



## FSN E-Commerce Ventures Limited

(formerly 'FSN E-Commerce Ventures Private Limited')

May 24, 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

**Symbol: NYKAA**

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

**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 financial year ended March 31, 2023, to be used by the Company for the analyst/ institutional investors meeting(s) scheduled today i.e., May 24, 2023.

Kindly take the same on record.

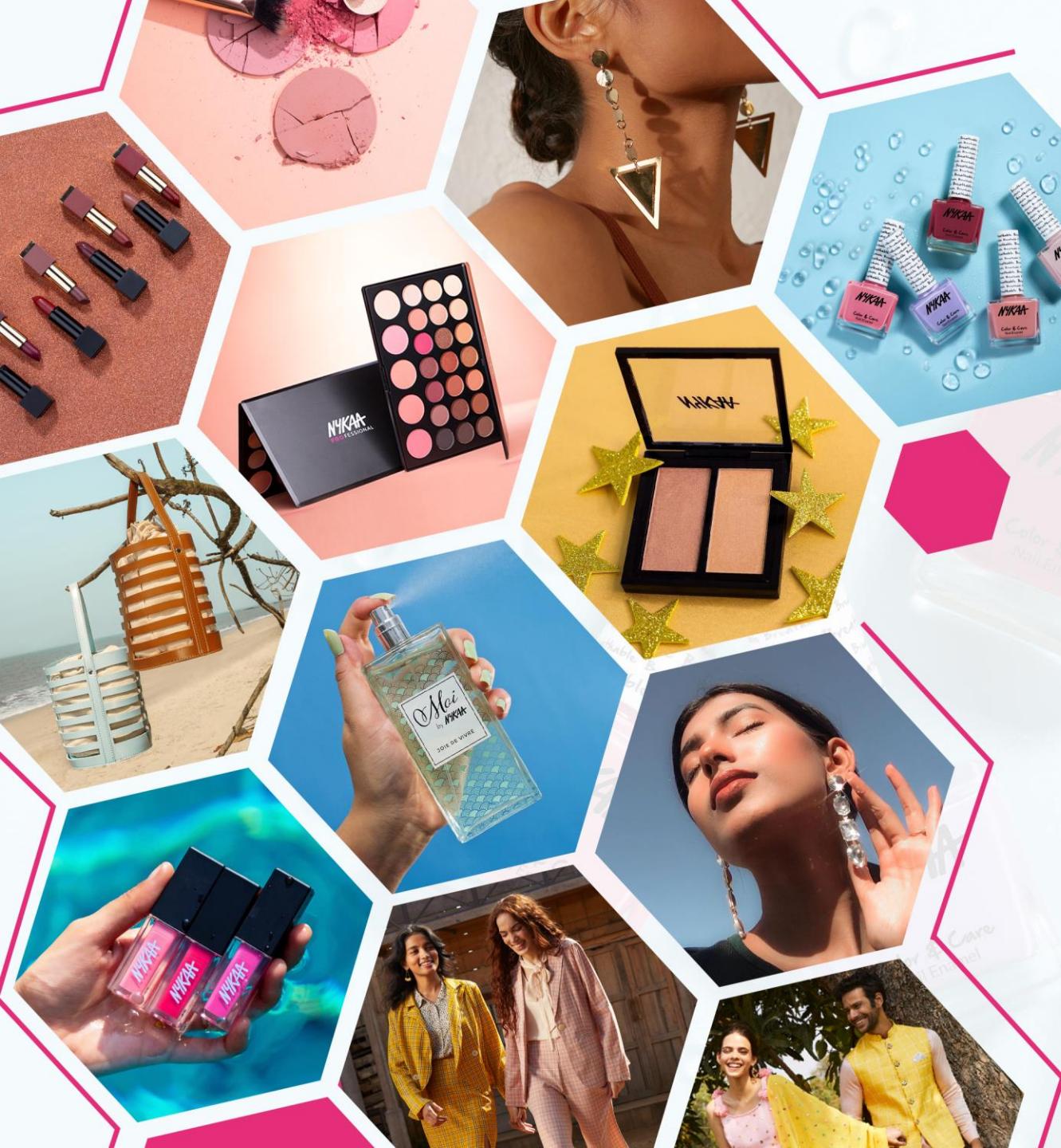
Thanking You.

Yours faithfully,  
**For FSN E-Commerce Ventures Limited**  
(formerly 'FSN E-Commerce Ventures Private Limited')

---

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

Encl.: as above



NYKAA

# Investor Presentation

Quarter and full year ended March 31, 2023

FSN E-Commerce Ventures Limited

# *Table of Contents*

**1. Performance Highlights**

**2. Our Businesses**

**3. Investment for future growth**

**4. Business Highlights**

**4a. BPC**

**4b. Fashion**

**4c. eB2B**

**5. Financial Performance**

# NYKAA

## Performance Highlights

# Q4 FY23: GMV momentum followed by improved EBITDA Margin

## GMV



**Rs. 24,454 MM**

+36% YoY Growth

## Revenue



**Rs. 13,017 MM**

+34% YoY Growth

## Gross Profit



**Rs. 5,758 MM**

+35% YoY Growth

Gross Margin **44.2%(1)** (↑54 bps YoY)

## EBITDA



**Rs. 707 MM**

+84% YoY Growth

## PBT



**Rs. 86 MM**

48% YoY Growth

## PAT<sup>(2)</sup>



**Rs. 23 MM**

-70% YoY Growth

EBITDA Margin **5.4%(1)** (↑147 bps YoY)

PBT Margin **0.7%(1)** (↑7 bps YoY)

PAT Margin **0.2%(1)** (↓60 bps YoY)

1. Margin% is on Revenue

2. PAT is after considering share of loss of associate

# FY23: Robust growth in GMV

## GMV



**Rs. 97,433 MM**

+41% YoY Growth

## Revenue



**Rs. 51,438 MM**

+36% YoY Growth

## Gross Profit



**Rs. 22,781 MM**

+39% YoY Growth

Gross Margin **44.3%(<sup>1</sup>)** (↑73 bps YoY)

## EBITDA



**Rs. 2,560 MM**

+57% YoY Growth

## PBT



**Rs. 384 MM**

-19% YoY Growth

## PAT<sup>(2)</sup>



**Rs. 210 MM**

-49% YoY Growth

EBITDA Margin **5.0%(<sup>1</sup>)** (↑65 bps YoY)

PBT Margin **0.7%(<sup>1</sup>)** (↓51 bps YoY)

PAT Margin **0.4%(<sup>1</sup>)** (↓69 bps YoY)

1. Margin% is on Revenue

2. PAT is after considering share of loss of associate

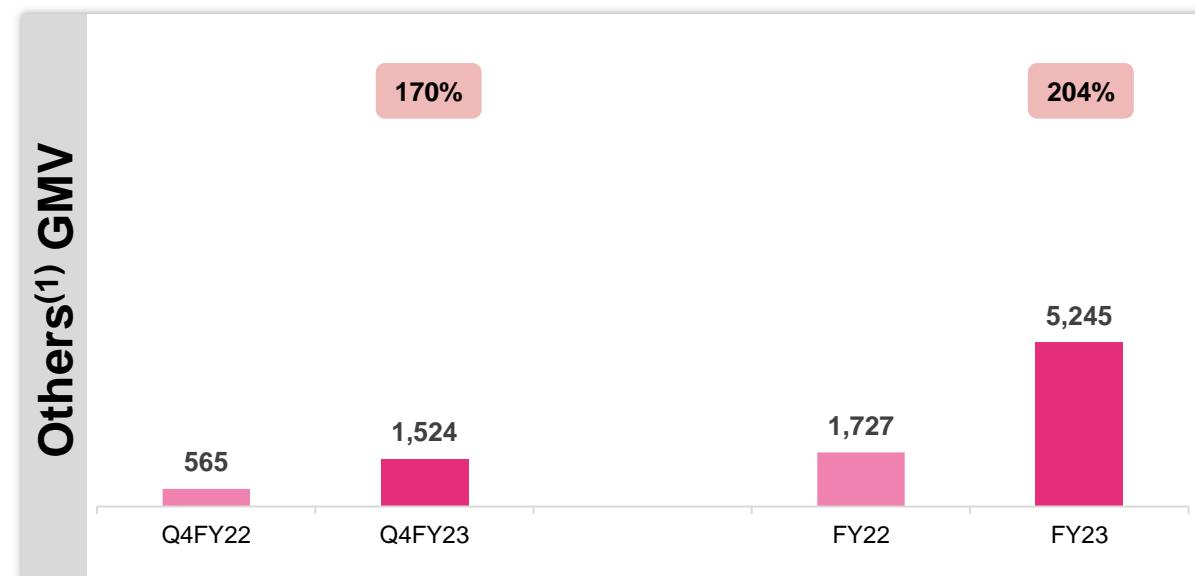
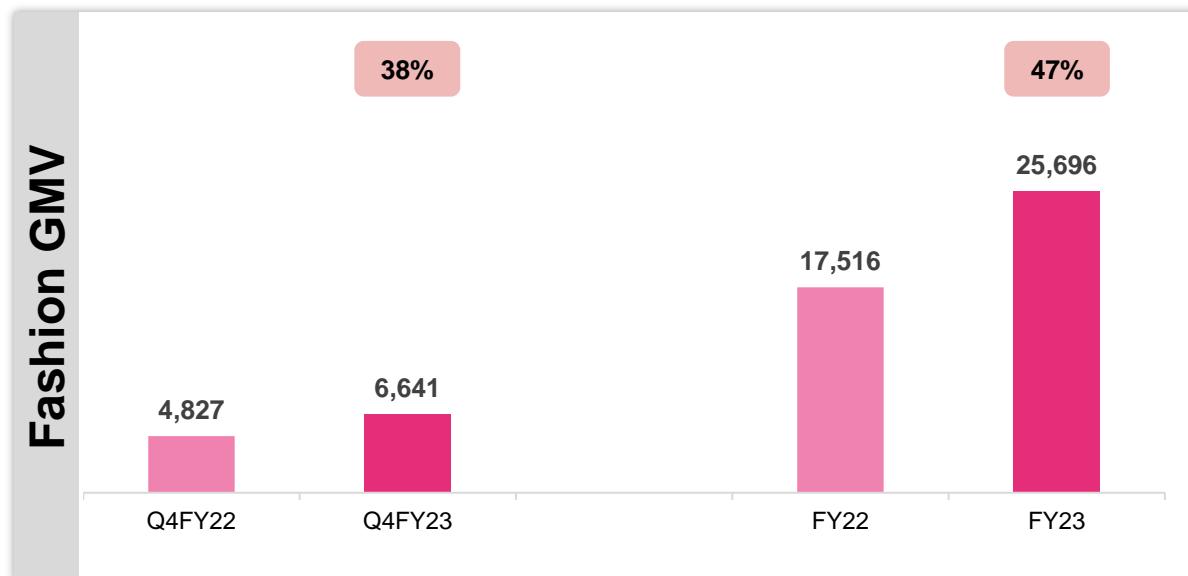
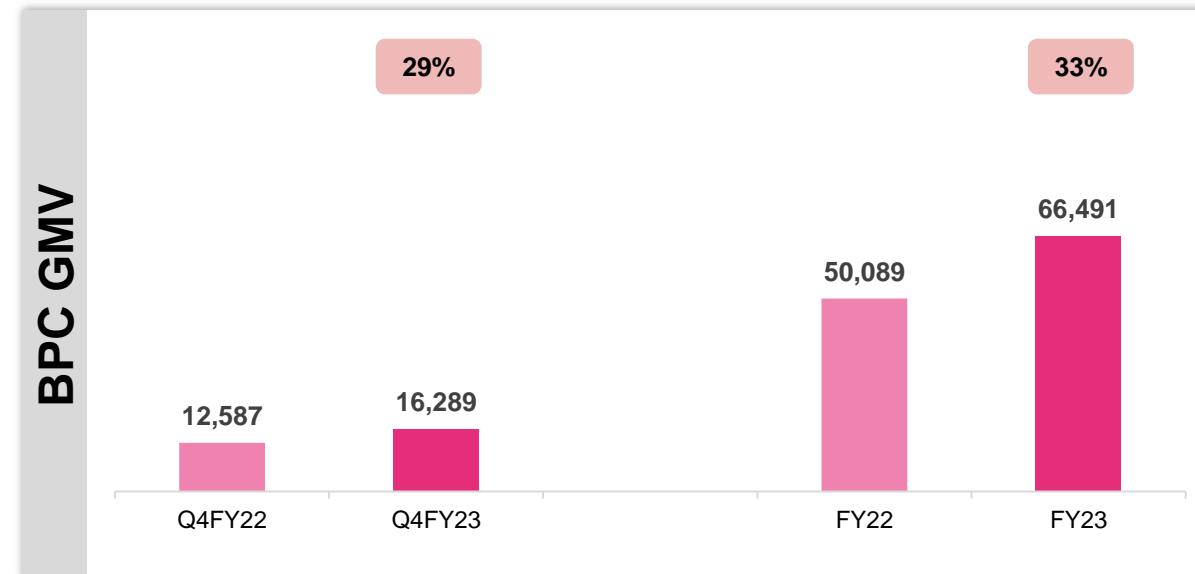
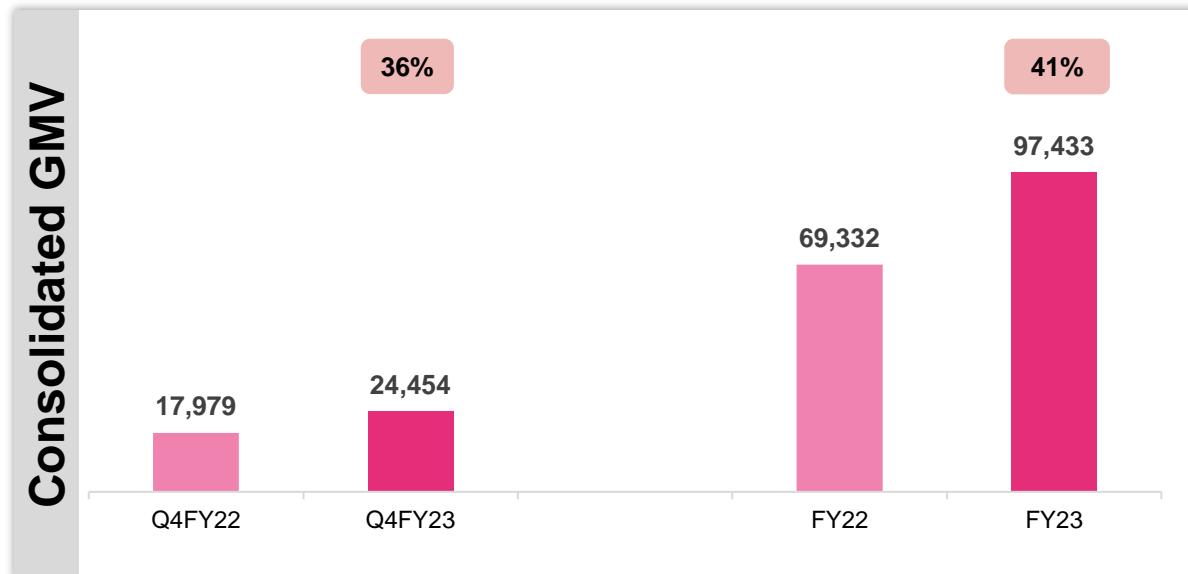


