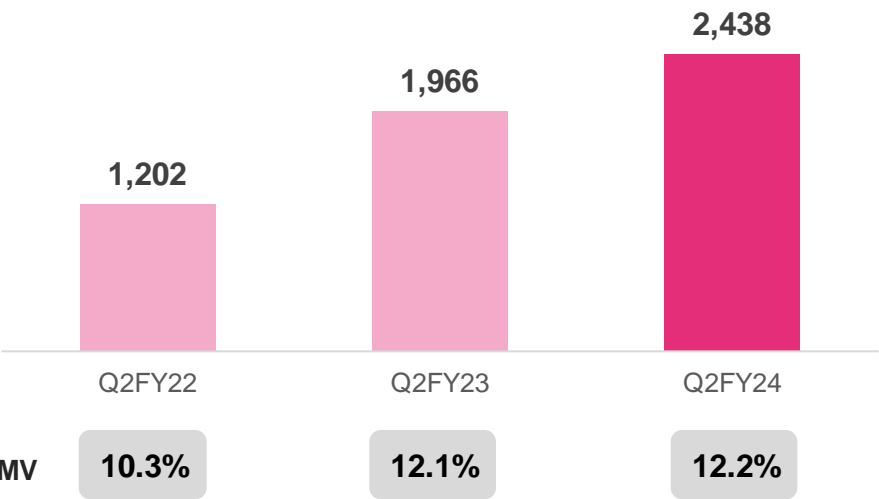
*nyri*

29

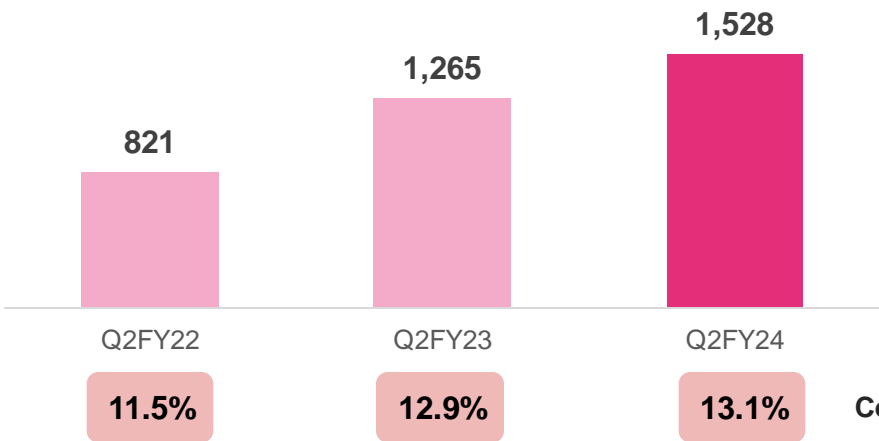
owned brands

# BPC House of Brands: Strong growth across channels

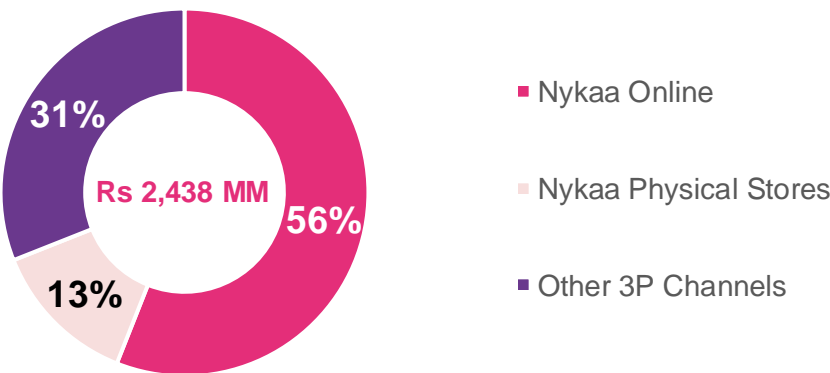
## GMV\* of BPC owned brands (Rs MM)



## NSV\* of BPC owned brands (Rs MM)



## Q2FY24 GMV Channel Mix



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

# Kay Beauty: India's much loved and awarded celebrity beauty brand

\*\* as of September 30, 2023

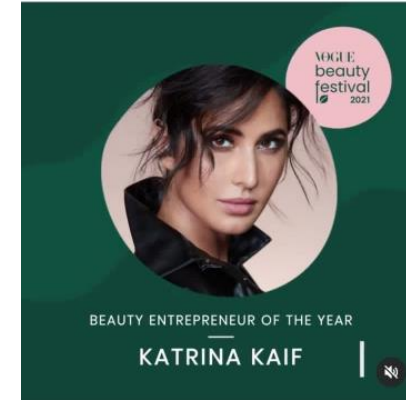
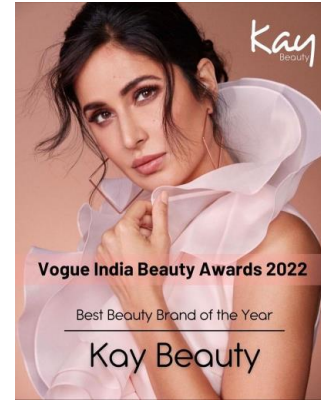
PLUMP & TINT

Kay

Kay  
Beauty

India's First Celebrity Beauty Brand  
in partnership with Katrina Kaif

BRAND AWARDS



VOGUE  
2022

Winner

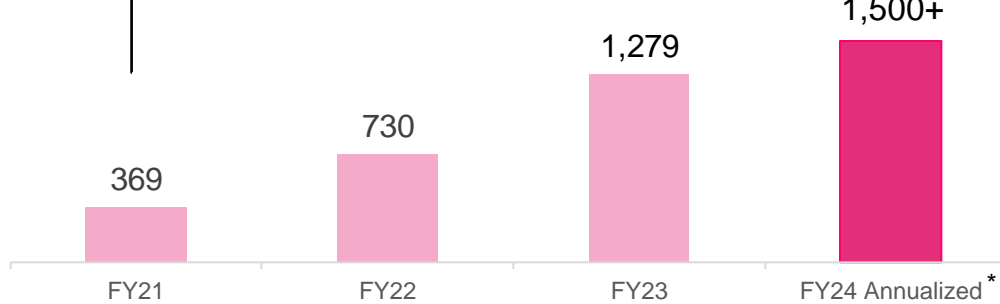
Kay Beauty  
Liquid  
Eyeliner



GMV (Rs MM)

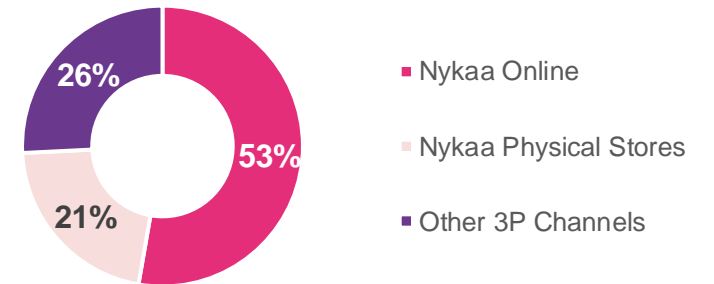
Launched in Oct-20

4x



300\*\*  
Offline stores

GMV Contribution – Channel Wise (Q2FY24)

