



August 13, 2024

**National Stock Exchange of India Limited**

**BSE Limited**

**Symbol: NYKAA**

**Scrip Code: 543384**

Dear Sirs,

**Subject: Press Release**

We are enclosing herewith the press release being issued by the Company regarding the Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2024.

This intimation is being submitted pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to take the above information on records.

Thanking You,

Yours faithfully,

**For FSN E-Commerce Ventures Limited**

Neelabja Chakrabarty

**Company Secretary & Compliance Officer**



FSN E-Commerce Ventures Limited  
Q1 FY25 – Media Press Release

**Strong consolidated GMV growth of 25% YoY, Profitability continues to improve with PAT growth of 150% YoY in Q1FY25**

FSN E-Commerce Ventures Limited (referred to as “Nykaa” or the “Company”), today announced its financial results for Q1 FY25.

**Financial Highlights:**

- During the quarter, consolidated GMV grew 25% YoY to Rs. 33,209 million on the back of strong performance in Beauty, where GMV was up 28% YoY, while Fashion performance continued to be resilient in a muted demand environment. The consolidated revenue from operations grew at a healthy pace of 23% YoY, in line with last 2 year CAGR, totaling Rs. 17,461 million for the quarter. We continue to drive improvement in profitability as Q1 FY25 EBITDA stood at Rs. 961 million with EBITDA margins of 5.5%. PAT for the quarter stood at Rs. 136 million, an accelerated growth of 150% YoY, with impact of depreciation and lease cost impact moderating vs Financial Year 2023.
- Brief snapshot of Q1 FY25 financials:
  - **Revenue from Operations** grew 23% YoY to Rs. 17,461 million in Q1 FY25
  - **Gross Profit** grew 22% YoY to Rs. 7,560 million in the quarter
  - **EBITDA** grew 31% YoY to Rs. 961 million in Q1 FY25. **EBITDA margins** stood at 5.5% in Q1 FY25 vs 5.2% in Q1 FY24
  - **Adjusted EBITDA** stood at Rs. 1,090 million, a robust growth of 44% YoY, with margins of 6.2% (Adjusted for ESOP expenses, new business (GCC operations) and corporate restructuring expenses)
  - **Profit Before Tax** grew 127% YoY to Rs. 221 million in Q1 FY25
  - **Net Profit for the Period** was Rs. 136 million, up 150% YoY

**Business Highlights:**

Beginning this quarter, we are commencing vertical-wise segmental reporting, according to the following definitions

- **The Beauty segment** which previously comprised of online beauty platform Nykaa.com, physical stores, beauty owned brands like Nykaa Cosmetics, Kay Beauty, Dot & Key among others, now additionally includes our eB2B distribution business ‘Superstore by Nykaa’, and the grooming business of NykaaMan.com.
- **The Fashion segment** which previously comprised of the Nykaa Fashion platform and fashion owned brands, now additionally includes lifestyle business of NykaaMan.com and our content platform LBB.

## Press Release

### Beauty

#### Beauty: Multibrand Retail

- Beauty GMV showed a strong growth of 28% YoY in Q1FY25, in line with long term beauty industry growth trajectory. This performance was result of accelerated customer acquisition, up 27% YoY, driving healthy order volume growth. The quarter also witnessed significant IP activations, including our flagship Pink Summer Sale.
- **Nykaa ramps up same day/next day delivery in major cities:** Nykaa substantially improved order to delivery timelines over the last few quarters and now currently delivers 50% of the order volumes of the Top 12 cities within the same or next day, representing 25% of Nykaa's overall order volumes.
  - Within the next few months, we plan to deliver 70%-80% of the orders from these top cities within the same day or the next day.
  - Within a few months, Nykaa plans on expanding these capabilities to include an additional 110+ cities across the country, which will witness over 50% of their order volume delivered within the next day.
  - This cluster of 120+ cities where same-day and next-day delivery will be a priority, currently contributes to over two-thirds of Nykaa's overall order volume and through these delivery initiatives, the order contribution of these cities is expected to go up. Same day and next day deliveries will constitute close to 50% of Nykaa's overall order volumes.
- We are excited to share that Nykaa has achieved 200 store milestone in July 2024, further cementing its position as India's largest specialized beauty retailer spanning 72 cities. Nykaa rolled out 11 stores in Q1FY25 including 3 Luxe stores, 5 On-trend stores and 3 Owned Brand Kioks. Our stores offer an immersive beauty experience for beauty enthusiasts with makeover, consultation and advisory beauty services.

#### Beauty: Owned Brands

- Our Beauty owned brands had another successful quarter with strong growth of 47% YoY. Nykaa Cosmetics, one of our oldest and largest brands, continues to create excitement through new launches such as Lip Glaze. Overall focus on innovation is evident across our brands, such as recent jelly serum launches in Nykaa Naturals, Kay beauty liquid highlighter launch and new bath & body range in Wanderlust.
- **Dot & Key – our new age D2C skin care brand**, which was acquired in September 2021, **is now at Rs. 7,500 million GMV run rate** (Q1 FY25 annualized). Dot & Key is among the top skincare brands across all platforms and has several bestsellers across key categories like moisturizer, sunscreen and lip balms.
- Kay beauty, India's largest celebrity beauty brand, has witnessed rapid growth and acceptance, and continues to grow much faster than overall category.