# Our Businesses

# Maintaining our GMV growth momentum

All Values in Rs million

% YoY Growth



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

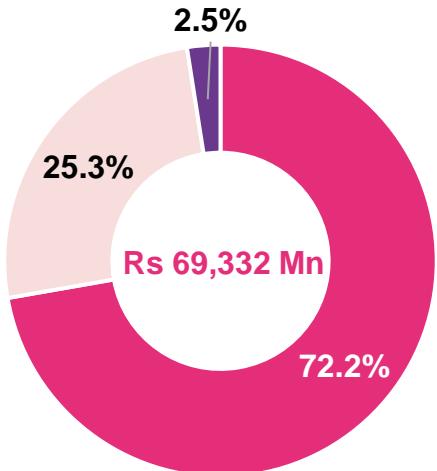
# NYKAA

Investment  
for future  
growth

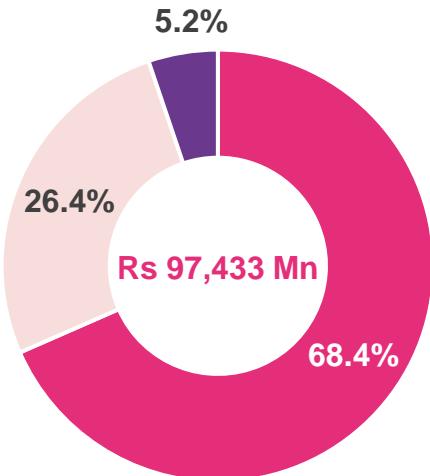
# Acceleration in customer acquisition

## GMV (Rs Mn)

FY22



FY23



YoY Growth %



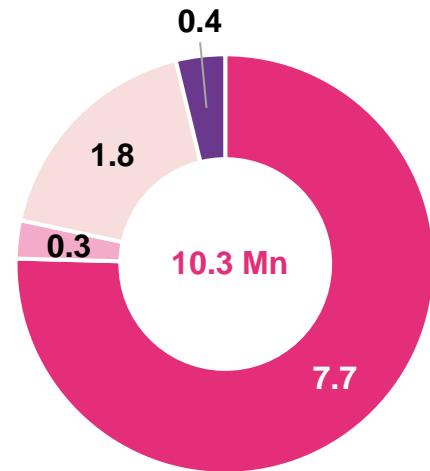
33%

47%

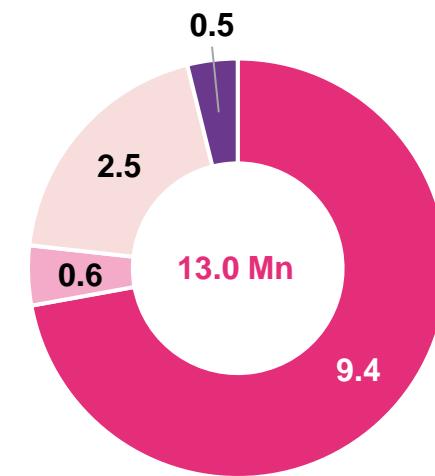
204%

## Annual Unique Transacting Customers (Mn)

FY22



FY23



YoY Growth %



22%

73%

39%

30%

Cumulative Customer base of **24 Mn+** in FY23

■ BPC

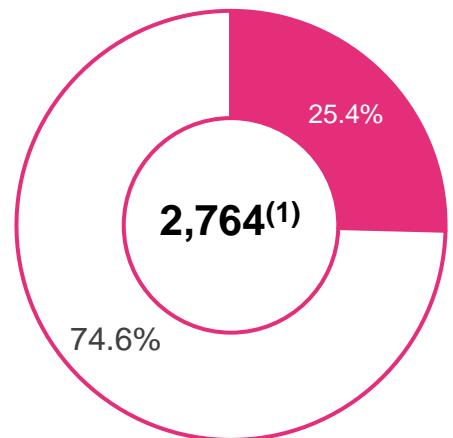
■ BPC Offline

■ Fashion

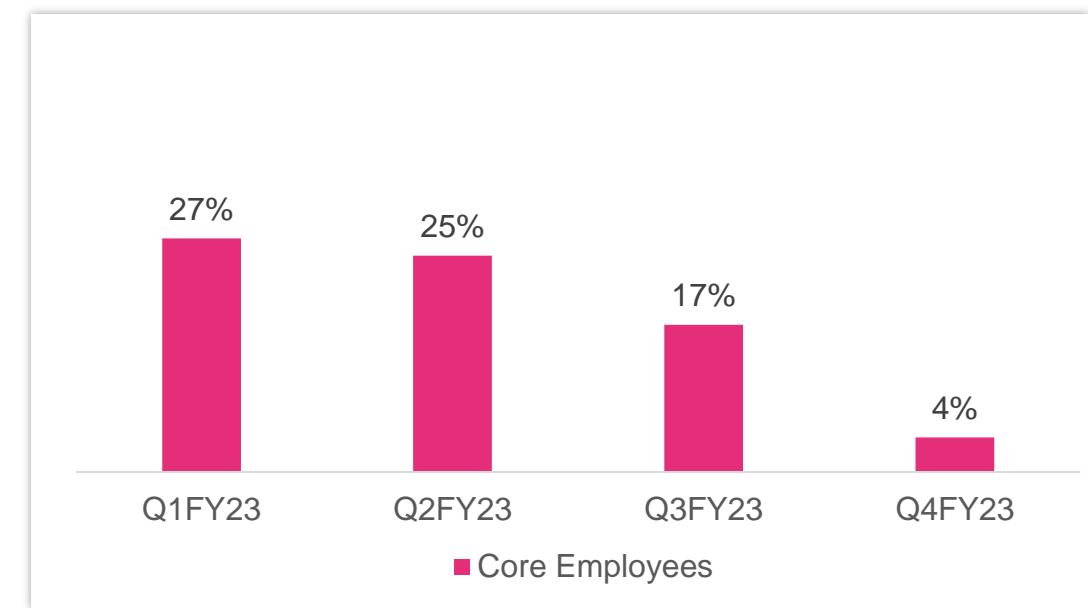
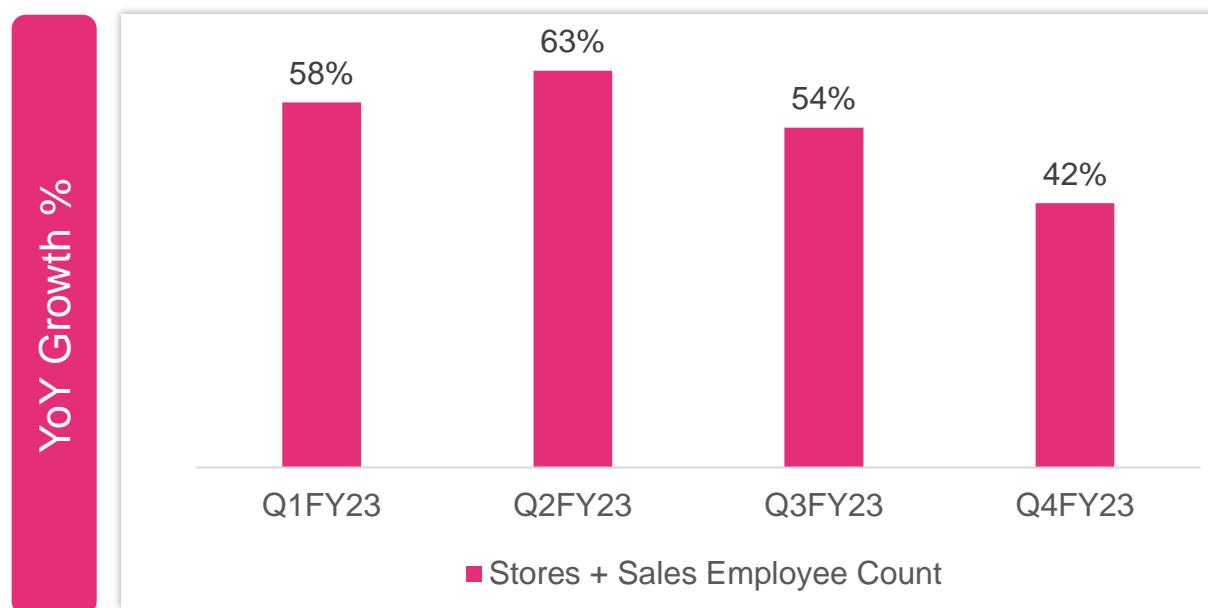
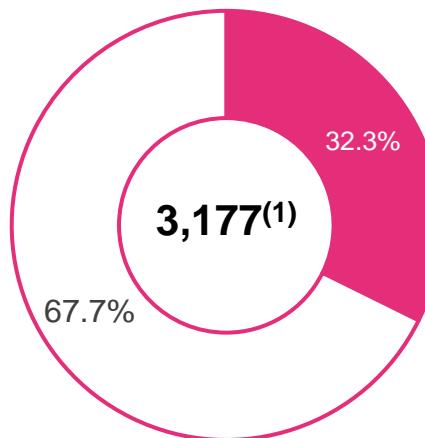
■ Others<sup>(1)</sup>

# Employee Count: Core employee count reached an optimal level

FY2022



FY2023



1. Includes core employees, retail and sales employees

# Building a strong technology platform, technology employee cost grew 73% YoY

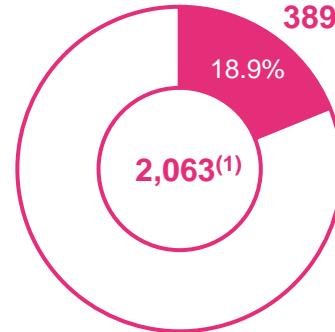
Technology employee count and cost  
computed as a % of core employees<sup>(1)</sup>



Technology Employee Headcount (#)



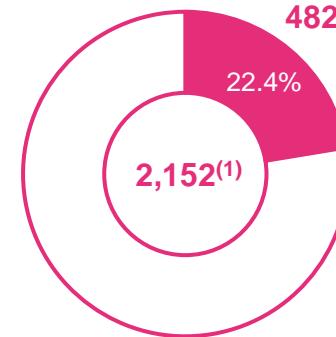
FY2022



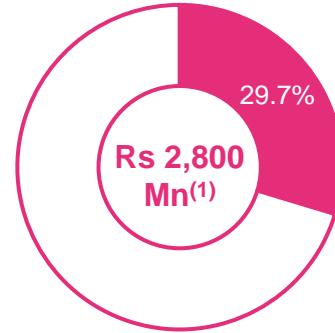
24%

Tech Headcount  
YoY Growth %

FY2023

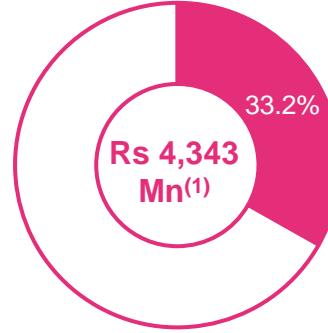


Technology Employee Cost (Rs Mn)



73%

Tech employee  
cost YoY Growth %



■ Technology

1. Excludes acquired entities, retail and sales team;

# Technology – Improvement in platform capabilities

4:20

## Personalization

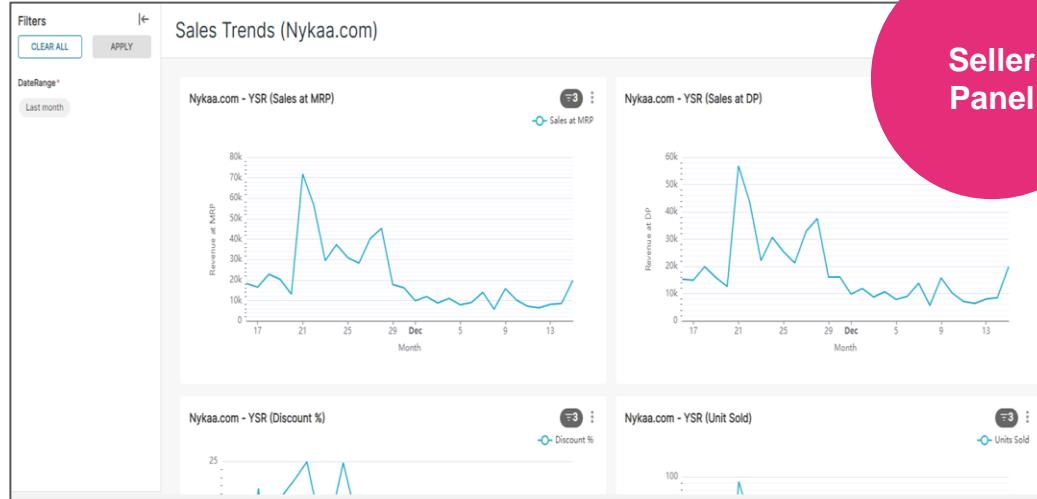
The screenshot shows a personalized shopping experience on the Nykaa app. At the top, there's a search bar and a navigation bar with categories like 'Jacquard Collection' and 'Hair'. Below this, a 'Buy Again' section displays two Clinique makeup products with 15% off. The main feed shows 'PINK wrap' products from Femella, including a pink snake print wrap and a tan brown satin overwrap. A 'Best in Tops for you' section features tops from FableStreet and Twenty Dresses. The bottom of the screen shows a 'Top Sale Deals - Live Now!' section with items from FableStreet and Twenty Dresses.



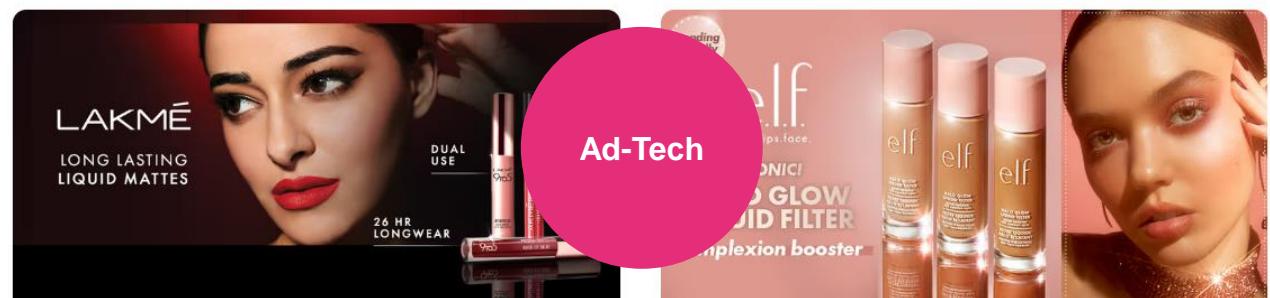
Attribution Engine



AI/ ML – Discovery and Recommendation



Seller Panel



Ad-Tech



Improved customer journey - Martech

B2B2C capabilities

Order placed on Nykaa Fashion by customers

Consolidation of orders by Revolved and shipped to India

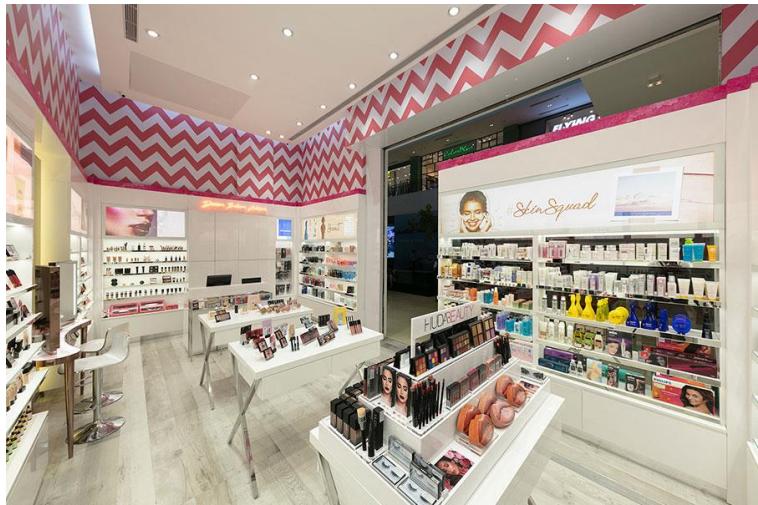
Custom Clearance by Nykaa Fashion

Product Inward to Nykaa Fashion Warehouse, where it is packed and labelled for delivery

Nykaa Fashion handles last mile logistics for delivery and returns

# Investment in infrastructure and retail

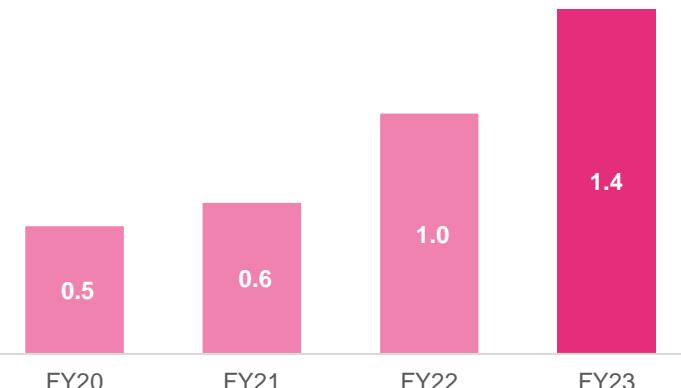
% YoY Growth (%)



Physical Stores

Physical Stores Area (Lacs Sq. ft.)

18% 59% 43%



Warehouse

Warehouse Capacity (Lacs Sq. ft.)

5% 41% 79%



Office Space

Capacity (Lacs Sq. ft.)

-19% 54% 68%





## Business Highlights

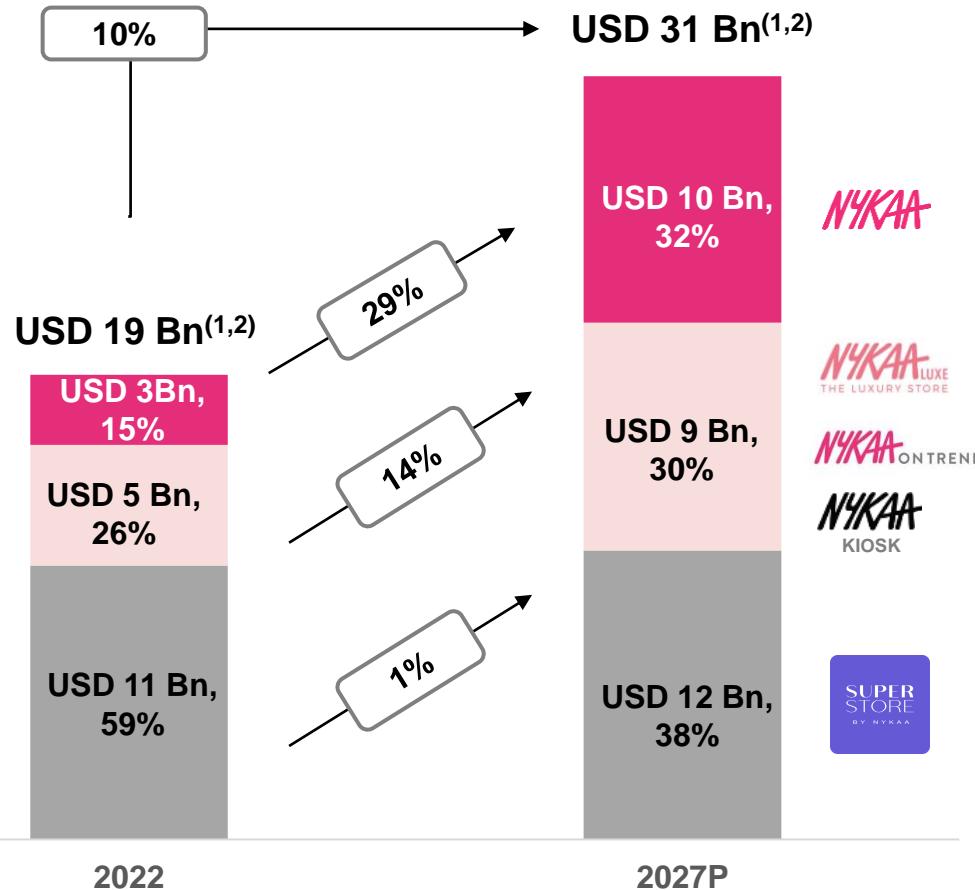


## Beauty & Personal Care



# Key drivers of the BPC market

CAGR %

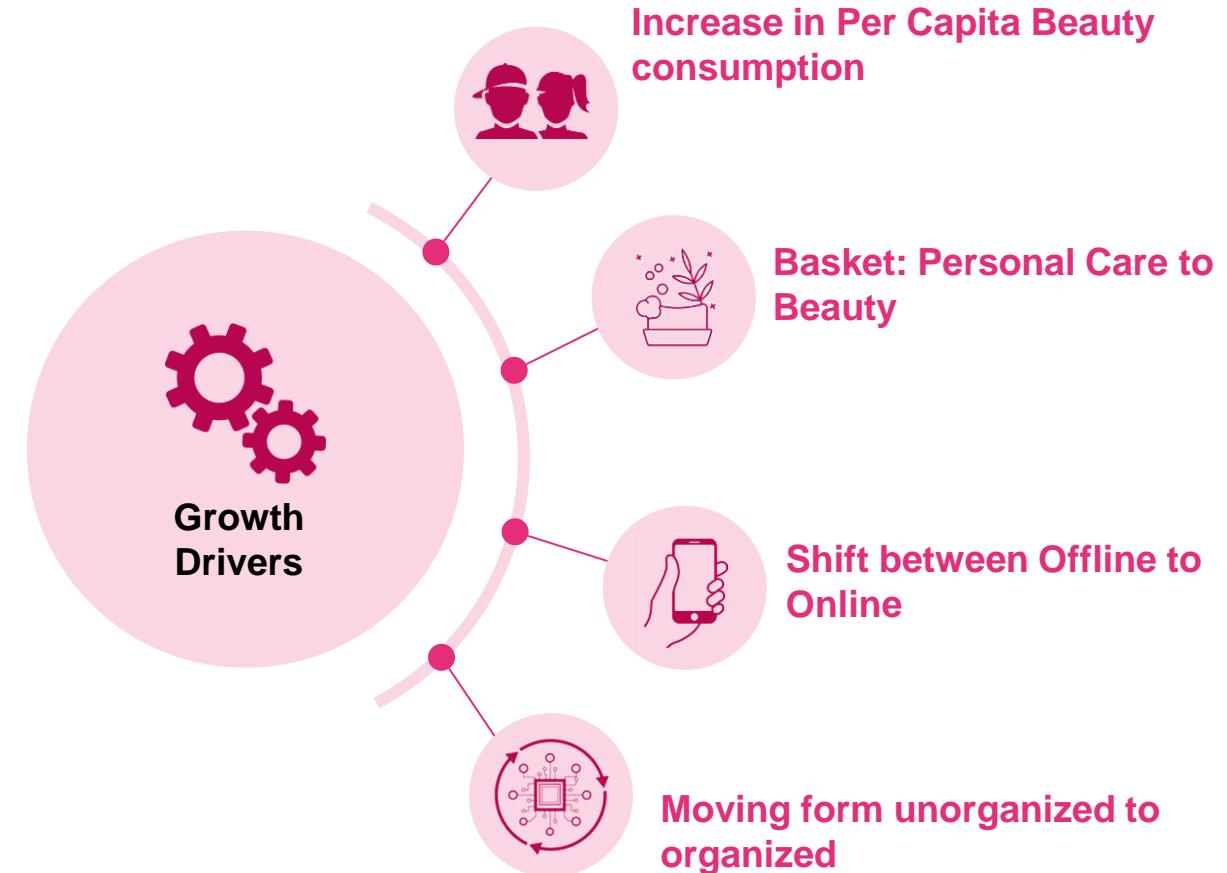


■ Unorganized Offline ■ Organized Offline ■ Online

Source: Redseer Estimates

1. Overall BPC Market Size (doesn't include appliances)

2. Conversion rate: 1 USD = INR 80



# Growth Strategies

## Core Value Proposition driving our growth



1

Acquiring new and retaining our repeat customers



2

Deep relationships with a diverse set of domestic & international brands



3

Penetrating across the value chain and channels to address the larger TAM



4

Creating, acquiring, and scaling a portfolio of independent and new age consumer-first brands