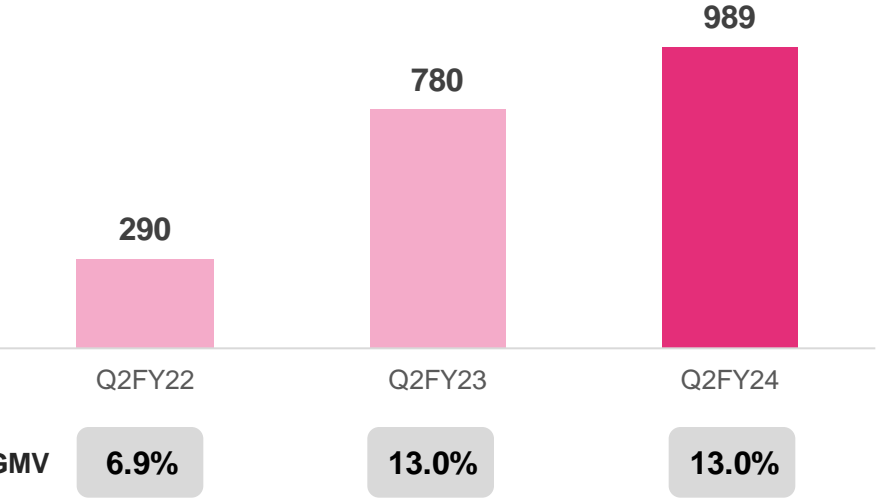


Strong growth across other 3P channels

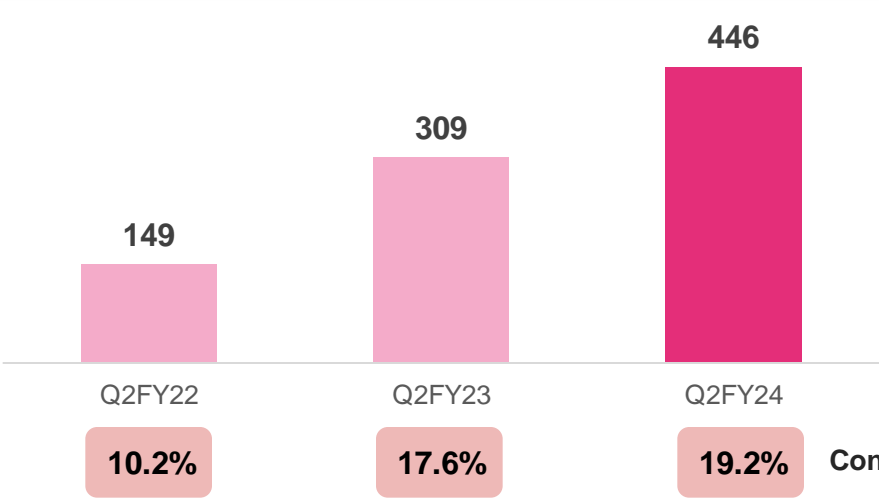
\* FY24 Annualized GMV is based on Q2FY24 GMV

# Fashion House of Brands: Strong growth across channels

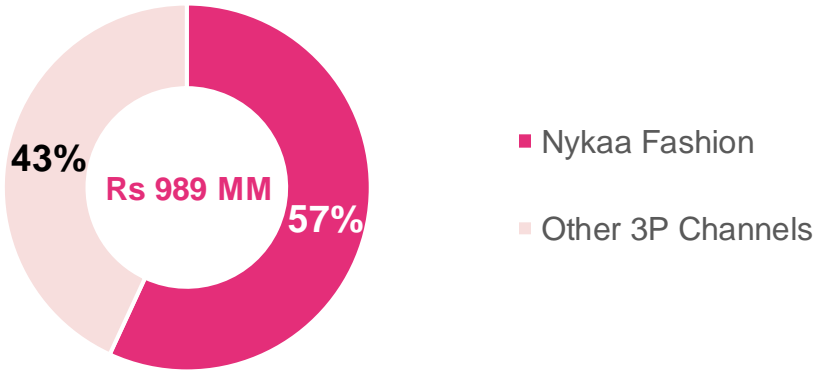
GMV of Fashion owned brands (Rs MM)



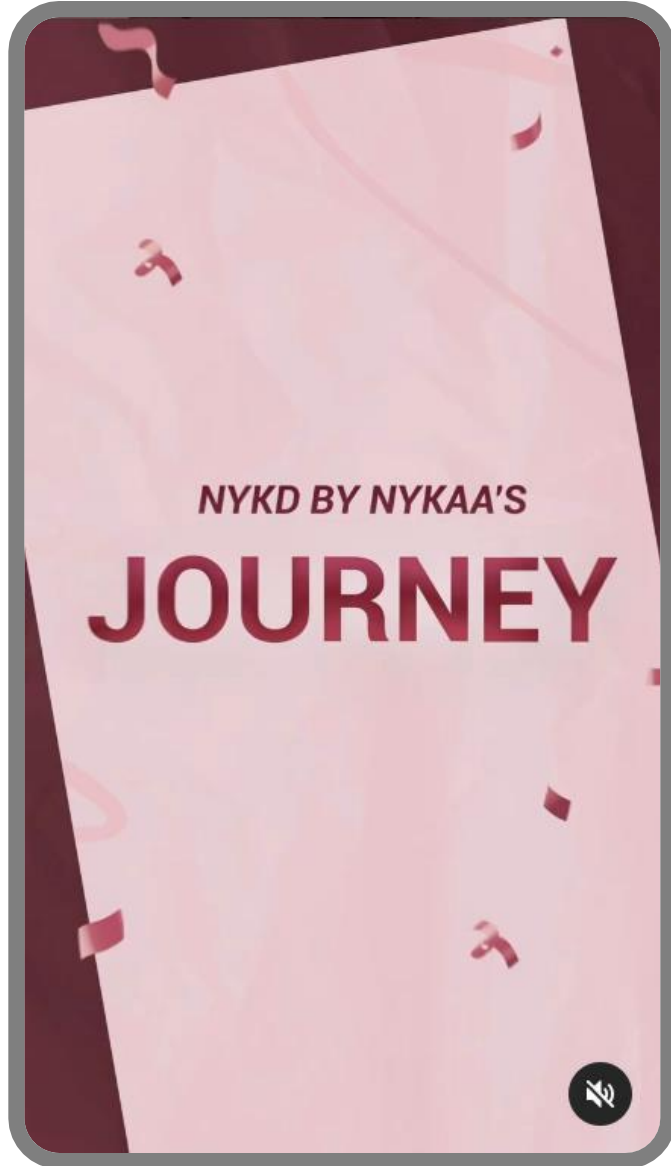
NSV of Fashion owned brands (Rs MM)



Q2FY24 GMV Channel Mix



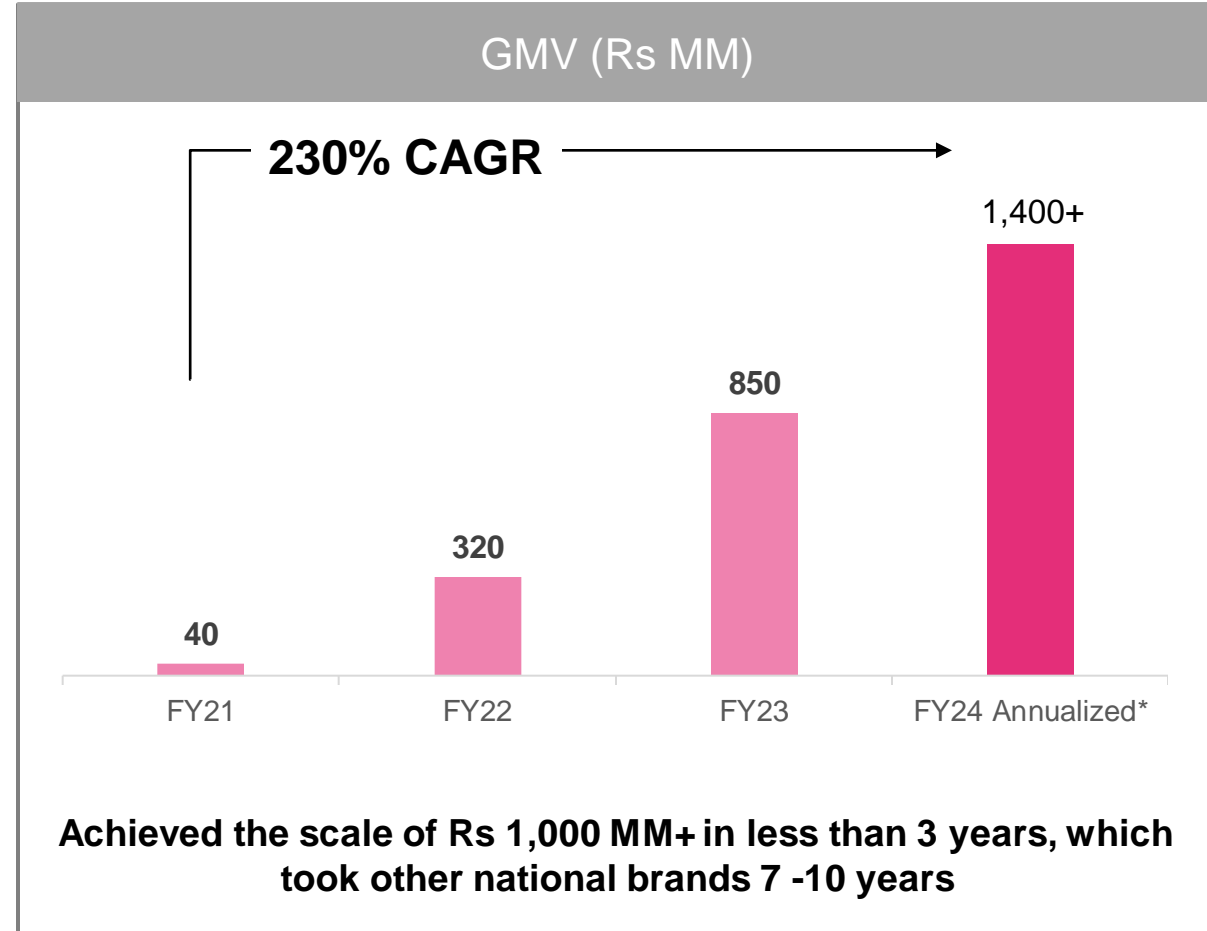
# Creating a national brand “Nykd”, with strong consumer connect and innovation