## Press Release

### Beauty: Superstore by Nykaa

- Superstore by Nykaa, India's only specialized beauty B2B platform, continues to widen reach and now is present across over 1,000 cities and towns. Through Superstore by Nykaa, over 2.10 lakh transacting retailers get access to a multitude of brands across global FMCG brands as well as new age D2C beauty brands.
- Superstore witnessed strong GMV growth of 72% YoY in FY2024. The distribution business has achieved scale with improving profitability as contribution margin (as a % to NSV) improved 520 bps YoY, from -18.5% in Q1 FY2024 to -13.3% in Q1 FY2025. This is supported by several initiatives to improve Gross margins, and optimization of fulfilment and selling & distribution expenses.

### Fashion

- The overall Fashion industry in India continues to face challenges with a muted demand environment. The growth was further impacted in this seasonally weak quarter due to limited weddings and festivities. Nykaa Fashion delivered a healthy GMV growth of 15% YoY. This was a result of high growth across our core categories of women's western wear, up 34% YoY as well as ramping up of emerging categories like lingerie and athleisure, which delivered strong GMV growth of 54% YoY and 110% YoY respectively.
- Fashion revenue growth was higher than GMV growth at 21% YoY, led by lower returns and cancellations and higher marketing and other services related income.
- Our fashion business continues to trend well on its path to profitability with significant efficiencies across major cost items. Gross Margins improved significantly to 49.4% as of % of NSV vs 45.8% a year ago, with increased content and other marketing income. There is increased efficiency in Fulfilment through several optimization interventions and marketing expenses (as a % of NSV) continue to improve with increasing repeat customer mix. As a result, EBITDA margins improved by **492 bps in Q1 FY25 standing at -9.2% v/s -14.1% in Q1 FY24.**

### Other Updates

- **Acquisition of additional 39% stake in Dot & Key for a total consideration of Rs. 265 crores.** Post this investment, Nykaa will have 90% equity interest in Dot & Key. Nykaa's investment in Dot & Key is a testament to the strength and performance of the brand, its long-term potential as well as the key strategic role it plays in Nykaa's growing owned brands portfolio. Following Nykaa's initial investment in Sep 2021, brand has witnessed exponential growth, while also achieving profitability since early 2023. The increased ownership of the high-growth, profit accretive brand will drive further already-proven synergies with Nykaa's strengths, allowing Dot & Key to accelerate its next phase of growth.
- **Acquisition of majority stake in Earth Rhythm for a total consideration of Rs. 44.5 crores.** This is in addition to the 18.57% stake acquired in the Earth Rhythm in April 2022. With this additional investment, the company affirms its commitment to the long-term opportunity presented by Earth Rhythm, a homegrown clean beauty brand, built with the ethos of transparency, efficacy and sustainability. While preserving Earth Rhythm's distinct proposition, core strengths and values, Nykaa through its ecosystem and expertise will be able to further unlock the young brand's massive potential across categories through its innovation, marketing and omnichannel distribution capabilities.

## Press Release

- **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 Q4FY24, 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 Q1FY25. 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.

Our Consolidated results include results of wholly owned subsidiaries along with Kay Beauty, Dot & Key, Nudge, LBB and associate Earth Rhythm.

### About Nykaa:

At [Nykaa](#), we share one vision- to bring inspiration and joy to people everywhere, every day. Born out of a desire to make beauty a mainstream choice, the Nykaa journey began in 2012 as a digitally native, consumer-tech company. Falguni Nayar's entrepreneurial leap with Nykaa, tapped into an underserved beauty retail market, disrupting the ecosystem and putting India in the global spotlight. Today, Nykaa has expanded its offerings to include lifestyle and B2B by introducing online platforms Nykaa Fashion, Nykaa Man, and Superstore.

Over the years, Nykaa has steadily captured the hearts of Indian consumers, ushering visits to both its online and 198 offline destinations and building loyal communities through engaging and educational content. Nykaa continues to build its house of brands with a sharp focus on innovation and consumer delight. Beauty brands such as Kay Beauty, Nykaa Naturals, Nykaa Cosmetics, and Wanderlust and fashion brands such as Nykd, Gajra Gang, Likha, RSVP and Pipa Bella, have become household names, as they consistently deliver on inspiration and high performing products to the consumers.

Nykaa's unwavering commitment to authenticity and customer centricity has made it the retailer of choice for international brands entering India. Nykaa's Global Store, a gateway into the world of coveted international brands, leverages the company's proven supply chain and marketing capabilities to offer a truly seamless shopping experience.

For its role in building India's beauty and lifestyle retail markets, Nykaa has been awarded several Indian and International accolades and was proudly featured in the TIME100 Most Influential Companies List.

For media enquiries, please contact [pr@nykaa.com](mailto:pr@nykaa.com)