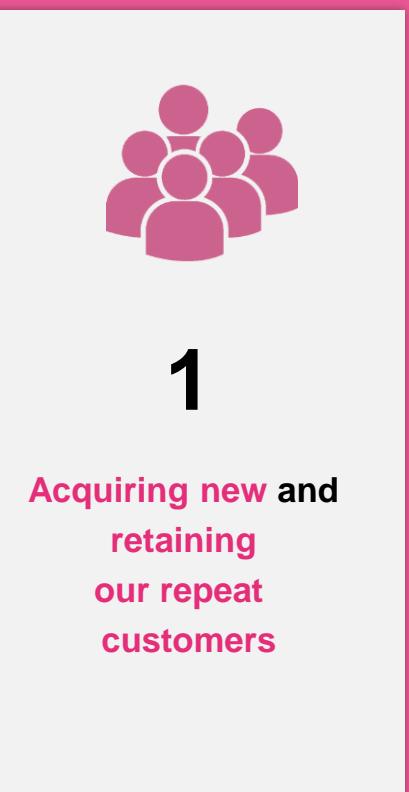


5

Developing new ways of selling and a holistic consumer connect

# Sustained growth in traffic along with strong growth in unique visitors

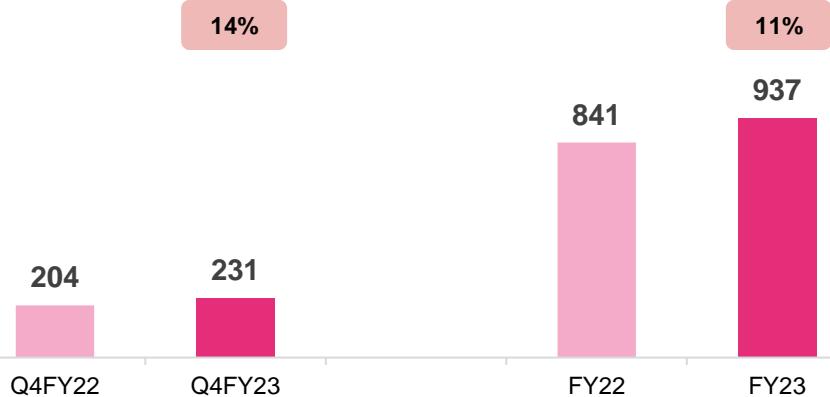
% YoY Growth (%)



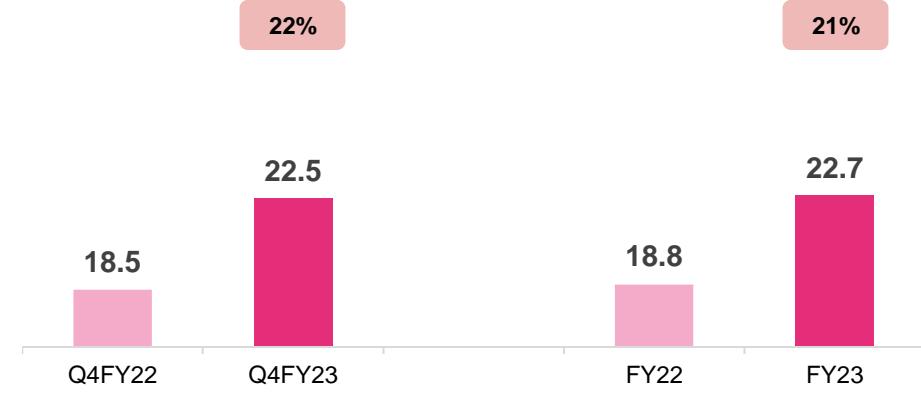
1

Acquiring new and retaining our repeat customers

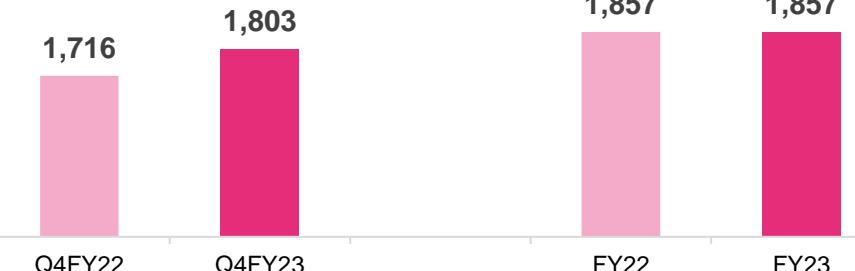
Visits (Mn)



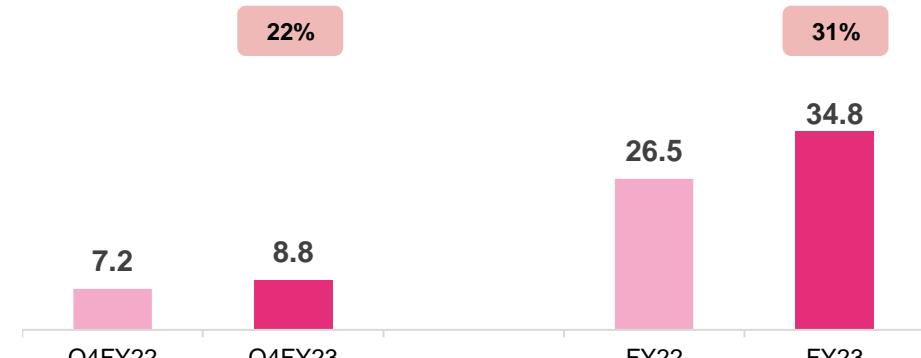
MAUV<sup>(1)</sup> (Mn)



AOV@MRP (Rs)



Orders (Mn)



1. MAUV is Monthly Average Unique Visitors

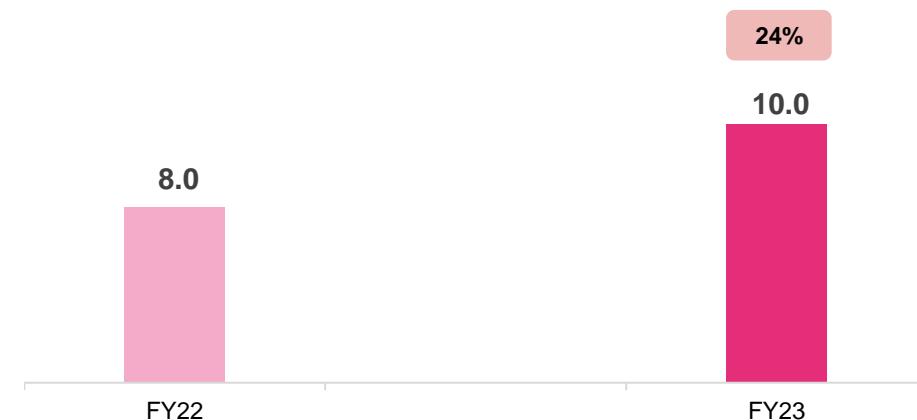
# Large & highly engaged customer base with best in class visit & order conversion



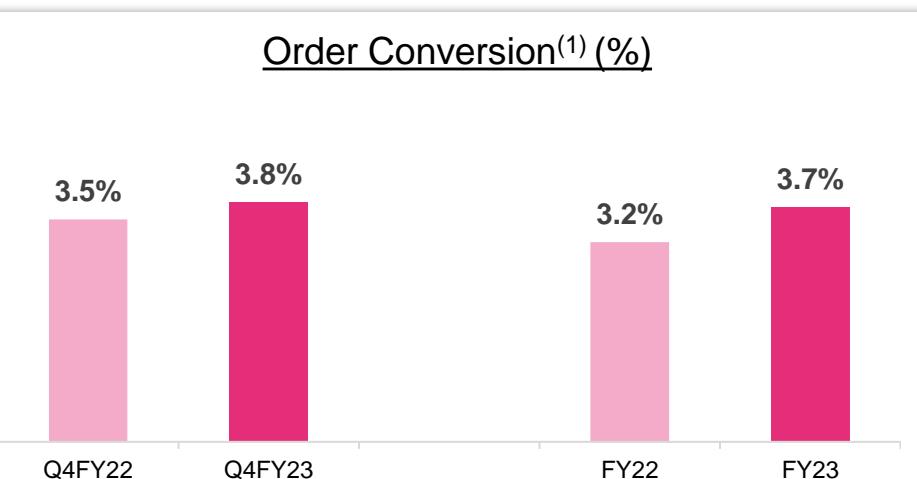
1

Acquiring new and retaining our repeat customers

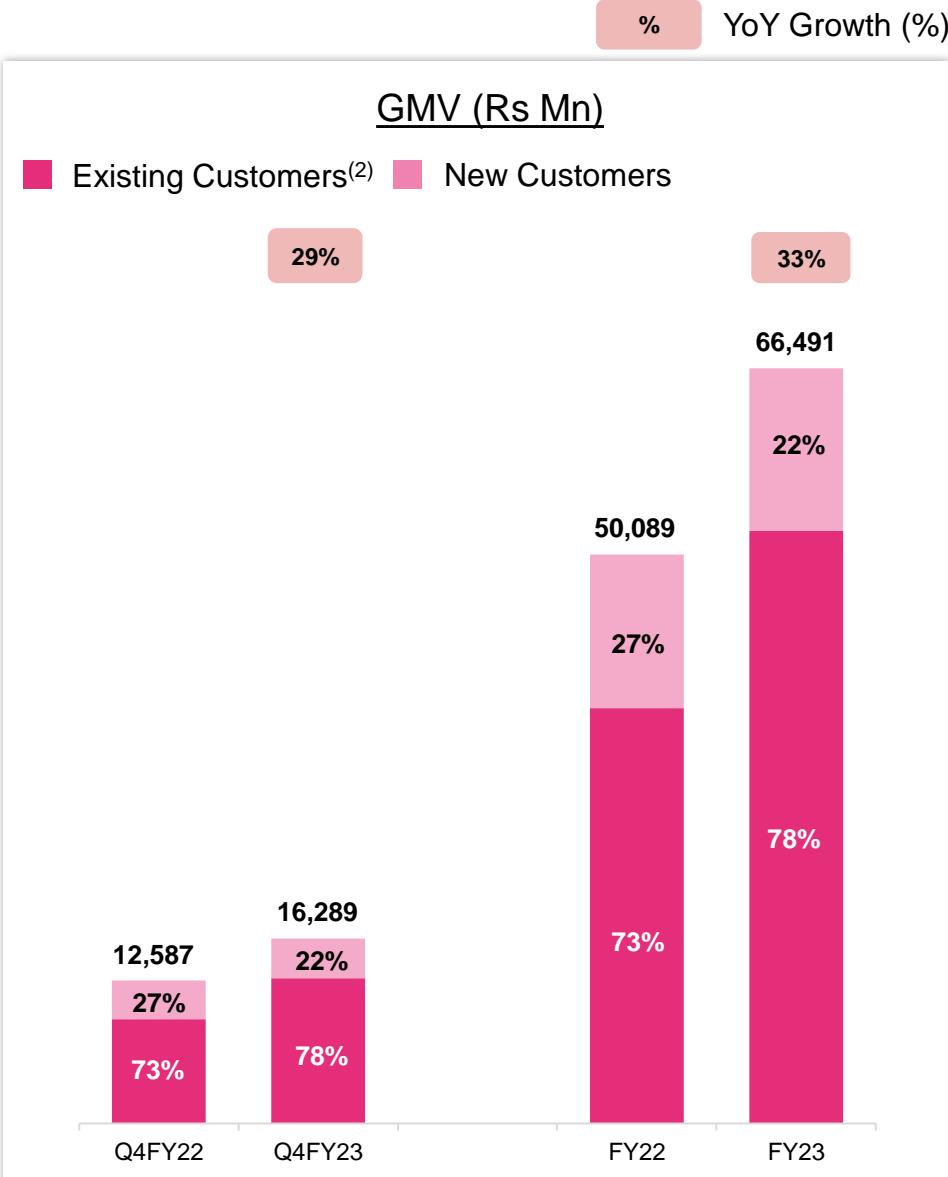
Annual Unique Transacting Customers (Mn)



Order Conversion<sup>(1)</sup> (%)



GMV (Rs Mn)



1. Order conversion is computed on visits

2. Customers who placed at least one order in any prior Financial Year on our websites or mobile applications.

# Strong brand relationships offering the widest assortment



2

Deep relationships  
with  
a diverse set  
of domestic &  
international  
brands



31<sup>(2)</sup>  
D2C brands



6<sup>(2)</sup>  
Global brands



International brands



31<sup>(2)</sup>  
FMCG brands



16<sup>(2)</sup>  
Luxe Brands

## Brand Partners



3,400+

International & Domestic  
Brands<sup>(1)</sup>

Of top 100 brands



28<sup>(2)</sup>

International brands



6<sup>(2)</sup>

Global brands



31<sup>(2)</sup>  
Luxe Brands

## New Brand Launch

Most loved **Luxury** launch - Lancome



Creating a shop-in-shop experience with **Lancome**; offering tools such as 'Skin analyser' to Retail customers

Owned brands – Nyveda & Nudge



Other brands – Farmacy & SimplyNam



1. As of March 31, 2023;

2. Among Top 100 Brands in terms of FY23 GMV on Nykaa.com; International, Luxe and Global store has overlapping brands

# Successful Pink Love Sale reiterates Nykaa as the beauty destination of choice



2

Deep relationships  
with  
a diverse set  
of domestic &  
international  
brands

Strong performance across **Pink Love Sale'23**



131% YoY GMV vs Feb'22 Big Love Sale  
~2,000 brands participating



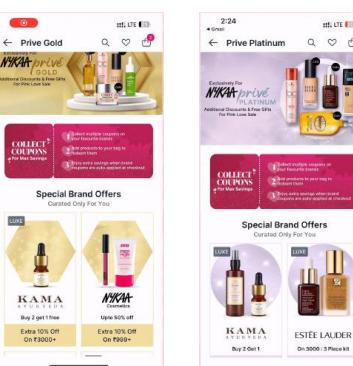
Pre-Buzz Engagement activities

- Gamezone
- Slash and Save
- Offer and Price Reveal



Massive influencer outreach with  
144Mn Impressions

Engagement across the Social, App and YouTube



Dedicated landing page personalized for all the  
three tiers – members, gold, and platinum