\* Basis Q2FY24 GMV

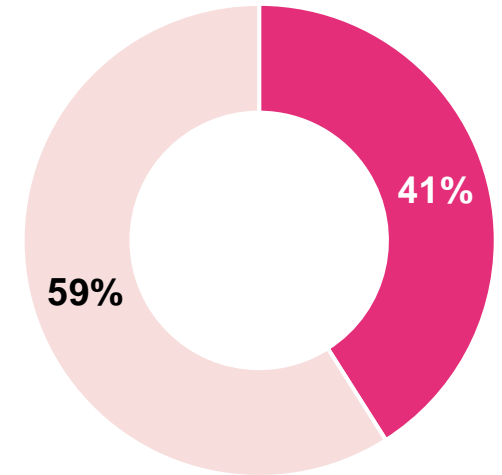
\*\* Sale with discount upto 10%

\*\*\* as on September 30, 2023



## Q2FY24 GMV Channel Mix

■ Nykaa Fashion ■ Other 3P Channels



**~80%\*\***

Full-price sale

**1,100+\*\*\***

Selective doors

**#1**

In bra category on  
NykaaFashion.com

**Top 3**

In bra category on  
online marketplaces



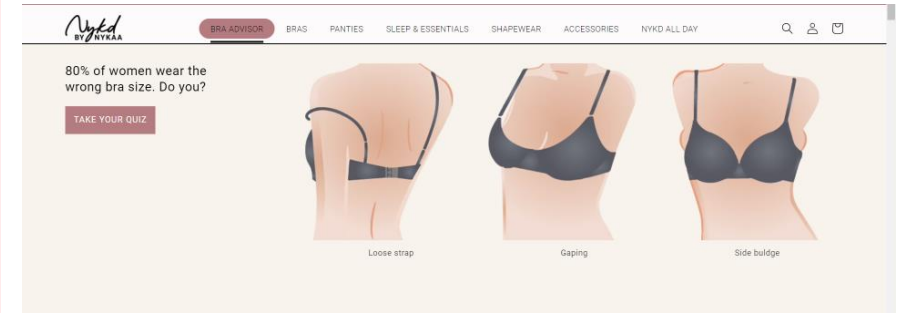
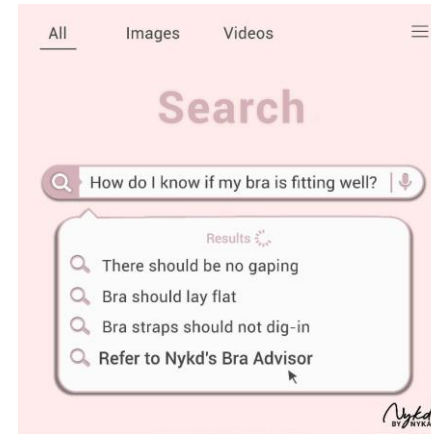
# Creating a national brand “Nykd”, with strong consumer connect and innovation

## Expanding offline presence

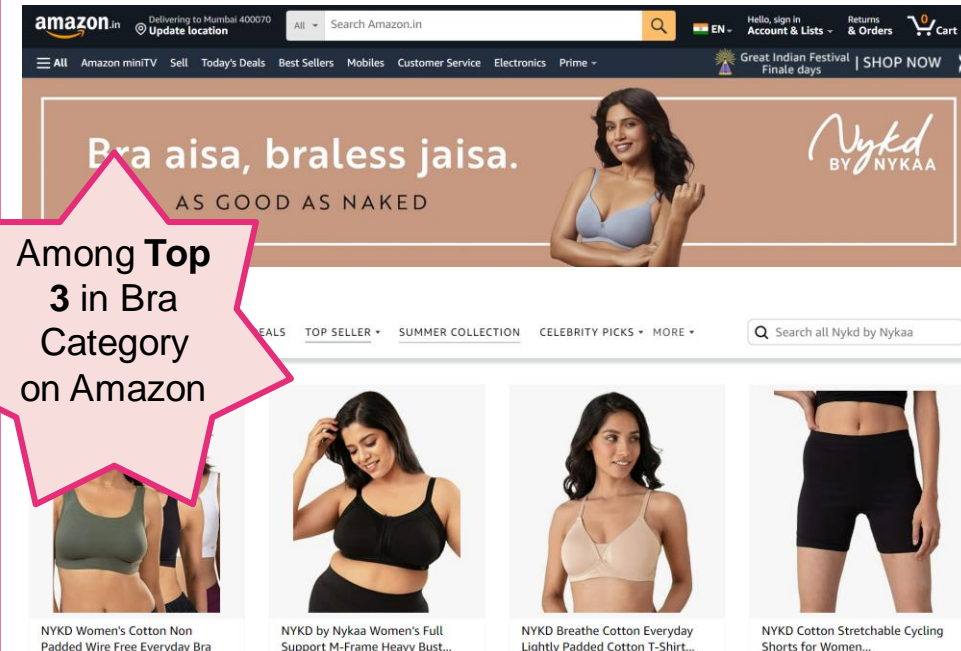


## Innovation and guided selling

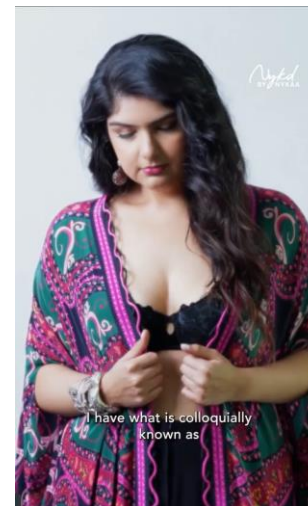
### Bra Advisor Tool to help find the right bra size, fit and style



Awarded one of the most coveted award in Images Retail Forum for **Customer Service Excellence for Bra Advisor tool.**