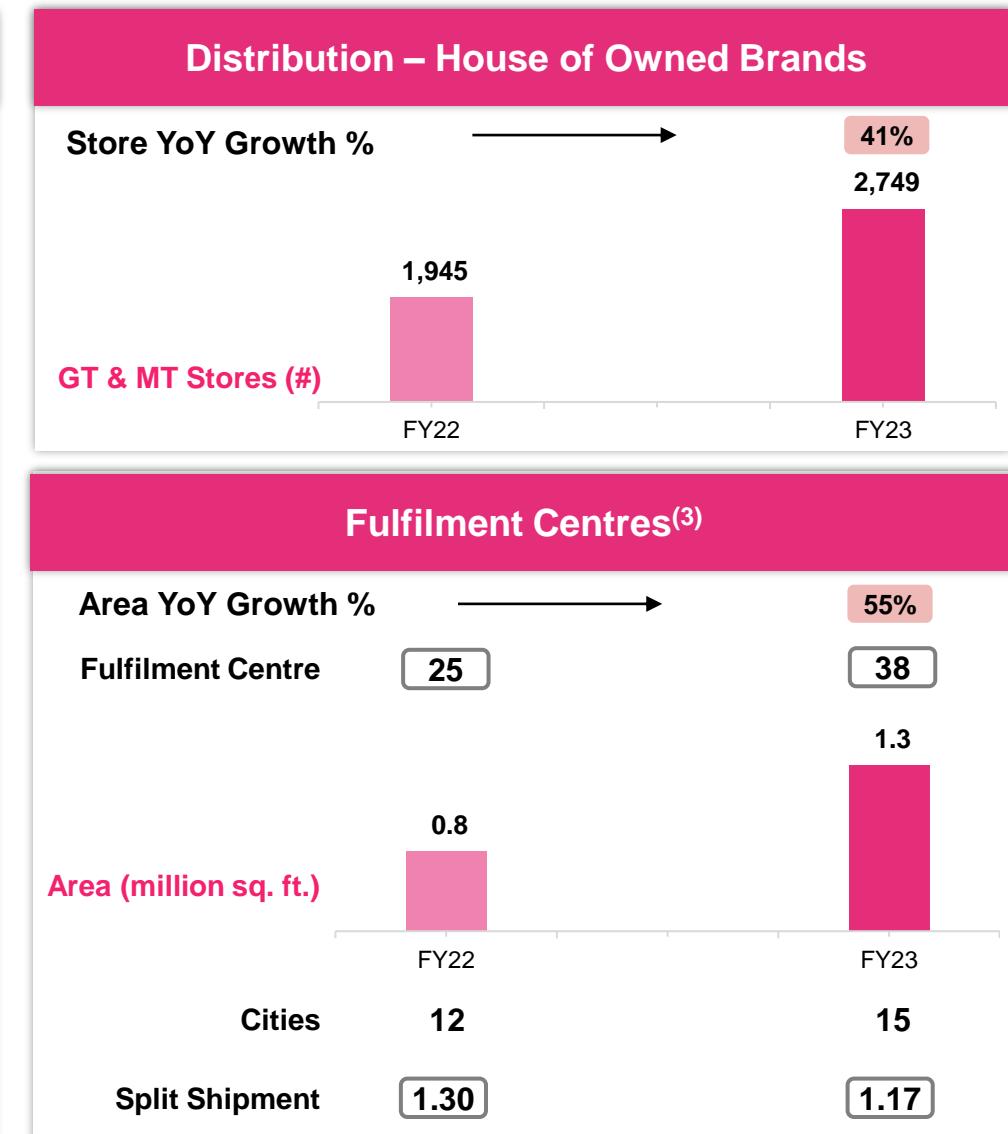
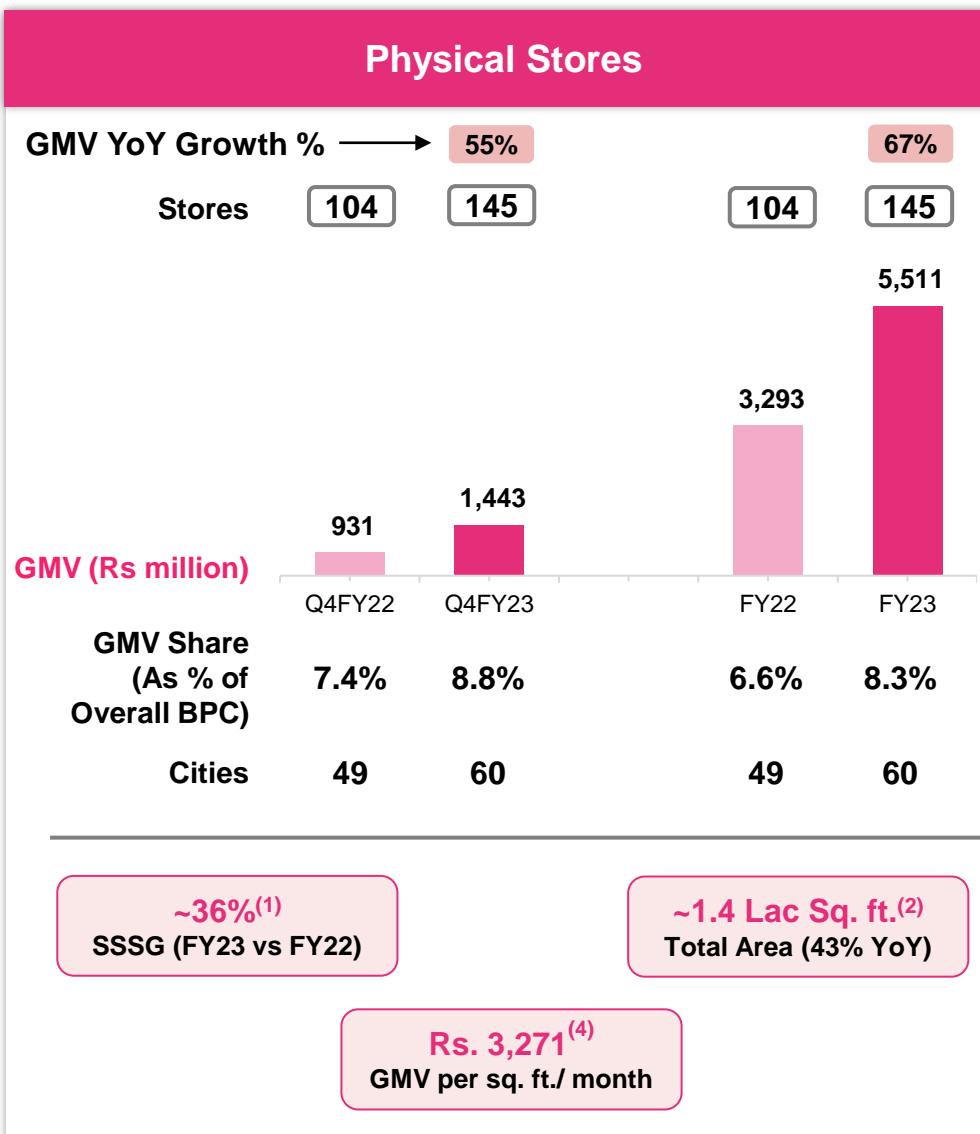
Watch & Buy with 33k visits

# Investing across value chain & channels to create better consumer experience



**3**

Penetrating across the value chain and channels to address the larger TAM



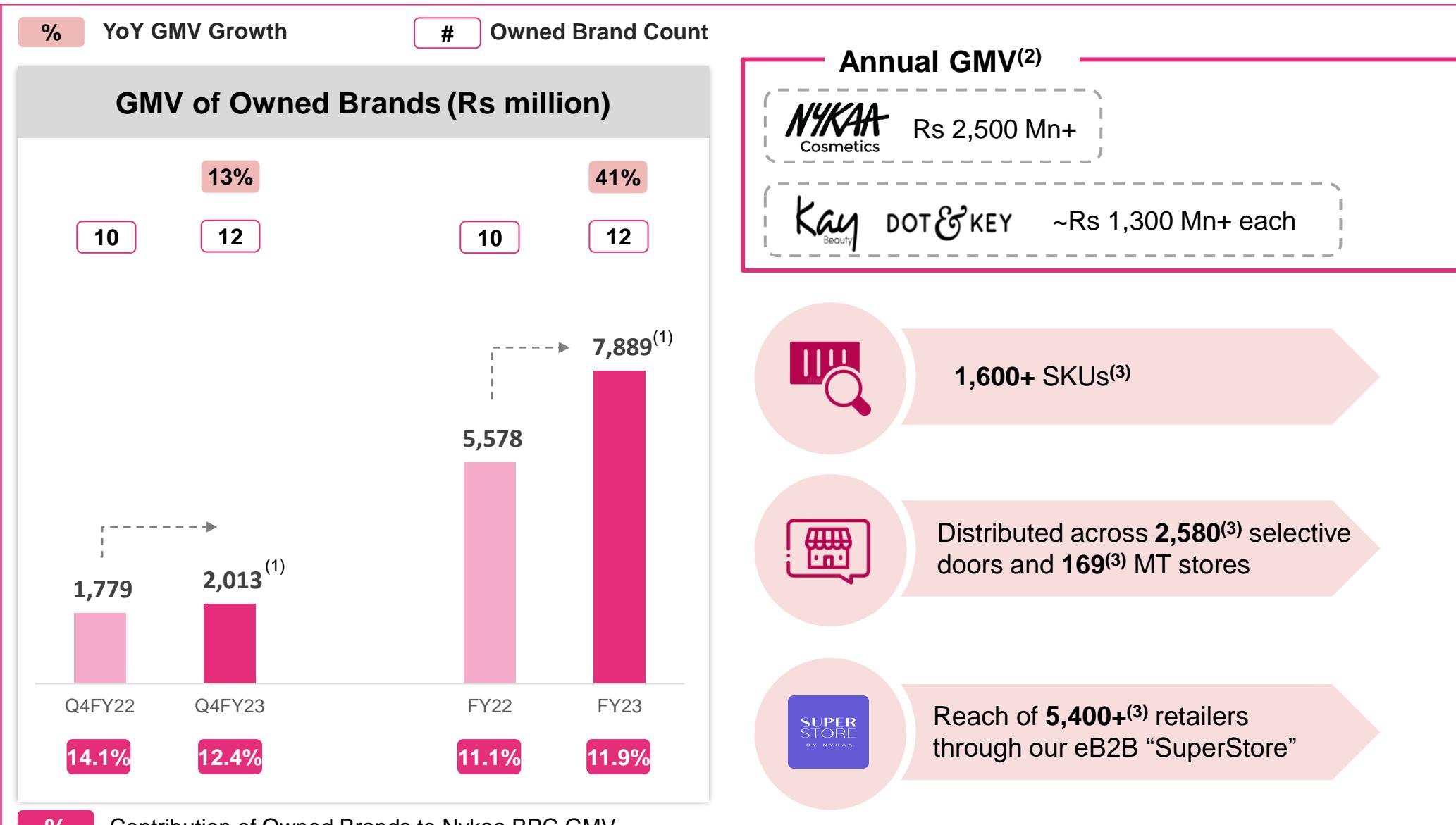
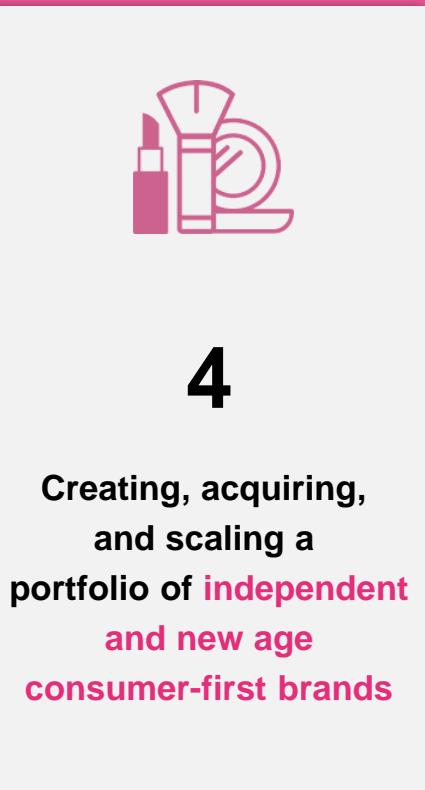
1. SSSG based on physical stores opened till Mar'21

2. As on March 31, 2023

3. BPC warehouse and eB2B Warehouse

4. For FY23

# Growing distribution of our House of Brands



# House of Brands: New launches across categories



4

Creating, acquiring,  
and scaling a  
portfolio of independent  
and new age  
consumer-first brands



Matte Tattoo Liquid  
Lipstick



Serial Kisser Tinted  
Lip Balm



Liquid Lipstick



Hair Wax, Hair  
Cream, Beard Oil

# House of Brands: New launches across categories



4

Creating, acquiring,  
and scaling a  
portfolio of independent  
and new age  
consumer-first brands



Strobe Creme



Lip Mousse



Lip Plumping Mask



Watermelon  
Cooling Sunscreen

# Nykaa Beauty Bar: Bringing together beauty enthusiasts across the country



5

Developing new ways  
of selling and a holistic  
consumer connect



Long queues outside the  
Beauty bar events

Interactive event – 1<sup>st</sup> edition of Nykaa Beauty Bar in Lucknow

After over 2 years, partly due to COVID, Nykaa has brought back a successful series of Beauty Bars – allowing beauty enthusiasts to interact with leading makeup artists and our brands



4 Mn reach on Social media



1300+ Beauty enthusiasts registered for the event



16+ Media house & 11 influencers covering the event



1600+ Registrations

Next up? Indore and Baroda

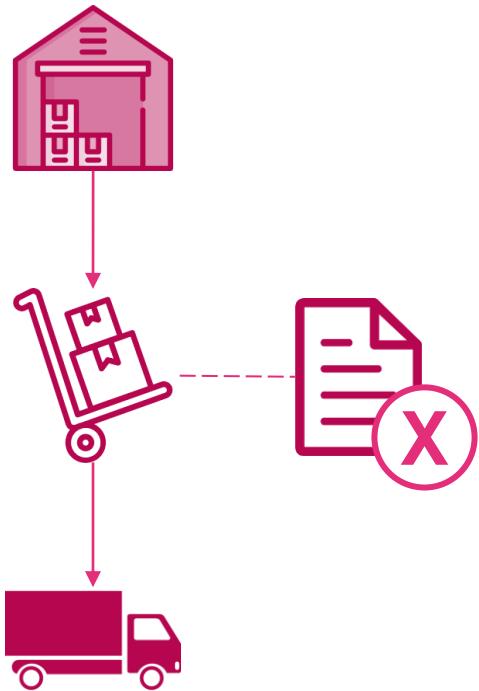
# Leading technology: Our backbone across the value chain



5

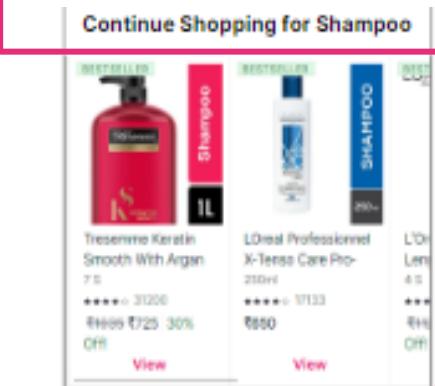
Developing new ways of selling and a holistic consumer connect

## Paperless Picking

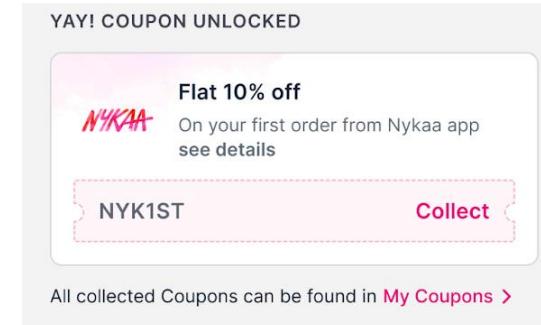


**Increase order fulfillment capacity** by improving picking process and achieve **zero paper utilization** for orders processing

## Nudges for incomplete shopping mission

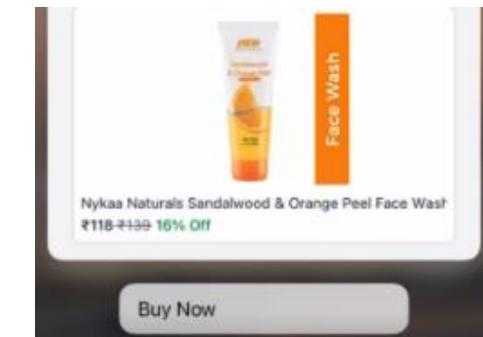
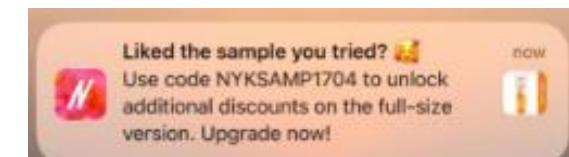
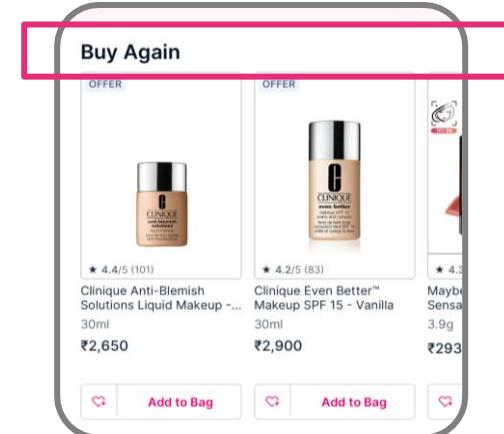


## Unlocking targeted coupons for cohorts



Creating delight in the customer journey and post order customer experience with our Technology backbone

## Personalized replenishment nudges



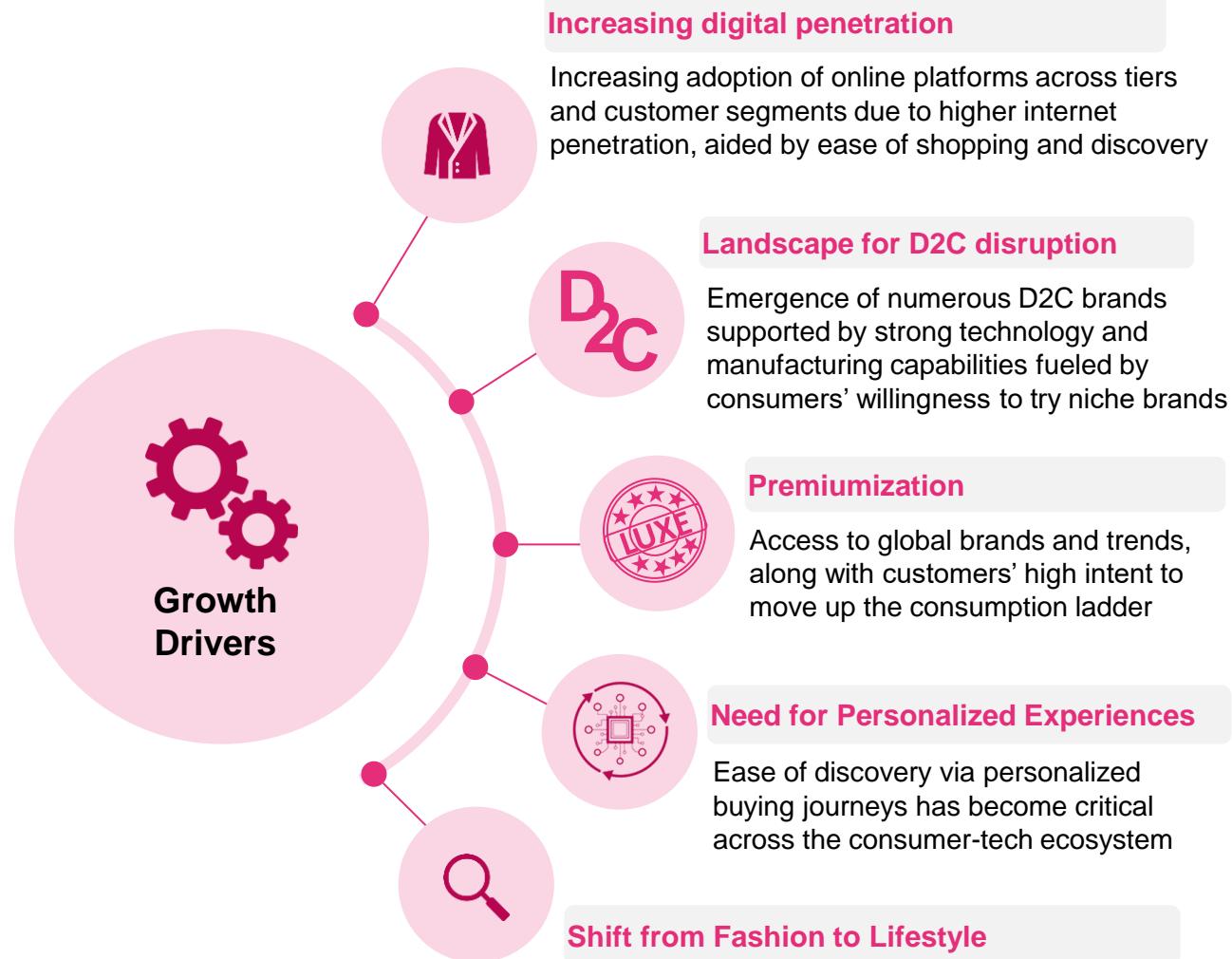
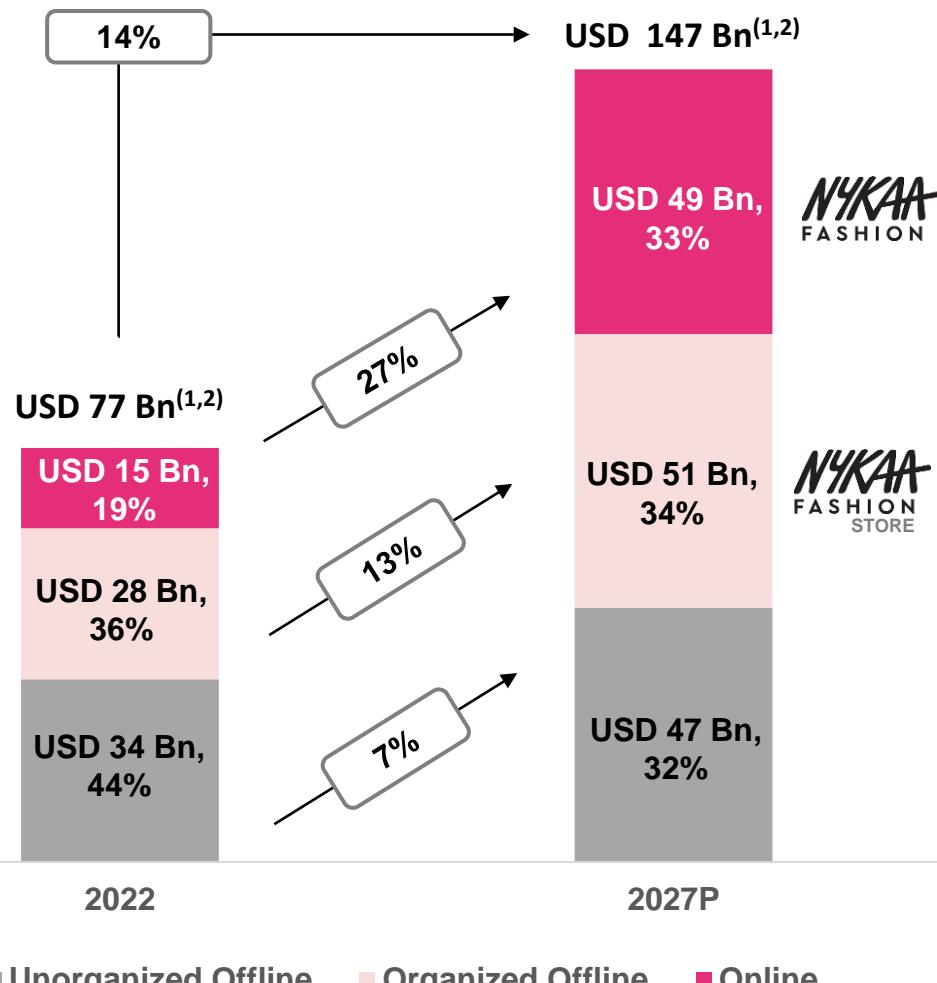
**Simplify re-purchase** of previously bought products for customers



# Fashion

# Key drivers of the Fashion market

CAGR %



Source: Redseer Estimates

1. Overall Fashion Market Size

2. Conversion rate: 1 USD = INR 80

# Growth strategies

Core Value Proposition driving our growth



1

Acquiring and retaining  
customers



2

Strengthen external  
brand assortment



3

Accelerate Owned  
Brands Strategy



4

Explore new operating  
models and channels



5

Technology led  
innovations across  
the platform

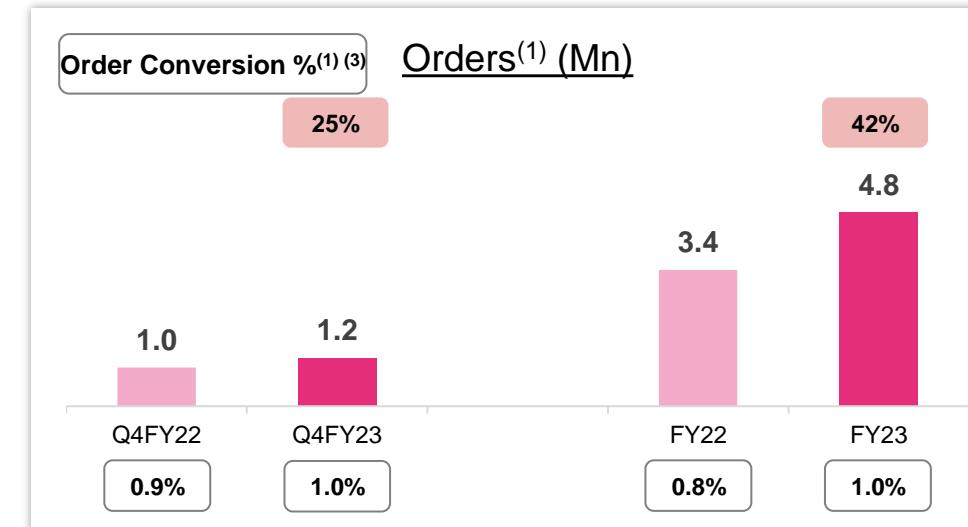
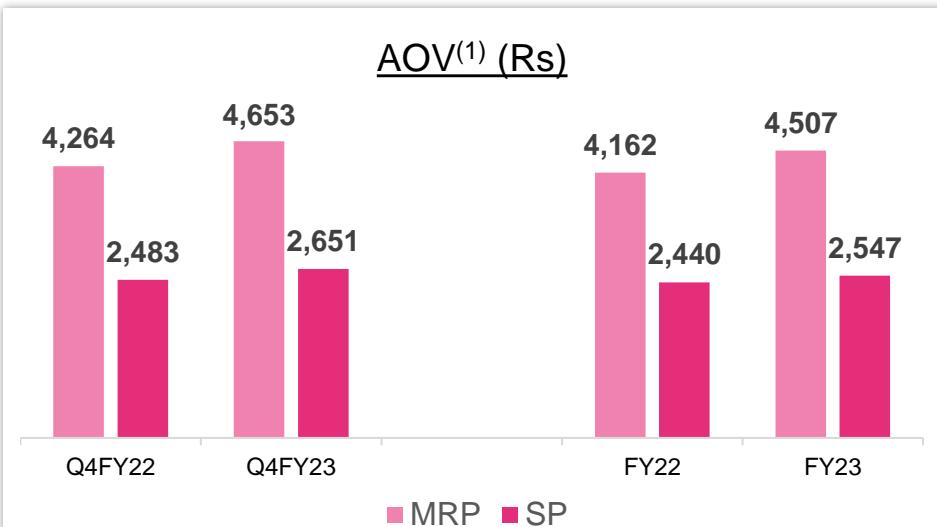
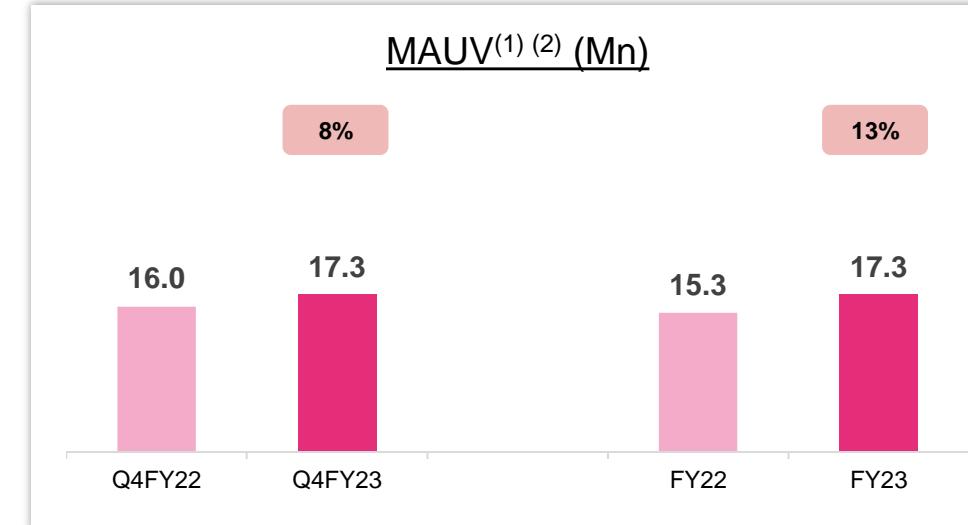
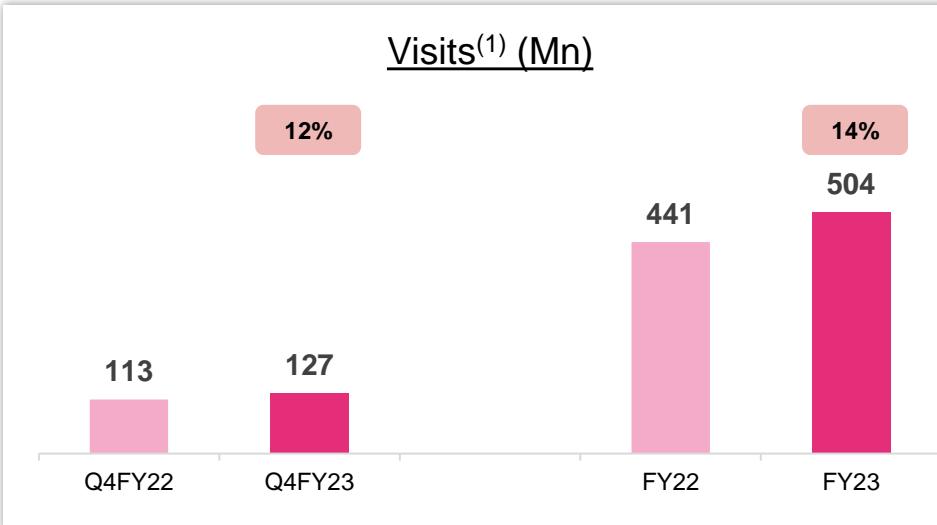
# Targeted Approach to Customer Acquisition

% YoY Growth (%)



1

Acquiring and retaining customers



1. For NykaaFashion.com

2. MAUV is Monthly Average Unique Visitors

3. Order Conversion is computed on visits

# Investing in customer growth with women as the key demographic



1

Acquiring and retaining customers

% YoY Growth for NykaaFashion.com (%)

Annual Unique Transacting Customers<sup>(1)</sup> (Mn)

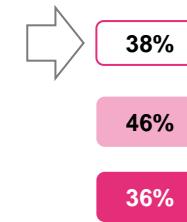


% YoY Growth for Other Platforms (%)

GMV (Rs Mn)

NykaaFashion.com Others<sup>(3)</sup>

Fashion YoY Growth %



47%

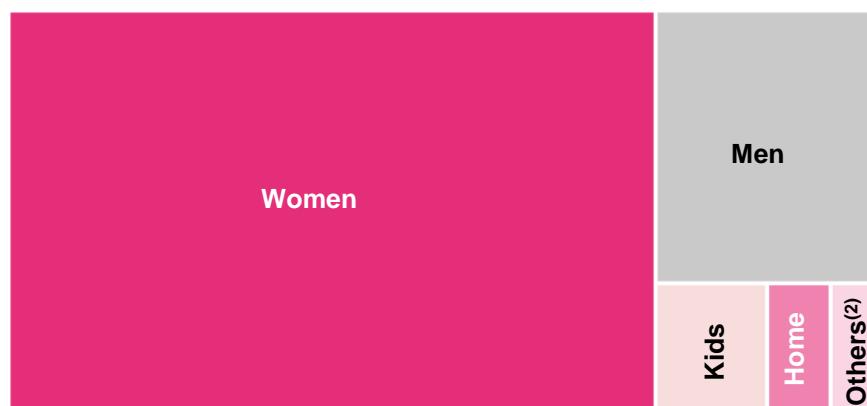
17%

54%

25,696

17,516

GMV Contribution (FY23) – Category Wise<sup>(1)</sup>



1. For NykaaFashion.com

2. Others includes Tech & Gadget, Sports & Fitness Equipment

3. Others refer to 3P Platforms

# Consistently partnering with brands to bring the best, curated assortment



2

Strengthen external  
brand assortment

2,850+(<sup>1</sup>)

International & Domestic  
Brands

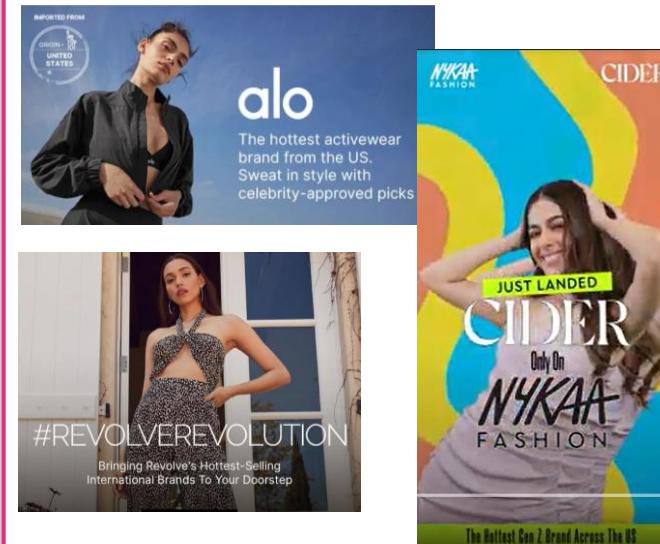
## Growth of key brands popular with the Indian audience



~700<sup>(1)</sup>

Brands  
including  
Puma, Biba,  
Marks &  
Spencer  
Forever New,  
Adidas and  
many more

## Global Store – bringing unique international brands to India



~650+<sup>(1)</sup>

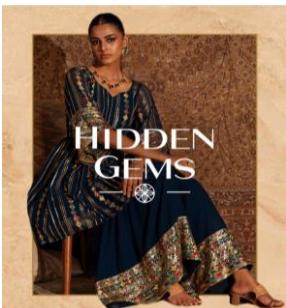
Brands / Retailers  
like Alo,  
Revolve, Cider,  
Little Mistress

~25%<sup>(2)</sup>

GMV contribution  
to western wear  
offering on Nykaa  
Fashion

## Maintaining our differentiated assortment via thoughtful curations

### Hidden Gems



300+<sup>(1)</sup>  
Brands

~6%<sup>(2)</sup>  
GMV  
contribution  
to Nykaa  
Fashion

### First in Fashion

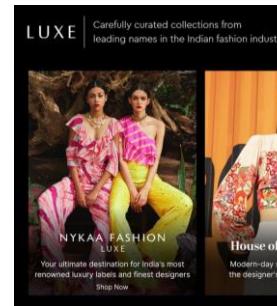


~1,200<sup>(2,3)</sup>  
Brands

~23%<sup>(2,3)</sup>  
GMV  
contribution  
to Nykaa  
Fashion

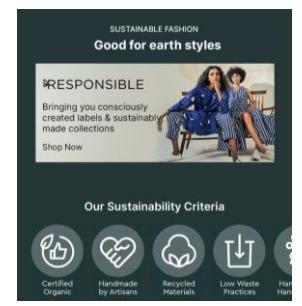
### Luxe

150+<sup>(1)</sup> Indian and  
Global luxury labels



### Responsible

600+<sup>(1)</sup> sustainable  
brands



1. Brands Listed on NykaaFashion.com as on March 31, 2023

2. For Q4 FY23

3. Autumn Winter (Jan'23) and Spring Summer (Feb'23 and Mar'23) Collection sales on NykaaFashion.com

# House of Brands: Strengthening our presence across varied categories



3

Accelerate Owned  
Brands Strategy

*Over time, we have created the ecosystem to build owned brands in-house and scale them consistently*

Brand Types	FY20	FY21	FY22	FY23
Acquired	TWENTY DRESSES		pipa•bella	
Built Internally		Nykd BY NYKAA	RSVP	gajra gang iykyk IF YOU KNOW YOU KNOW
Collaborations			Masaba (NYKD), Nikhil Thampi (RSVP), AlayaF (XXD)	likha azai GLOOT Twig & Twine

*Our category expansion strategy has been thoughtful, keeping in view our key demographic and their evolving shopping habits*

Categories	Women's Western Wear	Indian Wear	Lingerie	Athleisure	Jewellery, Accessories	Bags, Footwear	Home	Men's (Inner wear)	Kids
<b>FY20</b>	TWENTY DRESSES			TWENTY DRESSES	TWENTY DRESSES				
<b>FY21</b>	RSVP			Nykd BY NYKAA	Nykd BY NYKAA		RSVP		
<b>FY22</b>		gajra gang			pipa•bella	iykyk IF YOU KNOW YOU KNOW			
<b>FY23</b>	MIXT	likha nyri		KICA	azai		Twig & Twine	GLOOT	