### Key Collaborations

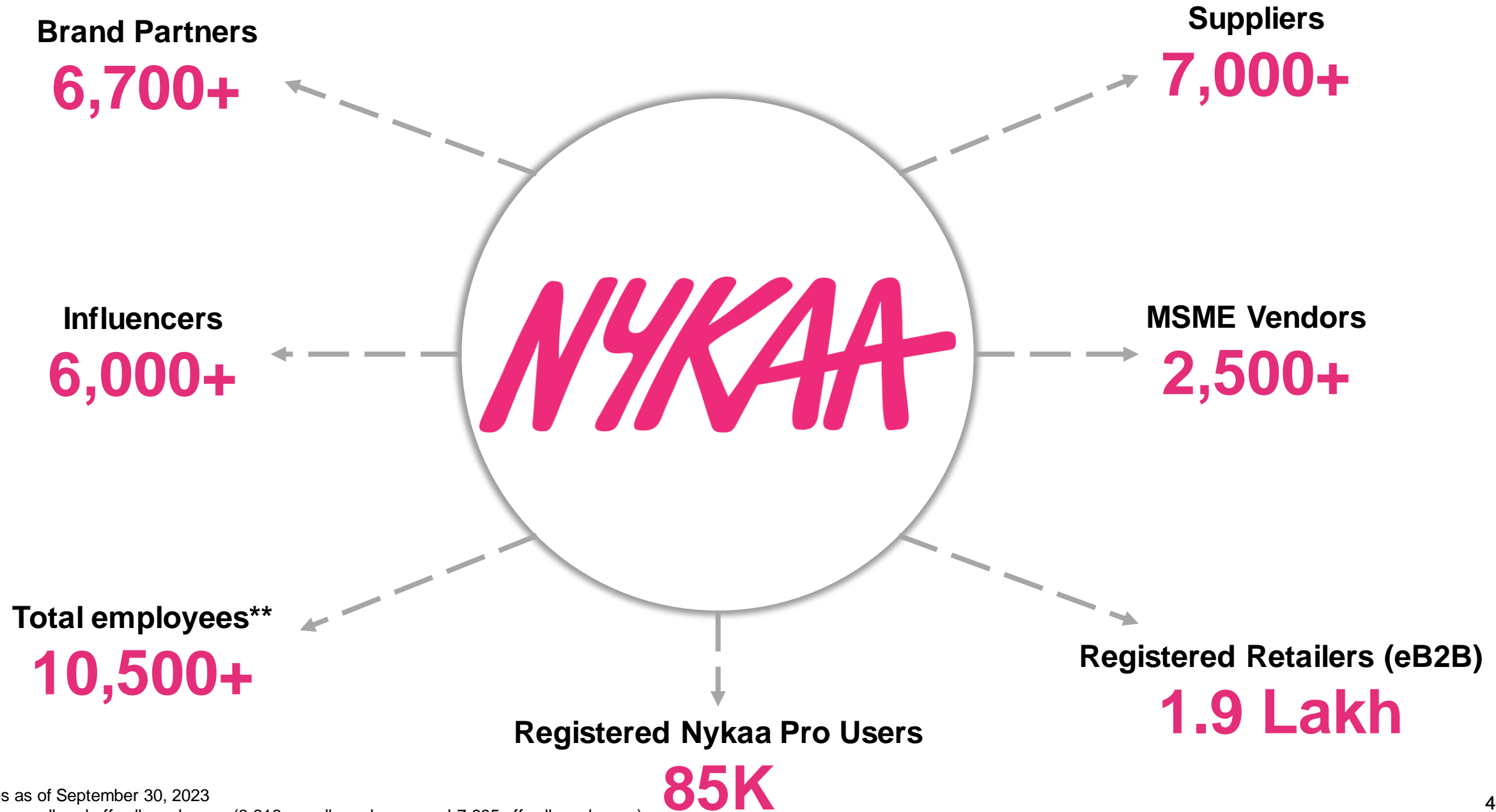


Environment, Social, and Governance

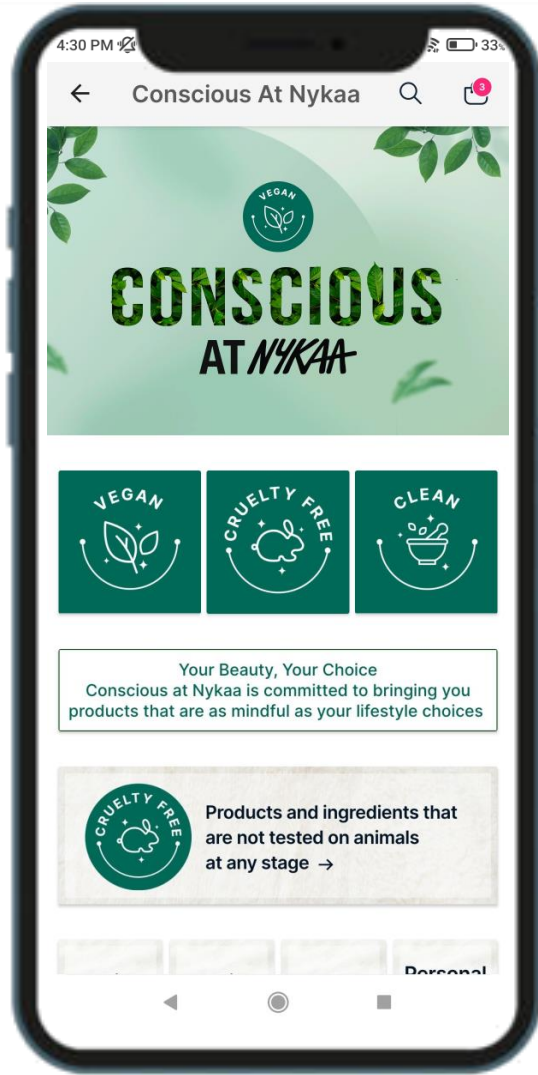
*NYKAA*



# Strong relationship with the lifestyle ecosystem



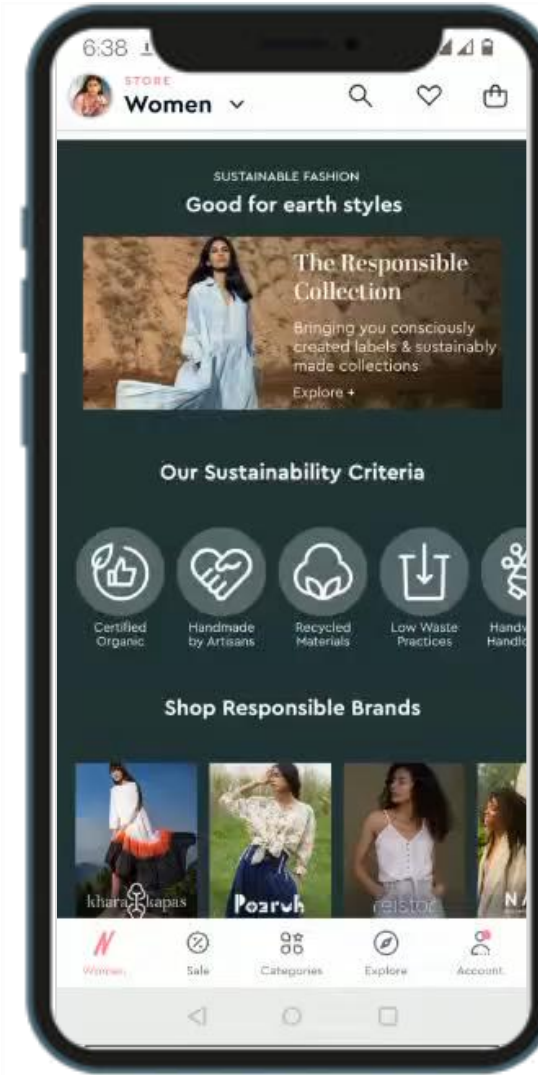
# Shining the spotlight on ESG focused brands



140+  
Brands



Nykaa Beauty: Conscious at Nykaa



650+  
Brands



Nykaa Fashion: The Responsible Collection

## Nykaa 10X10 Initiative



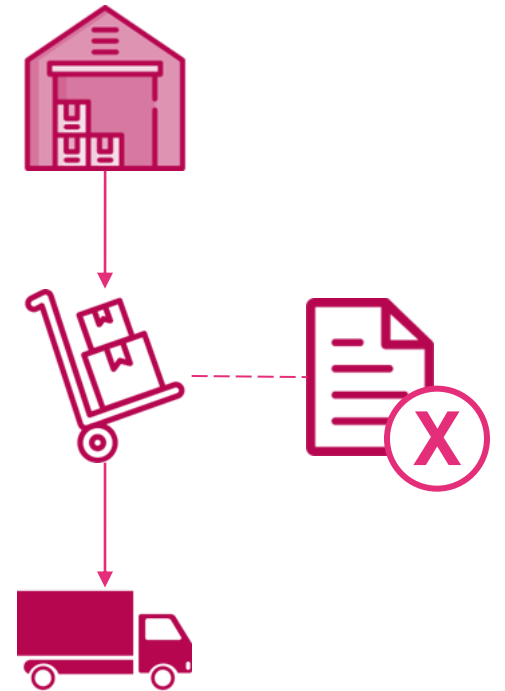
**323 tonnes\*** of plastic  
recycled in FY23

**80%\*** sustainable packaging

\* For FY23



### Introduced Paperless Picking



**Increased order fulfillment capacity** by improving picking process and achieved **zero paper utilization** for orders processed



## NYKAA Foundation

### Empowering future



Nykaa Chair at IIM-Ahmedabad

### Transforming Lives



Partnered with **Labournet**, helping marginalized young women become **skilled beauty professionals**

### Transforming Education



Partnered with **Rangeet**, to launch an **app-based learning program "SEEK"** benefitting **15,000+ students**

### Focus on Children's health



Collaborated with **Anushkaa Foundation**, to enable the **skilling of doctors** in treating **clubfoot**



# Our Values - Sustainability, Inclusivity & Community part of Nykaa's identity

01 **Be *bold***  
and  
**be *good***

A stylized illustration of a clenched fist, rendered in a light pink color against a darker pink background.

02 **Be better**  
***everyday***

A stylized illustration of an open hand with fingers spread, rendered in a light pink color against a darker pink background.

03 **Be the**  
***customer's***  
**champion**

A stylized illustration of a trophy with a cup and a base, rendered in a light pink color against a darker pink background.

04 **One**  
***Nykaa***

A stylized illustration of two hands holding a heart shape, rendered in a light pink color against a darker pink background.

05 **A culture of**  
***belonging***

A stylized illustration of a person's head and shoulders, rendered in a light pink color against a darker pink background.

06 ***Sustainability***  
**in every action**

A stylized illustration of an alarm clock, rendered in a light pink color against a darker pink background.