# House of Brands: Strengthening our presence across varied categories



3

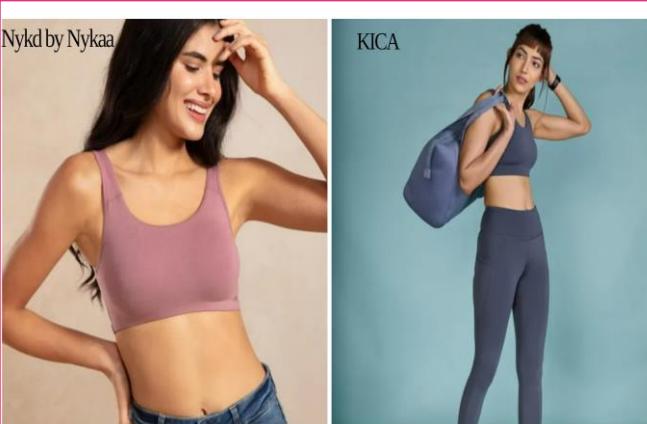
Accelerate Owned  
Brands Strategy



Women's Western Wear  
~8,500 Styles<sup>(1)</sup>



Women's Indian Wear  
~2,000 Styles<sup>(1)</sup>



Women's Lingerie and Athleisure  
~1,800 Styles<sup>(1)</sup>



Jewellery & Accessories  
~8,500 Styles<sup>(1)</sup>



Men's Innerwear & Athleisure  
~300 Styles<sup>(1)</sup>



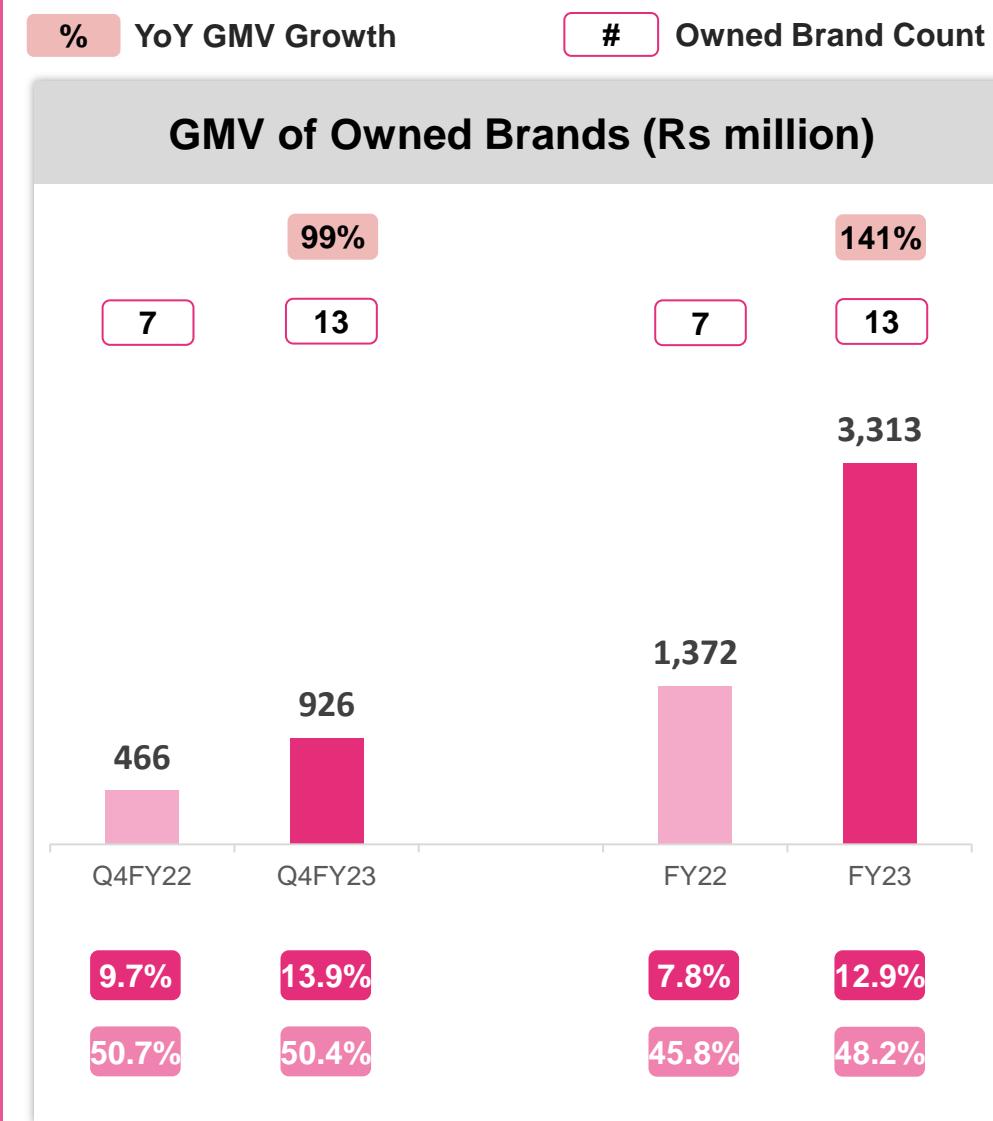
Home & Décor  
~200 Styles<sup>(1)</sup>

# House of Brands: Consistent growth across channels



3

Accelerate **Owned  
Brands** Strategy



## Annual GMV<sup>(1)</sup>



## Offline Expansion

- Twenty Dresses & RSVP: **112 MBOs** as on March 31, 2023
- Gajra Gang & Likha: **6 MBOs** as on March 31, 2023
- Nykd by Nykaa: Presence in **4 EBOs** and **900+ General Trade Outlets** as on March 31, 2023
- Our **Owned brands** also retailed through **4 Nykaa Fashion MBOs** as on March 31, 2023

## New Brand Launch

Launched “**MIXT by Nykaa Fashion**”, a unisex fashion forward brand targeted towards **young generation** bringing in a **fluid, inclusive and new age style**



# House of Brands: Focusing on the GenZ customer with the launch of MIXT



3

Accelerate **Owned  
Brands** Strategy



# House of Brands: Expanding our offline footprint to drive customer growth



4

Explore new operating models and channels

Nyk'd – 4 EBOs and 900+ General Trade Outlets



Average EBO store size of 650 sq. ft.

Nykaa Fashion – 4 MBOs



20 Dresses, RSVP, Likha, Gajra Gang – 118 MBOs



Average MBO store size of 100 sq. ft.

# Omnichannel Experience: Exploring the multi-brand retail store format



4

Explore new operating models and channels



Launched 3 new MBOs for Nykaa Fashion in FY23

Partnered with 15+ brands across different categories

Introduced customers to international brands like Cider, NA-KD in an offline setting

# Investing in technology and infrastructure to improve operations



4

Explore new **operating models and channels**

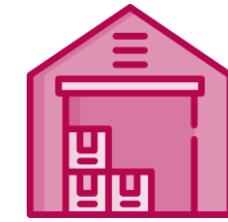
Enabling new marketplace capabilities to **increase inventory depth and width for customers** from global brands, offline retailers and other marketplace partners while **improving operational efficiency**



**Global drop-ship model** – enabling customers to seamlessly shop from the entire catalogue of international partners



**Omnichannel integration with 800+<sup>1</sup> brand stores** (US Polo, Forever 21, W, Vero Moda etc.) to improve availability of new season merchandise as soon as it goes live on offline retail



**Increased our warehouse capacity by 3.5x**  
Also focussed on expanding multi-warehousing capabilities for brand partners

# Enhancing the buying journey across touchpoints



5

Technology led  
innovations across  
the platform

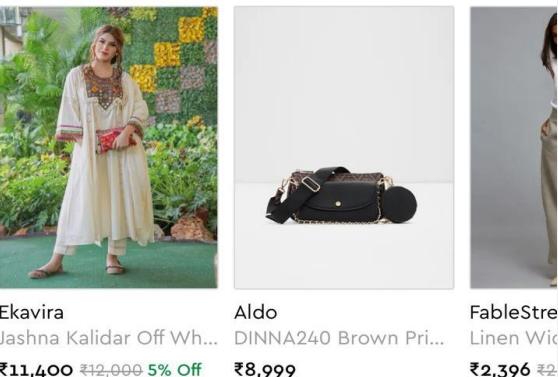
## Personalization

*Launching hyper personalised recommendations to customize the discovery experience*

Are you still searching for Co ord's?

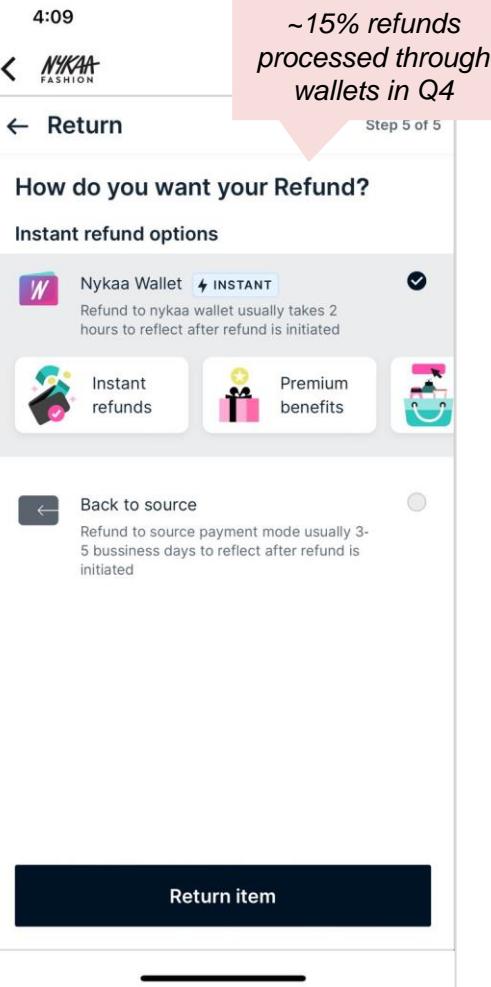


We think you'll love



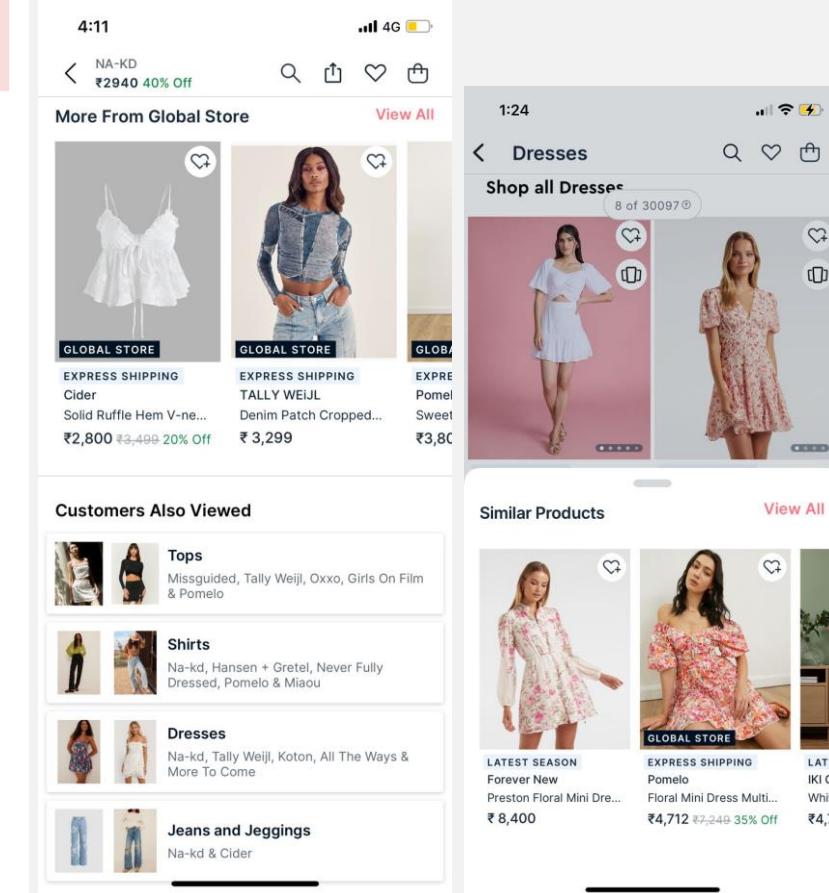
## Refund to Wallet

*Enabling customers to get instant refunds to their Nykaa wallets – fungible balance across Nykaa.com and Nykaa Fashion.com*



## Recommendation Engine

*Revamping recommendation widgets across different landing pages to help customers choose easily from a plethora of products*



# Engaging customers on and off the platform

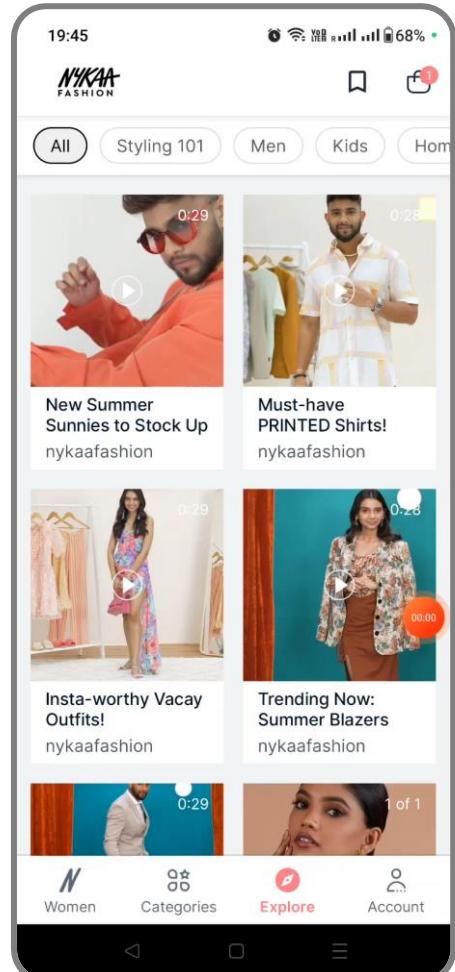


5

Technology led  
innovations across  
the platform

## Watch & Buy

*Simplifying styling tips, education on latest trends and launches by constantly revamping content to commerce properties like Watch & Buy and Editor's Picks*



## Editor's Picks



## Events and Launches

*Customizing events for global brand partners like Alo and Never Fully Dressed to help interact directly with customers*

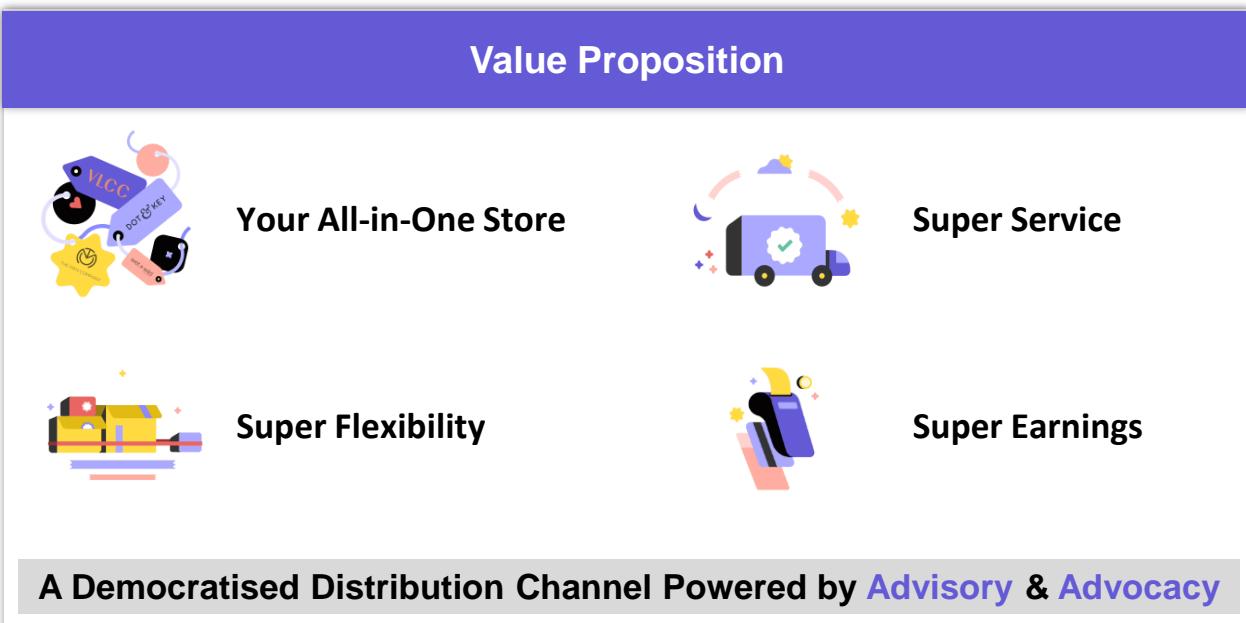
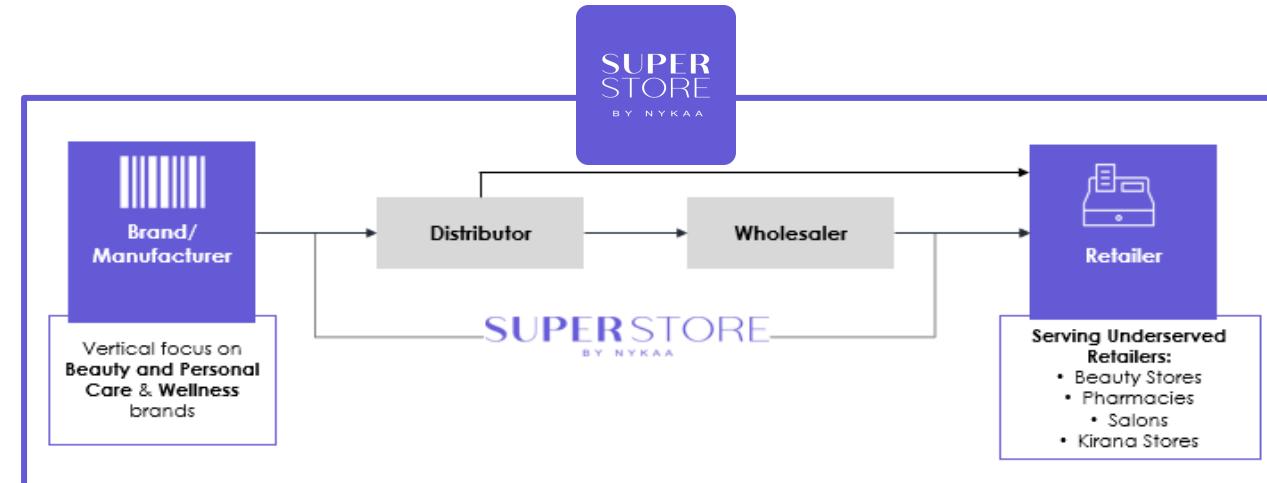
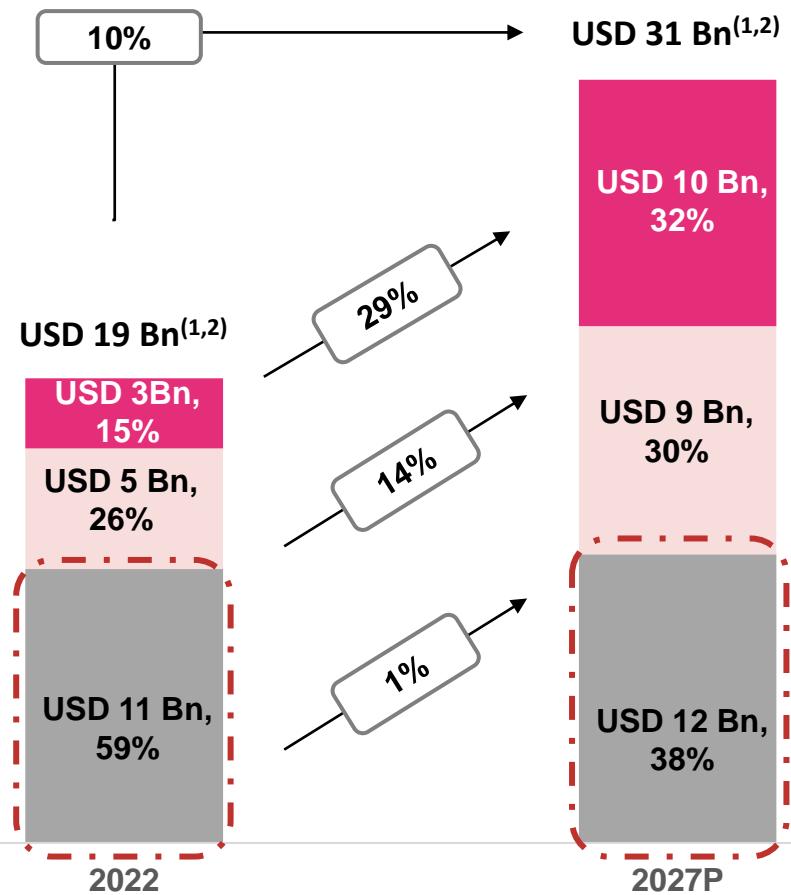




## eB2B: SuperStore by Nykaa

# eB2B: Deepening the BPC moat

CAGR %



Source: Redseer Estimates

1. Overall BPC Market Size (doesn't include appliances)

2. Conversion rate: 1 USD = INR 80

# eB2B: Strategic scale up to serve the unorganized market

**SUPER  
STORE**  
BY NYKAA



## Transacting Retailers (#)

46%

71%

1,09,360

18,806

FY22

FY23



## Brands Listed (#)

134

190

FY22

FY23

%

Activation rate (As % of registered retailers)



## Cities (#)

302

700

FY22

FY23



## Orders ('000)

48.6

728.9

FY22

FY23



# eB2B: Scaling up technology infrastructure



**One click access to get best price**

The screenshot shows a product listing for "Nykaa Naturals Skin Potion Dull & Dry Skincare Face Oil" (100 gm). It highlights a price drop from ₹100/pc (MRP) to ₹69/pc (Best Price). A green box indicates "Best Price Achieved" with a checkmark. Below, a green button says "Buy 18 @ ₹78.00/pc Profit Margin: 28.2% (₹22.00/pc)" and another green button says "Buy Nykaa Naturals Skin worth ₹8000 & get extra 10% extra". A blue button labeled "Applied" is visible. At the bottom, sections for "Other offers for better price", "Schemes & Brand Offers", and "Cart offers" are shown, along with a 5% off coupon for first-time purchases above ₹5000+.