# Diverse and inclusive workforce

67%

Committees chaired by women

63%

Nykaa leadership under age 40

43%

Women employees' workforce

40%

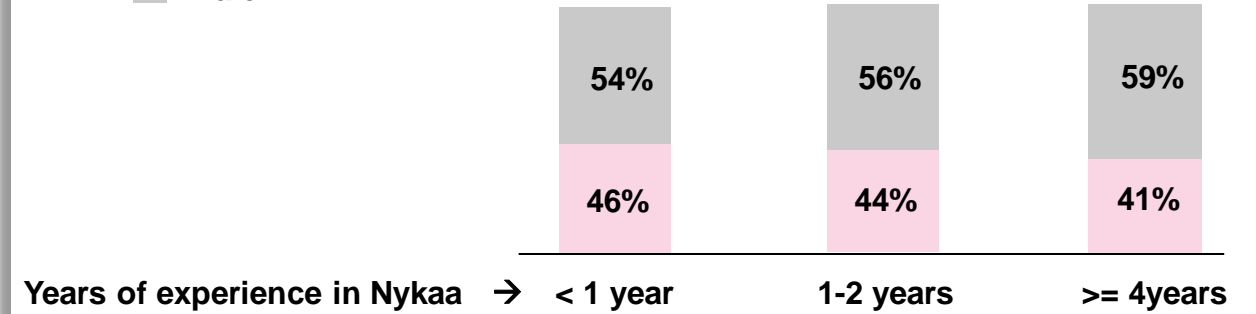
Women directors

33%

of Nykaa leadership are women

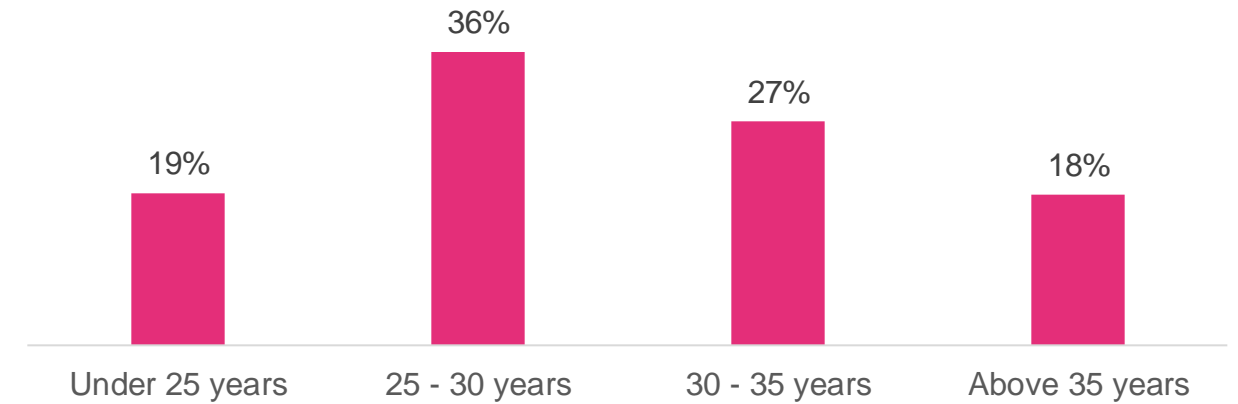
## Gender balanced organization

Female  
Male



## Young Organization

## Employees by age group



# Financial Performance

---

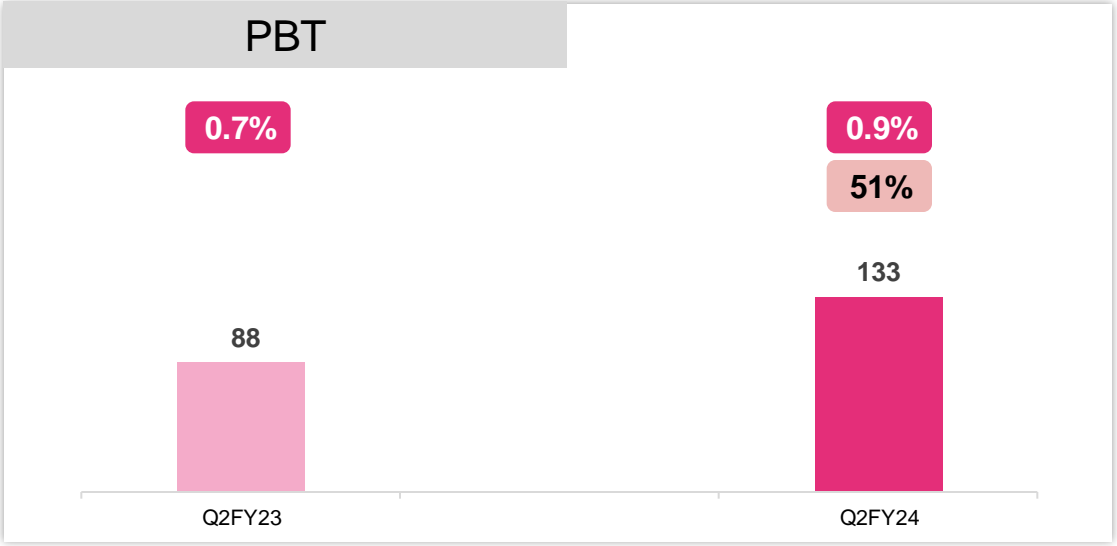
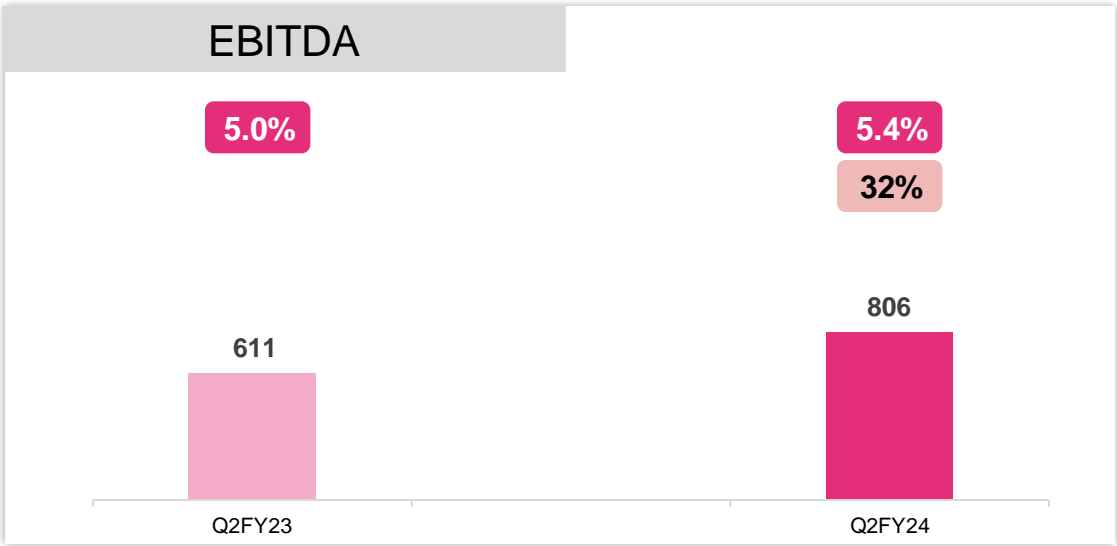
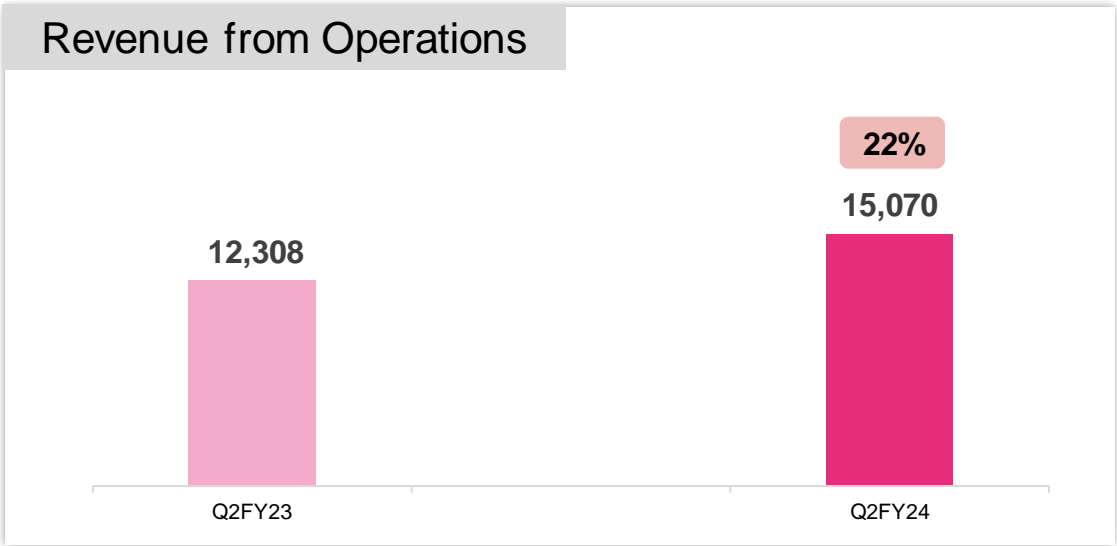
*NYKAA*

# Driving profitable growth

All Values in Rs million

% YoY Growth

% Margin % to Revenue from Operations



# Profit & Loss Statement

(All amounts in ₹ million, unless otherwise stated)

Particulars
<b>Revenue from Operations</b>
Cost of goods Sold
<b>Gross Profit</b>
<b>Gross Profit Margin %</b>
Fulfilment expense
<i>Fulfilment cost % to Revenue</i>
Marketing & advertisement expense
<i>Marketing &amp; advertisement expense % to Revenue</i>
Selling and distribution expense
<i>Selling &amp; distribution expense % to Revenue</i>
<b>Contribution Profit</b>
<b>Contribution Margin %</b>
Employee benefits expense
<i>Employee expense % to Revenue</i>
Other expense
<i>Others expense % to Revenue</i>
<b>EBITDA</b>
<b>EBITDA Margin %</b>
Depreciation
Amortisation
Finance Cost (Net of other income)
<b>Profit before Tax</b>
Total tax expense
<b>Profit before share of (loss) of associate</b>
Share in loss of associate
<b>Net Profit for the period</b>

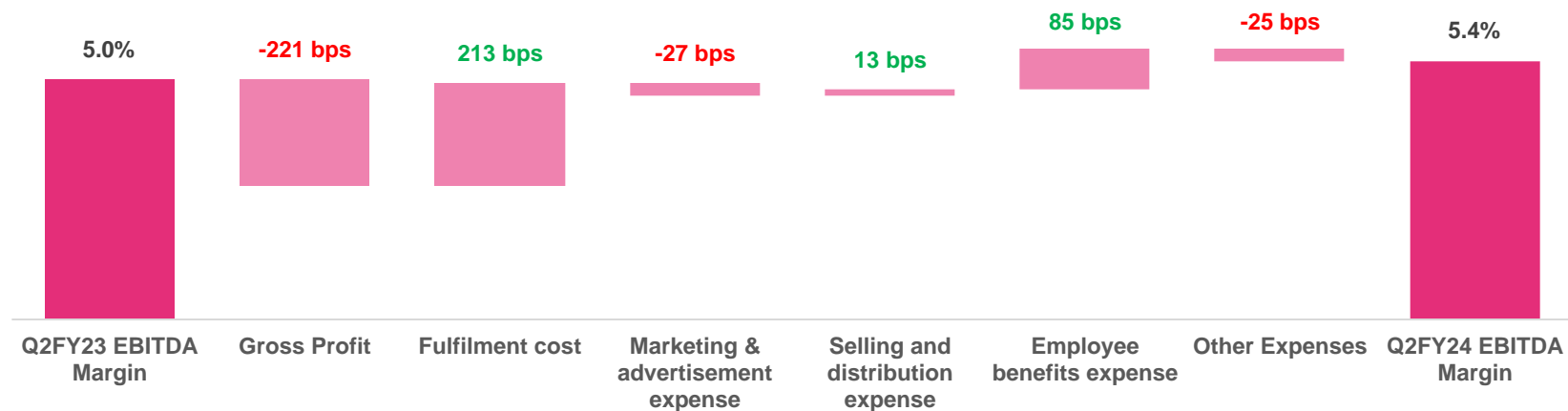
Quarter Ended				
Sep-23	Sep-22	Jun-23	YoY Growth	QoQ Growth
15,070	12,308	14,218	22%	6%
8,574	6,731	8,032	27%	7%
6,496	5,577	6,186	16%	5%
43.1%	45.3%	43.5%	-221 bps	-40 bps
1,459	1,454	1,357	0%	8%
9.7%	11.8%	9.5%	213 bps	-14 bps
1,690	1,347	1,597	25%	6%
11.2%	10.9%	11.2%	-27 bps	2 bps
346	298	322	16%	7%
2.3%	2.4%	2.3%	13 bps	-3 bps
3,001	2,478	2,911	21%	3%
19.9%	20.1%	20.5%	-22 bps	-56 bps
1,363	1,218	1,386	12%	-2%
9.0%	9.9%	9.7%	85 bps	70 bps
832	649	791	28%	5%
5.5%	5.3%	5.6%	-25 bps	4 bps
806	611	735	32%	10%
5.4%	5.0%	5.2%	38 bps	18 bps
175	106	159	66%	11%
371	279	360	33%	3%
127	139	118	-8%	8%
133	88	97	51%	36%
40	31	33		
93	57	65	64%	44%
-15	-5	-10		
78	52	54	50%	44%

Year Ended		
Mar-23	Mar-22	YoY Growth
51,438	37,739	36%
28,657	21,300	35%
22,781	16,439	39%
44.3%	43.6%	73 bps
5,606	4,802	17%
10.9%	12.7%	183 bps
5,906	4,820	23%
11.5%	12.8%	129 bps
1,040	361	188%
2.0%	1.0%	-107 bps
10,229	6,456	58%
19.9%	17.1%	278 bps
4,917	3,265	51%
9.6%	8.7%	-91 bps
2,752	1,559	77%
5.3%	4.1%	-122 bps
2,560	1,633	57%
5.0%	4.3%	65 bps
489	262	87%
1,243	702	77%
444	195	127%
384	473	-19%
136	60	
248	413	-40%
-39		
210	413	-49%

- Notes:
- Finance cost includes the interest cost on lease liabilities (Net of Interest Income on Security Deposit & Gain on cancellation of lease)
  - Amortization includes the depreciation on RoU (Right of Use Assets)



# Q2 FY24: Improvement in operating profitability



Gross margin of Q2FY24 is in line with the long-term trend. It was impacted due to **service income for BPC vertical** and **increase in NSV mix of eB2B: Superstore (others vertical)**

Fulfilment expense improvement driven by **regionalization strategy** (reduced **air shipment ratio & freight cost per order**) along with **shift optimization** across fulfilment centres

Marketing expenses have **slightly increased due to Branding Media spends**

Selling & distribution slightly decreased due to **increase in BDE productivity for eB2B: SuperStore**

Reduction in employee cost on account of **scale efficiencies**

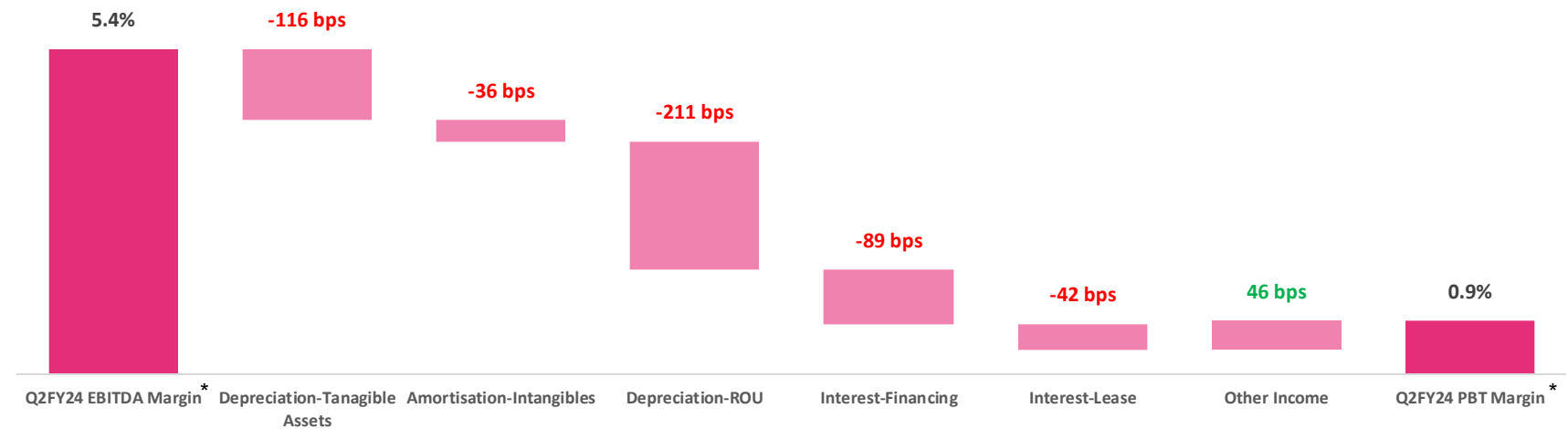
Other Expenses increased due to **investment in technology and infrastructure facilities**

Rs MM	Gross Profit	Fulfilment Expense	Marketing & advertisement expense	Selling and distribution expense	Employee expense	Other Expense	EBITDA
Q2FY23	5,577	-1,454	-1,347	-298	-1,218	-649	611
Q2FY24	6,496	-1,459	-1,690	-346	-1,363	-832	806
<b>Delta</b>	<b>919</b>	<b>-5</b>	<b>-343</b>	<b>-47</b>	<b>-146</b>	<b>-183</b>	<b>195</b>
YoY Growth	16%	0%	25%	16%	12%	28%	32%

	Gross Margin*	Fulfilment Expense*	Marketing & Advertisement Expense*	Selling & Distribution Expense*	Employee Expense*	Other Expense*	EBITDA Margin*
Q2FY23	45.3%	-11.8%	-10.9%	-2.4%	-9.9%	-5.3%	5.0%
Q2FY24	43.1%	-9.7%	-11.2%	-2.3%	-9.0%	-5.5%	5.4%
<b>Delta</b>	<b>-221 bps</b>	<b>213 bps</b>	<b>-27 bps</b>	<b>13 bps</b>	<b>85 bps</b>	<b>-25 bps</b>	<b>38 bps</b>

\* As % of Revenue from Operations

# Q2 FY24: Consistent retail expansion, deployment of working capital



Depreciation and Amortisation increased YoY on account of **incremental capex investment in FY23** in retail stores, warehouses and offices

Interest - Financing increased YoY on account of incremental bank borrowings **in line with deployment of working capital**

Other Income mainly consists of **Interest income on Bank Deposit** and **Foreign exchange gain (net)**.

Rs MM	EBITDA	Depreciation - Tangible	Amortisation - Intangibles	Depreciation - ROU	Lease cost**	Interest - Financing	Other Income	PBT
Q2FY23	611	-106	-37	-242	-91	-100	53	88
Q2FY24	806	-175	-54	-317	-63	-134	70	133
Delta	195	-70	-17	-75	28	-34	17	45
YoY Growth %	32%	66%	45%	31%	-31%	34%	33%	51%

\* As % of Revenue from Operations  
\*\* Net of Interest income on security deposit and gain on cancellation of lease  
The Cash lease cost in Q2FY24 was Rs 358 million

# Vertical Performance: Business Wise

(All amounts in ₹ million, unless otherwise stated)

Particulars	Q2 FY24				Q2 FY23			
	BPC	Fashion	Others	Total	BPC	Fashion	Others	Total
GMV	20,016	7,628	1,791	29,435	16,301	5,991	1,165	23,457
Growth	23%	27%	54%	25%	39%	43%	240%	45%
NSV	11,675	2,321	986	14,983	9,815	1,753	482	12,049
Growth	19%	32%	105%	24%	38%	20%	345%	39%
Revenue from Operations	12,782	1,305	984	15,070	10,825	1,016	467	12,308
Growth	18%	28%	111%	22%	35%	32%	424%	39%
Gross Profit	5,300	1,001	196	6,496	4,676	781	120	5,577
Fulfilment expenses	1,070	277	113	1,459	1,146	208	100	1,454
Marketing & advertisement expense	980	579	89	1,648	764	498	74	1,337
Selling and Distribution expenses	169	37	140	346	156	36	107	298
Contribution Profit	3,081	108	-146	3,043	2,609	40	-161	2,488
<b>Key Ratios as a % to NSV</b>								
Gross Profit Margin %	45.4%	43.1%	19.9%	43.4%	47.6%	44.6%	25.0%	46.3%
Fulfilment expenses %	9.2%	11.9%	11.4%	9.7%	11.7%	11.9%	20.8%	12.1%
Marketing and Advertisement expense %	8.4%	24.9%	9.0%	11.0%	7.8%	28.4%	15.4%	11.1%
Selling and Distribution expenses %	1.4%	1.6%	14.2%	2.3%	1.6%	2.0%	22.2%	2.5%
Contribution Margin %	26.4%	4.7%	-14.8%	20.3%	26.6%	2.3%	-33.4%	20.6%