## Personalized recommendations for retailer

The screenshot shows a mobile interface for "SUPER STORE BY NYKAA". It features a search bar and a notification for "ORRS 500+ order". Below, a section titled "Recommended for you store" displays three products: "Khadi Natural Amla & Bhringraj Hair Cleanser Shampoo - 1mg" (₹147.00/pc), "Mamaearth Onion Shampoo For Hair Growth & Hair Fall" (₹251.28/pc), and "Swiss Beauty Shadow Palette" (₹215.00). A banner at the bottom promotes "mamaearth" with a 39% profit margin offer and "REVO MAKEUP REVO" with a 43% profit margin offer, both with "Buy Now" buttons.

## Lat/long based check-in for sales & delivery

The screenshot shows a mobile interface for "Original Om Sai Cosmetics Shop" located in Malviya Nagar, Delhi. It includes tabs for "Discussion", "Highlights", "Orders", and "Cart Sugges...". A message box at the top right says "Pitch For High Value Product Target brands like Blue heaven, O3+ ... Retailer Reply →". Another message box below says "Try selling High value Products in F... Target brands like Blue heaven, O3+ and give offer in hand Retailer Reply →". A warning message in the center says "You are not within 100m area of the retailer. This will have an effect on your coverage. Check-in without location".

# NYKAA

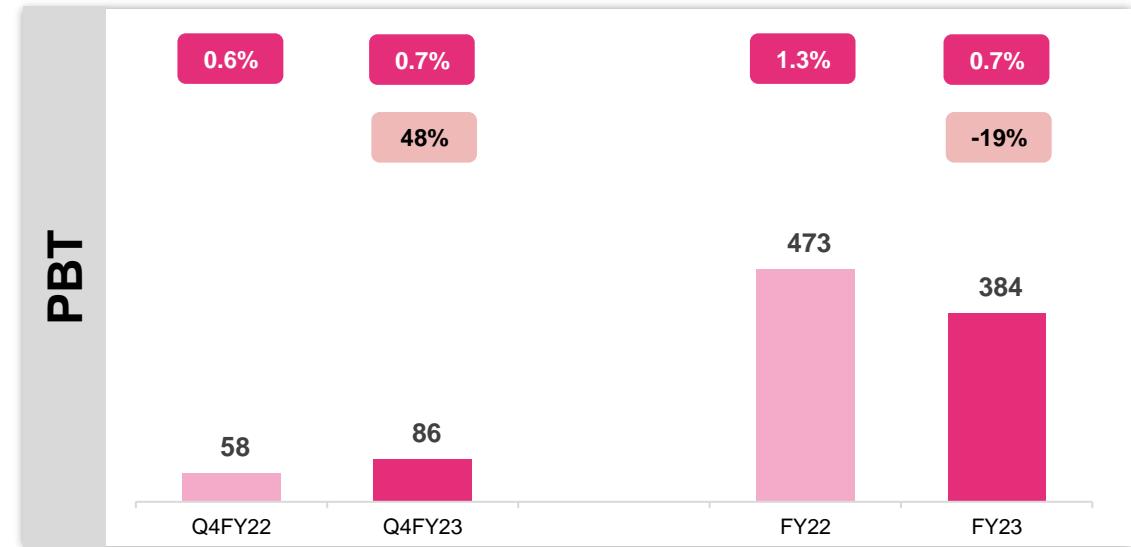
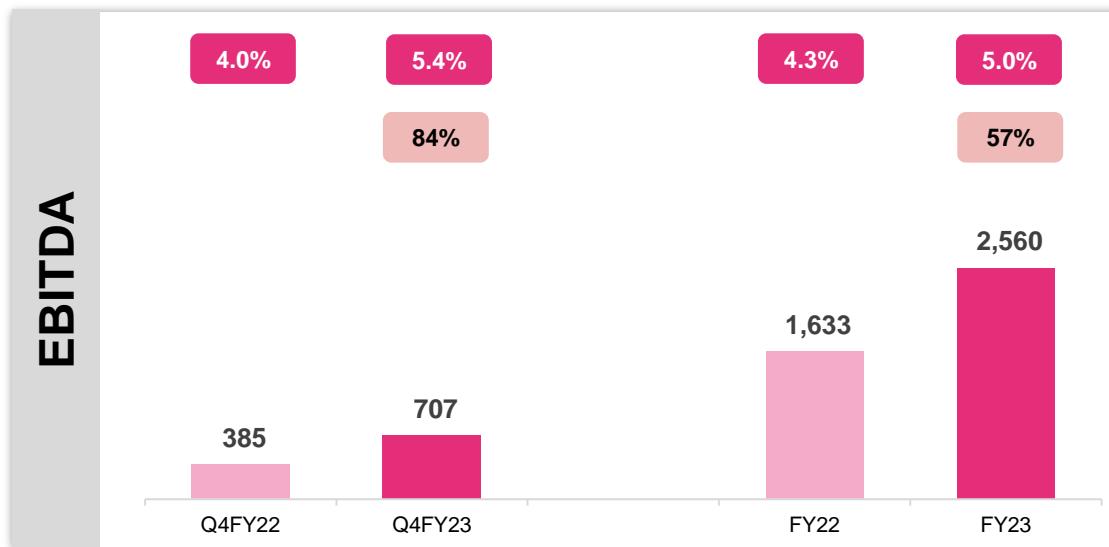
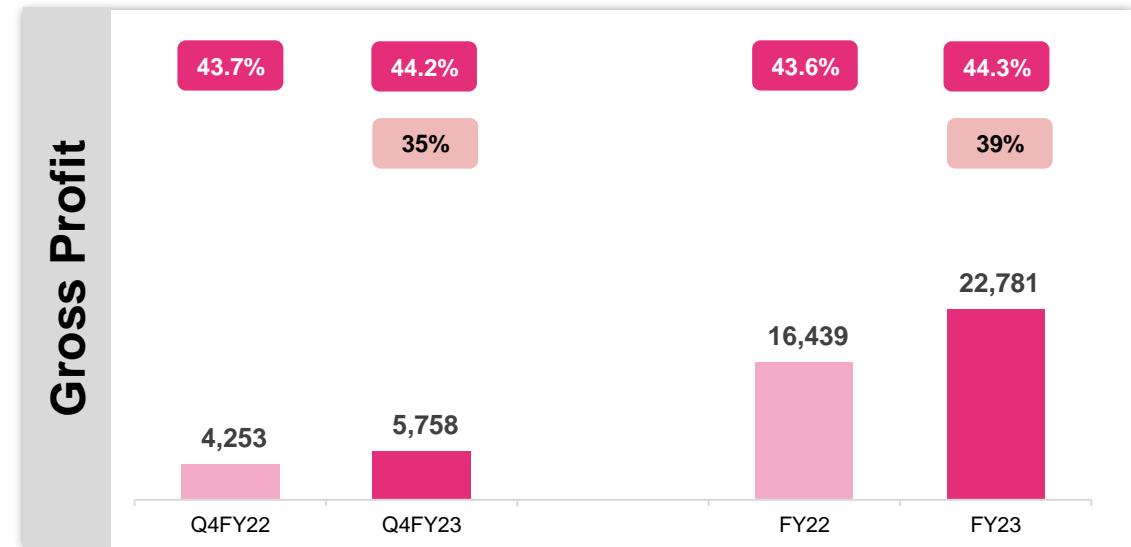
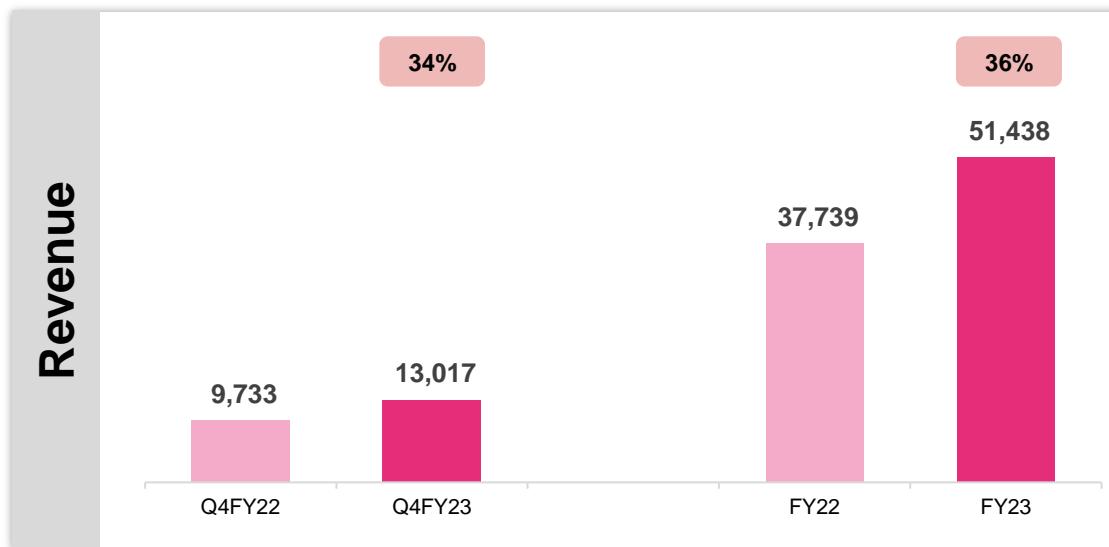
## Financials

# Strong revenue growth

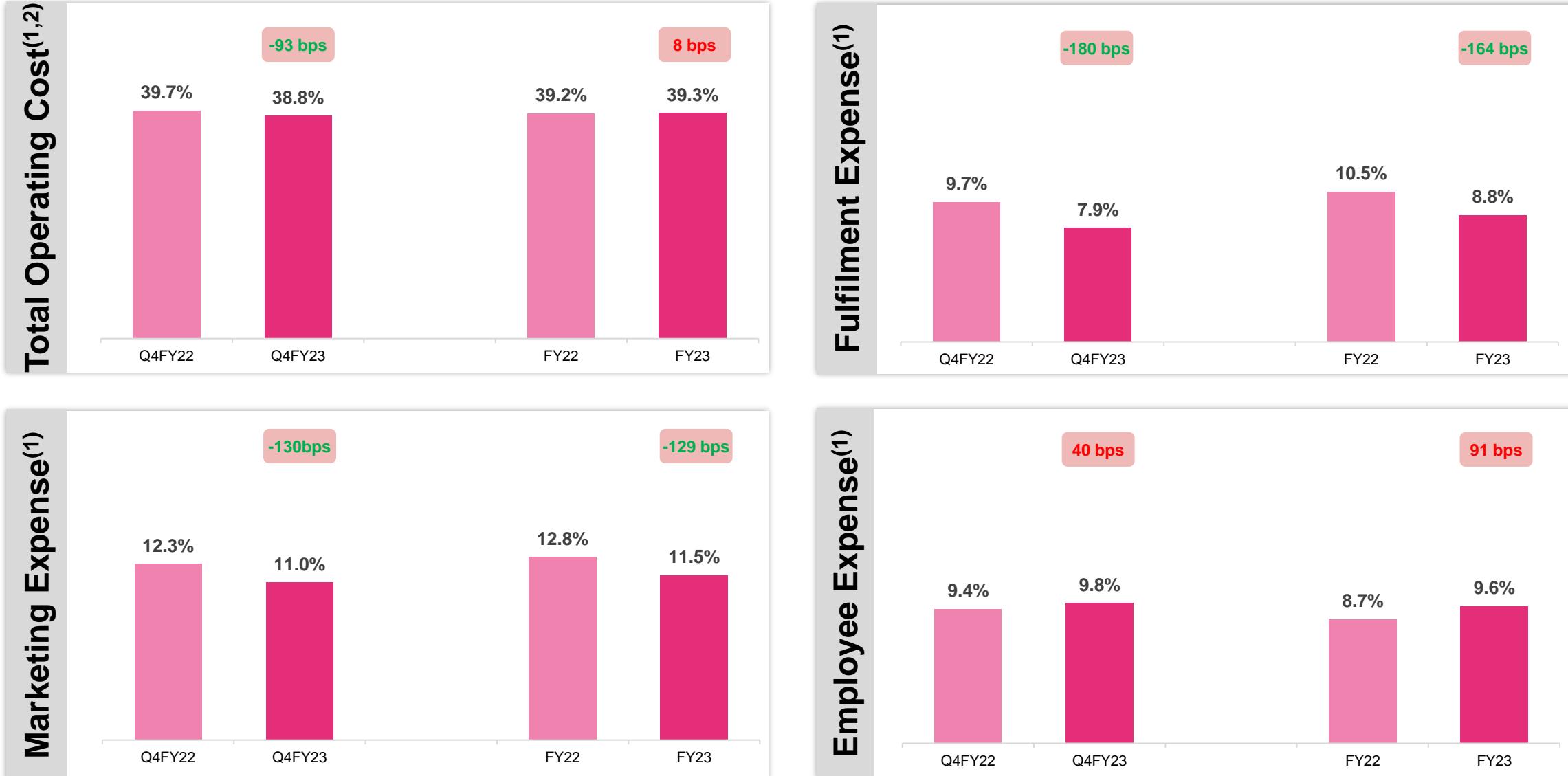
All Values in Rs million

% YoY Growth

% Margin % to Revenue



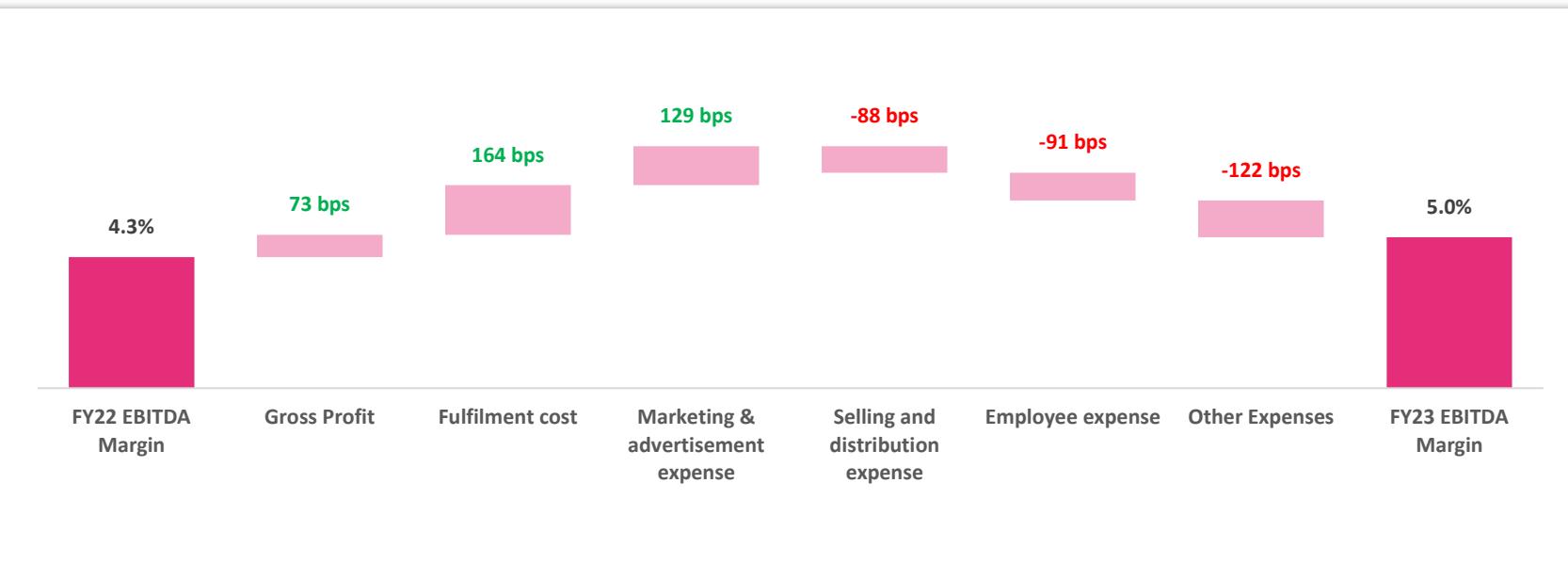
# Scale efficiencies show through



1. As % of Revenue

2. Total Operating Expense also includes Fulfilment Expenses, Marketing Expenses, Employee Expenses, Selling and Distribution Expenses, and Other Expenses

# FY23: Strong delivery of EBITDA margin



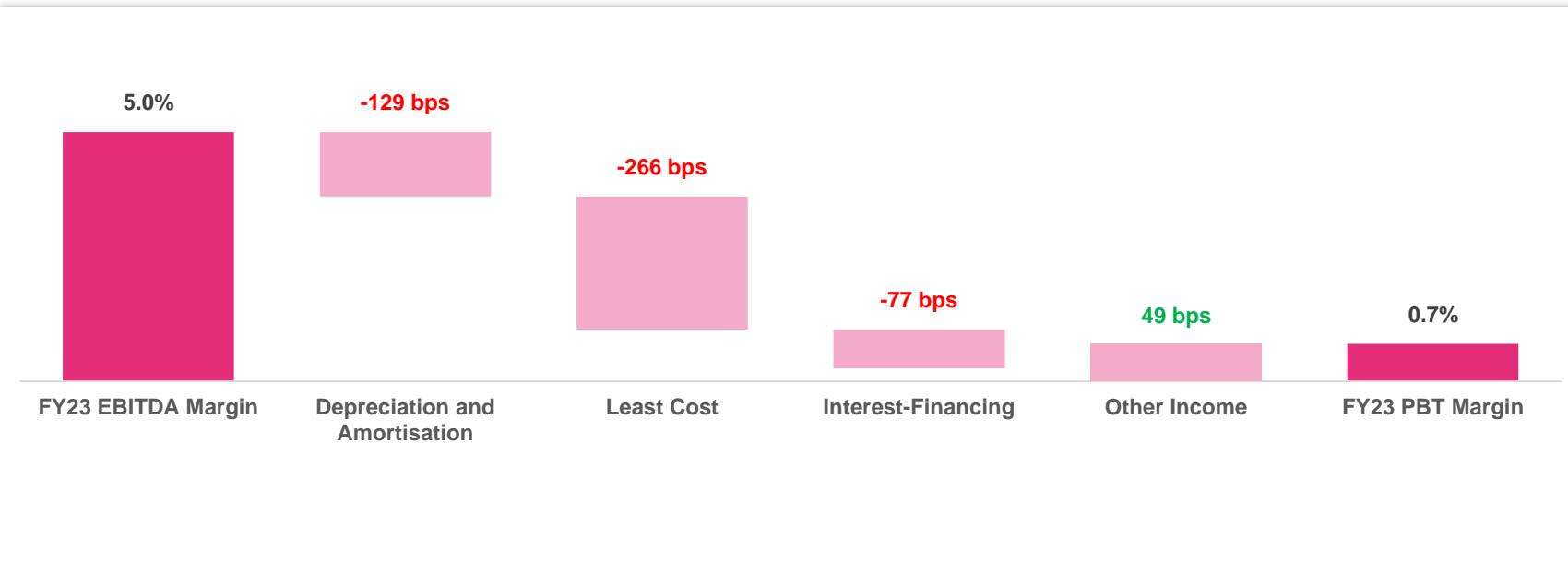
Rs Mn	Gross Profit	Fulfilment Expense	Marketing & advertisement expense	Selling and distribution expense	Employee expense	Other Expenses	EBITDA
FY22	16,439	-3,956	-4,820	-1,207	-3,265	-1,559	1,633
FY23	22,781	-4,548	-5,906	-2,098	-4,917	-2,752	2,560
<b>Delta</b>	<b>6,342</b>	<b>-592</b>	<b>-1,086</b>	<b>-891</b>	<b>-1,653</b>	<b>-1,193</b>	<b>928</b>
YoY Growth	39%	15%	23%	74%	51%	77%	57%

	Gross Margin <sup>(1)</sup>	Fulfilment Expense <sup>(1)</sup>	Marketing & Advertisement Expense <sup>(1)</sup>	Selling & Distribution Expense <sup>(1)</sup>	Employee Expense <sup>(1)</sup>	Other Expenses <sup>(1)</sup>	EBITDA Margin <sup>(1)</sup>
FY22	43.6%	-10.5%	-12.8%	-3.2%	-8.7%	-4.1%	4.3%
FY23	44.3%	-8.8%	-11.5%	-4.1%	-9.6%	-5.3%	5.0%
<b>Delta</b>	<b>73 bps</b>	<b>-164 bps</b>	<b>-129 bps</b>	<b>88 bps</b>	<b>91 bps</b>	<b>122 bps</b>	<b>65 bps</b>

1. As % of Revenue

- Gross margin improvement due to **change in brand mix**
- Fulfilment expense improvement driven by **regionalization strategy** which helped reduction in **split shipment** and **air shipment**
- Marketing efficiency achieved by **targeting quality customers** which helped drive **better order to visit conversion**
- Selling & distribution expense increased due to **expansion of eB2B business** and **offline distribution of owned brands**
- Employee expense increased due to **investment into new initiatives** mainly **technology function, eB2B, and store expansion**
- Other Expenses increased due to **investment in technology** and **infrastructure facilities**

# FY23: Continued strengthening of our infrastructure



Rs Mn	EBITDA	Depreciation and Amortisation	Lease cost <sup>(1)</sup>	Interest - Financing	Other Income	PBT
FY22	1,633	-362	-799	-243	244	473
FY23	2,560	-662	-1,368	-397	251	384
<b>Delta</b>	<b>928</b>	<b>-300</b>	<b>-570</b>	<b>-155</b>	<b>7</b>	<b>-89</b>
YoY Growth %	57%	83%	71%	64%	3%	-19%

- Depreciation increased YoY on account of **incremental capex** in retail stores, warehouses and offices
- Lease cost increased YoY on account of **lease impact** of additional retail stores, warehouse, and offices
- Interest on borrowings increased YoY on account of **incremental bank borrowing** to fulfill working capital requirement

1. Net of Interest income on security deposit and gain on cancellation of lease

# Vertical Performance: Business Wise

(All amounts in ₹ million, unless otherwise stated)

Particulars	Q4 FY23				Q4 FY22			
	BPC	Fashion	Others	Total	BPC	Fashion	Others	Total
GMV	16,289	6,641	1,524	24,454	12,587	4,827	565	17,979
Growth	29%	38%	170%	36%	31%	84%	288%	45%
NSV	10,238	1,859	807	12,904	7,918	1,506	226	9,650
Growth	29%	23%	257%	34%	29%	61%	471%	36%
Revenue from Operations	11,200	1,050	768	13,017	8,636	883	214	9,733
Growth	30%	19%	258%	34%	26%	68%	413%	31%
Gross Profit	4,787	803	168	5,758	3,492	709	51	4,253
Fulfilment expenses	758	194	82	1,035	739	176	33	949
Marketing & advertisement expense	814	507	72	1,393	689	453	52	1,194
Selling and Distribution expenses	334	53	140	528	281	40	44	365
Contribution Profit	2,881	49	-126	2,804	1,783	40	-79	1,744
<b>Key Ratios as a % to NSV</b>								
Gross Profit Margin %	46.8%	43.2%	20.9%	44.6%	44.1%	47.1%	22.7%	44.1%
Fulfilment expenses %	7.4%	10.4%	10.2%	8.0%	9.3%	11.7%	14.8%	9.8%
Marketing and Advertisement expense %	7.9%	27.3%	8.9%	10.8%	8.7%	30.1%	23.2%	12.4%
Selling and Distribution expenses %	3.3%	2.9%	17.4%	4.1%	3.5%	2.7%	19.5%	3.8%
<b>Contribution Margin %</b>	<b>28.1%</b>	<b>2.6%</b>	<b>-15.6%</b>	<b>21.7%</b>	<b>22.5%</b>	<b>2.6%</b>	<b>-34.8%</b>	<b>18.1%</b>

Notes:

1. Others includes our new businesses NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge
2. **Selling & distribution expenses in Fashion verticals has increased due to the expansion of offline channels for owned brands**
3. Branding Media & Production Cost is not considered for Contribution Profit as it is not allocatable, and its benefit accrue over long term
4. NSV refers to Net Sales Value calculated basis GMV minus discounts, cancellations, returns and taxes
5. GMV and NSV YoY growth for Others has reverse trend due to change in mix effect

# Vertical Performance: Business Wise

(All amounts in ₹ million, unless otherwise stated)

Particulars	FY23				FY22			
	BPC	Fashion	Others	Total	BPC	Fashion	Others	Total
GMV	66,491	25,696	5,245	97,433	50,089	17,516	1,727	69,332
Growth	33%	47%	204%	41%	49%	168%	344%	71%
NSV	40,765	7,444	2,416	50,625	30,823	5,728	566	37,117
Growth	32%	30%	327%	36%	47%	148%	332%	58%
Revenue from Operations	44,820	4,347	2,271	51,438	33,997	3,254	488	37,739
Growth	32%	34%	366%	36%	49%	126%	261%	55%
Gross Profit	18,907	3,289	584	22,781	13,727	2,555	157	16,439
Fulfilment expenses	3,469	801	278	4,548	3,251	631	74	3,956
Marketing & advertisement expense	3,268	2,085	307	5,660	2,807	1,606	204	4,618
Selling and Distribution expenses	1,374	243	482	2,098	993	155	59	1,207
Contribution Profit	10,796	161	-482	10,476	6,675	163	-180	6,658
<b><u>Key Ratios as a % to NSV</u></b>								
Gross Profit Margin %	46.4%	44.2%	24.2%	45.0%	44.5%	44.6%	27.8%	44.3%
Fulfilment expenses %	8.5%	10.8%	11.5%	9.0%	10.5%	11.0%	13.1%	10.7%
Marketing and Advertisement expense %	8.0%	28.0%	12.7%	11.2%	9.1%	28.0%	36.1%	12.4%
Selling and Distribution expenses %	3.4%	3.3%	19.9%	4.1%	3.2%	2.7%	10.4%	3.3%
Contribution Margin %	26.5%	2.2%	-19.9%	20.7%	21.7%	2.8%	-31.8%	17.9%

Notes:

1. Others includes our new business NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge
2. **Selling & distribution expenses in Other verticals has increased due to the expansion of BDE count in eB2B business: SuperStore by Nykaa**
3. **Selling & distribution expenses in Fashion verticals has increased due to the expansion of offline channels for owned brands**
4. Branding Media & Production Cost is not considered for Contribution Profit as it is not allocatable, and its benefit accrue over long term
5. NSV refers to Net Sales Value calculated basis GMV minus discounts, cancellations, returns and taxes
6. GMV and NSV YoY growth for Others has reverse trend due to change in mix effect

# Profit & Loss Statement

(All amounts in ₹ million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended		
	Mar-23	Mar-22	YoY Growth			
<b>Revenue from Operations</b>	<b>13,017</b>	<b>9,733</b>	<b>34%</b>	<b>51,438</b>	<b>37,739</b>	<b>36%</b>
Cost of goods Sold	7,259	5,481	32%	28,657	21,300	35%
<b>Gross Profit</b>	<b>5,758</b>	<b>4,253</b>	<b>35%</b>	<b>22,781</b>	<b>16,439</b>	<b>39%</b>
<i>Gross Profit Margin %</i>	<i>44.2%</i>	<i>43.7%</i>	<i>54 bps</i>	<i>44.3%</i>	<i>43.6%</i>	<i>73 bps</i>
Fulfilment expense	1,035	949	9%	4,548	3,956	15%
Marketing & advertisement expense	1,431	1,196	20%	5,906	4,820	23%
Selling and distribution expense	528	365	44%	2,098	1,207	74%
Employee benefits expense	1,273	913	39%	4,917	3,265	51%
Other expense	785	444	77%	2,752	1,559	77%
<b>Operating Expenses</b>	<b>5,051</b>	<b>3,867</b>	<b>31%</b>	<b>20,221</b>	<b>14,807</b>	<b>37%</b>
<b>EBITDA</b>	<b>707</b>	<b>385</b>	<b>84%</b>	<b>2,560</b>	<b>1,633</b>	<b>57%</b>
<i>EBITDA Margin %</i>	<i>5.4%</i>	<i>4.0%</i>	<i>147 bps</i>	<i>5.0%</i>	<i>4.3%</i>	<i>65 bps</i>
Depreciation	167	90	87%	489	262	87%
Amortisation	363	215	69%	1,243	702	77%
Finance Cost (Net of other income)	90	22	306%	444	195	127%
<b>Profit before Tax</b>	<b>86</b>	<b>58</b>	<b>48%</b>	<b>384</b>	<b>473</b>	<b>-19%</b>
Total tax expense /(income)	44	-18		136	60	
<b>Profit before share of (loss) of associate</b>	<b>43</b>	<b>76</b>		<b>248</b>	<b>413</b>	
Share in loss of associate	-20			-39		
<b>Net Profit for the period</b>	<b>23</b>	<b>76</b>	<b>-70%</b>	<b>210</b>	<b>413</b>	<b>-49%</b>
Fulfilment cost % to Revenue	7.9%	9.7%	180 bps	8.8%	10.5%	164 bps
Marketing & advertisement expense % to Revenue	11.0%	12.3%	130 bps	11.5%	12.8%	129 bps
Selling & distribution expense % to Revenue	4.1%	3.8%	-30 bps	4.1%	3.2%	-88 bps
Employee expense % to Revenue	9.8%	9.4%	-40 bps	9.6%	8.7%	-91 bps

Notes:

1. Other Expenses are excluding Fulfilment expenses, Marketing & Advertisement Expense and Selling & distribution Expenses
2. Finance cost includes the interest cost on lease liabilities
3. Amortization includes the depreciation on RoU (Right of Use Assets)

# Balance Sheet

(All amounts in ₹ million, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,313	1,244
Right of use assets	3,119	2,473
Capital work in progress	20	98
Goodwill	611	475
Other Intangible assets	945	640
Intangible assets under development	289	147
Investments	381	-
Other financial assets	434	719
Deferred tax assets (net)	1,878	1,152
Non-current tax assets	212	139
Other non-current assets	242	103
<b>Total non-current assets</b>	<b>10,444</b>	<b>7,190</b>
<b>Current Assets</b>		
Inventories	10,051	8,756
Trade receivables	1,635	945
Cash and cash equivalents	414	659
Bank balance other than cash and cash equivalents	1,074	2,012
Other financial assets	2,645	4,879
Other current assets	3,237	2,020
<b>Total current assets</b>	<b>19,056</b>	<b>19,271</b>
<b>Total Assets</b>	<b>29,500</b>	<b>26,460</b>
Inventory Days	96	97
Receivable Days	9	8

(All amounts in ₹ million, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	2,852	474
Other equity	10,928	12,925
<b>Equity attributable to equity holders of the parent</b>	<b>13,780</b>	<b>13,399</b>
Non-controlling interest	141	56
<b>Total equity</b>	<b>13,922</b>	<b>13,455</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	4	9
Lease liabilities	2,134	2,043
Other non current financial liabilities	1,373	1,222
Long-term provisions	93	78
<b>Total non-current liabilities</b>	<b>3,603</b>	<b>3,353</b>
<b>Current liabilities</b>		
Borrowings	4,600	3,321
Lease liabilities	1,248	553
Trade payables	2,654	3,621
Other financial liabilities	2,704	1,667
Short-term provisions	114	89
Contract liabilities	235	160
Current tax liabilities	-	22
Other current liabilities	421	220
<b>Total current liabilities</b>	<b>11,975</b>	<b>9,653</b>
<b>Total Liabilities</b>	<b>15,578</b>	<b>13,005</b>
<b>Total Equities and Liabilities</b>	<b>29,500</b>	<b>26,460</b>
Payable Days	36	41

# Cash Flow

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended	
	Mar-23	Mar-22
<b>I] Operating activities</b>		
<b>Profit/(loss) before tax as per Statement of profit &amp; loss</b>	<b>384</b>	<b>473</b>
Depreciation of property, plant & equipment	1,560	835
Amortisation of intangible assets	173	129
Interest expense and other finance costs	746	465
Interest income	(219)	(228)
Others	195	157
<b>Operating profit before working capital changes</b>	<b>2,839</b>	<b>1,831</b>
Working capital Adjustments:	(3,290)	(4,649)
<b>Cash generated from / (used) in operations</b>	<b>(451)</b>	<b>(2,818)</b>
Payment of taxes (net)	(951)	(722)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(1,402)</b>	<b>(3,540)</b>

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended	
	Mar-23	Mar-22
<b>II] Investing activities</b>		
Purchase of Property, Plant and Equipment and other intangible assets	(2,082)	(940)
Investment in subsidiary (net off cash and cash equivalent from subsidiary)	(286)	(511)
Investment in associate	(417)	-
Investment in fixed deposits	3,999	(4,746)
Interest Received (Finance Income)	181	166
Others	-	3
<b>Net cash flows (used in) investing activities (B)</b>	<b>1,396</b>	<b>(6,028)</b>

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended	
	Mar-23	Mar-22
<b>III] Financing activities</b>		
Proceeds from issue of shares including share premium	288	8,729
Proceeds from (repayment of) borrowings	1,263	1,456
Interest expenses on borrowings	(334)	(262)
Payment of lease liabilities	(1,169)	(652)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>49</b>	<b>9,270</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>42</b>	<b>(297)</b>
Cash and cash equivalents at the beginning of the year	372	669
<b>Cash and cash equivalents at the period end</b>	<b>414</b>	<b>372</b>

# 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
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**

# Key Operational Metrics

Metric	Unit	Quarter Ended								Quarter Ended	Year Ended		
		Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23		FY22	FY23	YoY Growth
<strong>Number of Visits</strong>													
Beauty and Personal Care	Million	205	211	221	204	222	234	250	231	14%	841	937	11%
Fashion	Million	98	115	115	113	118	122	137	127	12%	441	504	14%
Others	Million	9	9	11	11	14	16	16	11	1%	41	57	40%
<strong>Monthly Average Unique Visitors</strong>													
Beauty and Personal Care	Million	17	19	20	19	22	22	24	23	22%	19	23	21%
Fashion	Million	13	16	16	16	16	16	19	17	8%	15	17	13%
Others	Million	2	2	2	2	3	3	3	2	-23%	2	3	35%
<strong>Orders</strong>													
Beauty and Personal Care	Million	5.8	6.0	7.5	7.2	8.1	8.4	9.5	8.8	22%	26.5	34.8	31%
Fashion	Million	1.1	1.3	1.3	1.3	1.5	1.4	1.7	1.4	13%	5.0	6.0	21%
Others	Million	0.1	0.1	0.2	0.2	0.3	0.3	0.4	0.4	110%	0.6	1.4	116%
<strong>Average Order Value (AOV)</strong>													
Beauty and Personal Care	₹	1,832	1,910	1,967	1,716	1,780	1,872	1,958	1,803	5%	1,857	1,857	0%
Fashion	₹	3,153	3,242	3,558	3,616	3,732	3,940	3,959	4,266	18%	3,400	3,973	17%
Others	₹	2,274	2,502	2,927	3,084	3,199	3,305	3,709	3,368	9%	2,726	3,420	25%
<strong>Annual Unique Transacting Customers</strong>													
Beauty and Personal Care	Million	6.5	7.0	7.5	8.0	8.6	9.1	9.6	10.0	24%	8.0	10.0	24%
Fashion	Million	1.0	1.3	1.6	1.8	2.0	2.1	2.4	2.5	39%	1.8	2.5	39%
Others	Million	0.2	0.3	0.3	0.4	0.4	0.5	0.5	0.5	31%	0.4	0.5	30%
<strong>Gross Merchandise Value (GMV)</strong>													
Beauty and Personal Care	₹ in Million	10,699	11,698	15,105	12,587	14,888	16,301	19,014	16,289	29%	50,089	66,491	33%
Fashion	₹ in Million	3,660	4,188	4,841	4,827	5,820	5,991	7,244	6,641	38%	17,516	25,696	47%
Others	₹ in Million	336	343	483	565	850	1,165	1,707	1,524	170%	1,727	5,245	204%
<strong>Total</strong>	<strong>₹ in Million</strong>	<strong>14,696</strong>	<strong>16,229</strong>	<strong>20,428</strong>	<strong>17,979</strong>	<strong>21,558</strong>	<strong>23,457</strong>	<strong>27,965</strong>	<strong>24,454</strong>	<strong>36%</strong>	<strong>69,332</strong>	<strong>97,433</strong>	<strong>41%</strong>