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

# 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
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.
Verticals	<b>BPC</b> refers to Beauty and Personal Care and includes Beauty business from Nykaa.com, Physical store and sale of Beauty Owned Brands through 3P online and offline channels. <b>Fashion</b> includes Fashion business from NykaaFashion.com, Nykaa.com, Physical Stores and sale of Fashion Owned Brands through 3P online and offline channels <b>Others</b> includes new businesses NykaaMan, eB2B platform “SuperStore by Nykaa”, International, LBB, and Nudge



**Thank you**

# Disclaimer

By attending the presentation or by reading the presentation slides you agree to be bound as follows:

This Presentation is prepared by FSN E-Commerce Ventures Limited (“Company”) and is for information purposes only without regards to specific objectives, financial situations or needs of any particular person and is not and nothing in it shall be construed as an invitation, offer, solicitation, recommendation or advertisement in respect of the purchase or sale of any securities of the Company or any affiliates in any jurisdiction or as an inducement to enter into investment activity and no part of it shall form the basis of or be relied upon in connection with any contract or commitment or investment decision whatsoever. This Presentation does not take into account, nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. This Presentation and its contents are confidential and proprietary to the Company and/or its affiliates and no part of it or its subject matter be used, reproduced, copied, distributed, shared, or disseminated, directly or indirectly, to any other person or published in whole or in part for any purpose, in any manner whatsoever.

The information contained in this Presentation is a general background information of the Company. We don't assume responsibility to publicly amend, modify or revise any information contained in this Presentation on the basis of any subsequent development, information or events, or otherwise. This Presentation should not be considered as a recommendation to any investor to subscribe to any security. This Presentation includes certain statements that are, or may be deemed to be, “forward-looking statements” and relate to the Company and its financial position, business strategy, events and courses of action. Forward-looking statements and financial projections are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements and financial projections. Forward-looking statements and financial projections include, among other things, statements about: our expectations regarding our expenses, sales and operations; our future customer concentration; our anticipated cash needs, our estimates regarding our capital requirements, our need for additional financing; our ability to anticipate the future needs of our customers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and our anticipated trends and challenges in the markets in which we operate. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts in the Presentation, if any, are correct or that any objectives specified herein will be achieved.

We, or any of our affiliates, shareholders, directors, employees, or advisors, as such, make no representations or warranties, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this Presentation or its contents or otherwise arising in connection therewith. The information contained herein is subject to change without any obligation to notify any person of such revisions or change and past performance is not indicative of future results.

It is clarified that this Presentation is not intended to be a document or advertisement offering for subscription or sale of any securities or inviting offers or invitations to offer or solicitation to offer from the public (including any section thereof) or any class of investors. This document has not been and will not be reviewed or approved by a regulatory authority in India or by any stock exchange in India. No rights or obligations of any nature are created or shall be deemed to be created by the contents of this Presentation.

# Key Operational Metrics

		Quarter Ended										Quarter Ended	
Metric	Unit	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Sep-23 YoY growth	Sep-23 QoQ growth
Number of Visits													
Beauty and Personal Care	Million	205	211	221	204	222	234	250	231	257	271	16%	5%
Fashion	Million	98	115	115	113	118	122	137	127	126	144	18%	14%
Others	Million	9	9	11	11	14	16	16	11	12	15	-6%	23%
Monthly Average Unique Visitors													
Beauty and Personal Care	Million	17.3	19.4	19.8	18.5	21.8	22.1	24.2	22.5	25.4	26.8	21%	6%
Fashion	Million	13.4	16.2	16.4	16.0	16.2	16.4	19.4	17.3	16.6	17.6	8%	6%
Others	Million	1.8	1.7	2.2	2.3	2.8	3.2	3.0	1.8	2.0	2.4	-25%	23%
Orders													
Beauty and Personal Care	Million	5.8	6.0	7.5	7.2	8.1	8.4	9.5	8.8	9.5	10.0	18%	4%
Fashion	Million	1.1	1.3	1.3	1.3	1.5	1.4	1.7	1.4	1.5	1.7	22%	18%
Others	Million	0.1	0.1	0.2	0.2	0.3	0.3	0.4	0.4	0.4	0.5	47%	15%
Average Order Value (AOV)													
Beauty and Personal Care	₹	1,832	1,910	1,967	1,716	1,780	1,872	1,958	1,803	1,849	1,916	2%	4%
Fashion	₹	3,153	3,242	3,558	3,616	3,732	3,940	3,959	4,266	4,058	4,061	3%	0%
Others	₹	2,274	2,502	2,927	3,084	3,199	3,305	3,709	3,368	3,561	3,541	7%	-1%
Annual Unique Transacting Customers													
Beauty and Personal Care	Million	6.5	7.0	7.5	8.0	8.6	9.1	9.6	10.0	10.3	10.7	18%	4%
Fashion	Million	1.0	1.3	1.6	1.8	2.0	2.1	2.4	2.5	2.6	2.8	30%	7%
Others	Million	0.2	0.3	0.3	0.4	0.4	0.5	0.5	0.5	0.5	0.6	27%	10%
Gross Merchandise Value (GMV)													
Beauty and Personal Care	₹ in Million	10,699	11,698	15,105	12,587	14,888	16,301	19,014	16,289	18,508	20,016	23%	8%
Fashion	₹ in Million	3,660	4,188	4,841	4,827	5,820	5,991	7,244	6,641	6,537	7,628	27%	17%
Others	₹ in Million	336	343	483	565	850	1,165	1,707	1,524	1,633	1,791	54%	10%
Total	₹ in Million	14,696	16,229	20,428	17,979	21,558	23,457	27,965	24,454	26,678	29,435	25%	10%

# Vertical Performance: Business Wise

(All amounts in ₹ million, unless otherwise stated)

Particulars	H1 FY24				H1 FY23			
	BPC	Fashion	Others	Total	BPC	Fashion	Others	Total
GMV	38,524	14,165	3,424	56,114	31,189	11,811	2,015	45,014
Growth	24%	20%	70%	25%	39%	50%	197%	46%
NSV	22,974	4,299	1,916	29,189	19,014	3,486	822	23,322
Growth	21%	23%	133%	25%	38%	28%	285%	39%
Revenue from Operations	24,923	2,442	1,923	29,288	20,986	2,023	784	23,793
Growth	19%	21%	145%	23%	37%	36%	349%	40%
Gross Profit	10,411	1,871	400	12,682	8,889	1,573	215	10,676
Fulfilment expenses	2,092	507	217	2,816	2,153	439	156	2,748
Marketing & advertisement expense	1,907	1,130	178	3,215	1,549	977	139	2,666
Selling and Distribution expenses	338	72	257	667	255	61	177	493
Contribution Profit	6,074	161	-251	5,984	4,932	94	-257	4,769
<b>Key Ratios as a % to NSV</b>								
Gross Profit Margin %	45.3%	43.5%	20.9%	43.4%	46.7%	45.1%	26.2%	45.8%
Fulfilment expenses %	9.1%	11.8%	11.3%	9.6%	11.3%	12.6%	19.0%	11.8%
Marketing and Advertisement expense %	8.3%	26.3%	9.3%	11.0%	8.1%	28.0%	16.9%	11.4%
Selling and Distribution expenses %	1.5%	1.7%	13.4%	2.3%	1.3%	1.8%	21.5%	2.1%
<b>Contribution Margin %</b>	<b>26.4%</b>	<b>3.7%</b>	<b>-13.1%</b>	<b>20.5%</b>	<b>25.9%</b>	<b>2.7%</b>	<b>-31.2%</b>	<b>20.5%</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