



## 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

**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 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')*

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

Encl.: as above



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**5. Financial Performance**

*NYKAA*

Performance  
Highlights

# Q4 FY23: GMV momentum followed by improved EBITDA Margin

GMV



**Rs. 24,454 MM**

**+36%** YoY Growth

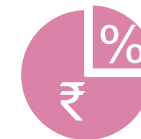
Revenue



**Rs. 13,017 MM**

**+34%** YoY Growth

Gross Profit



**Rs. 5,758 MM**

**+35%** YoY Growth

Gross Margin **44.2%<sup>(1)</sup>** (↑54 bps YoY)

EBITDA



**Rs. 707 MM**

**+84%** YoY Growth

EBITDA Margin **5.4%<sup>(1)</sup>** (↑147 bps YoY)

PBT



**Rs. 86 MM**

**48%** YoY Growth

PBT Margin **0.7%<sup>(1)</sup>** (↑7 bps YoY)

PAT<sup>(2)</sup>



**Rs. 23 MM**

**-70%** YoY Growth

PAT Margin **0.2%<sup>(1)</sup>** (↓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

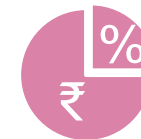
Revenue



**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

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

PBT



**Rs. 384 MM**

**-19%** YoY Growth

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

PAT<sup>(2)</sup>



**Rs. 210 MM**

**-49%** YoY Growth

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

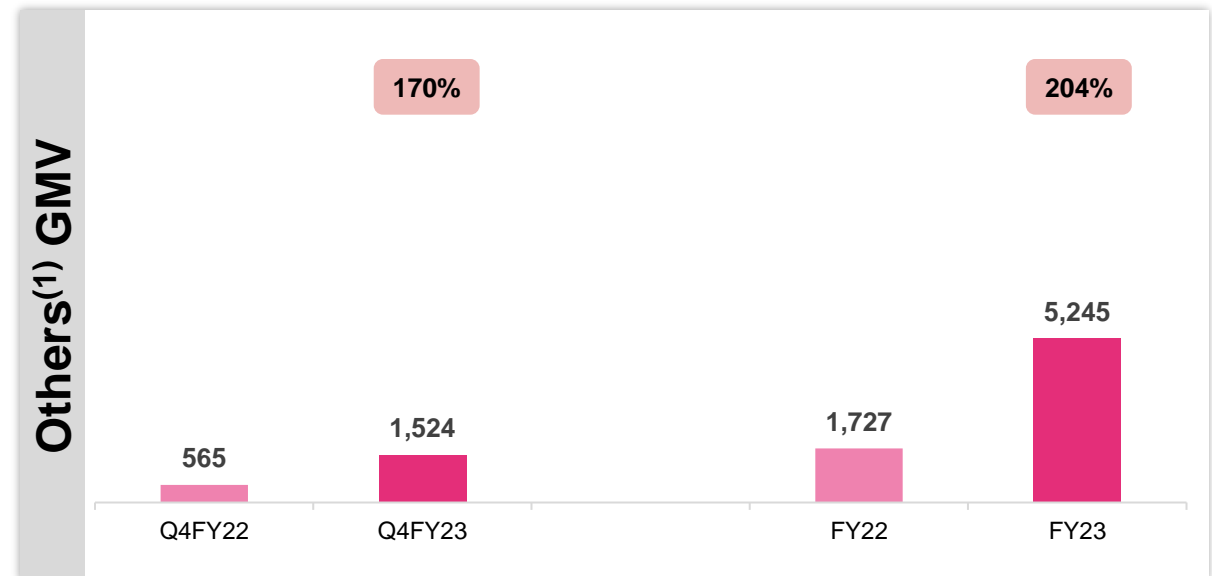
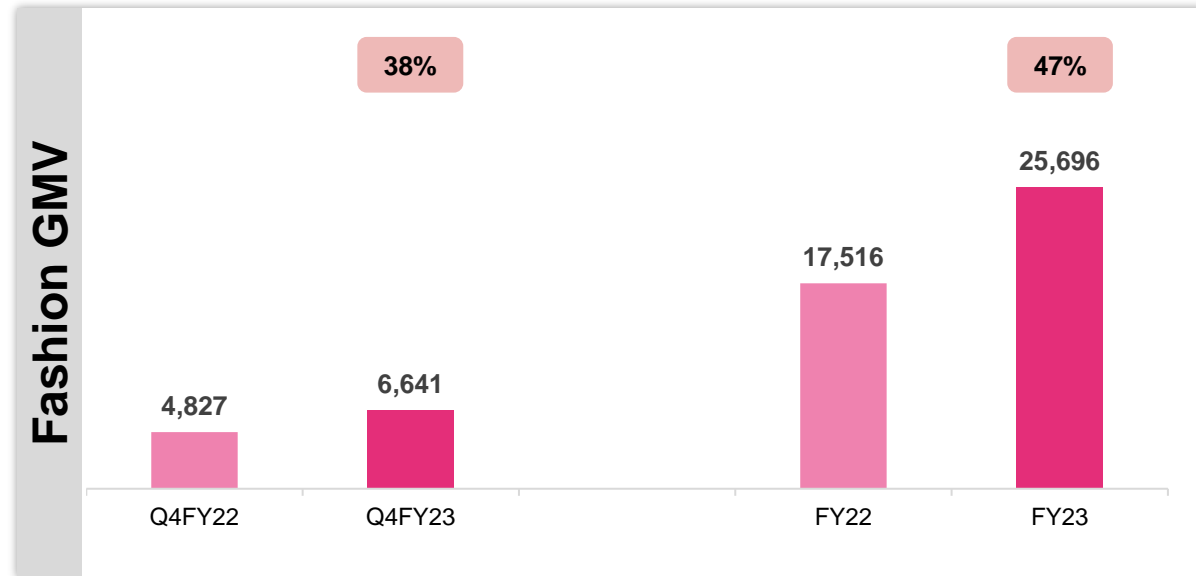
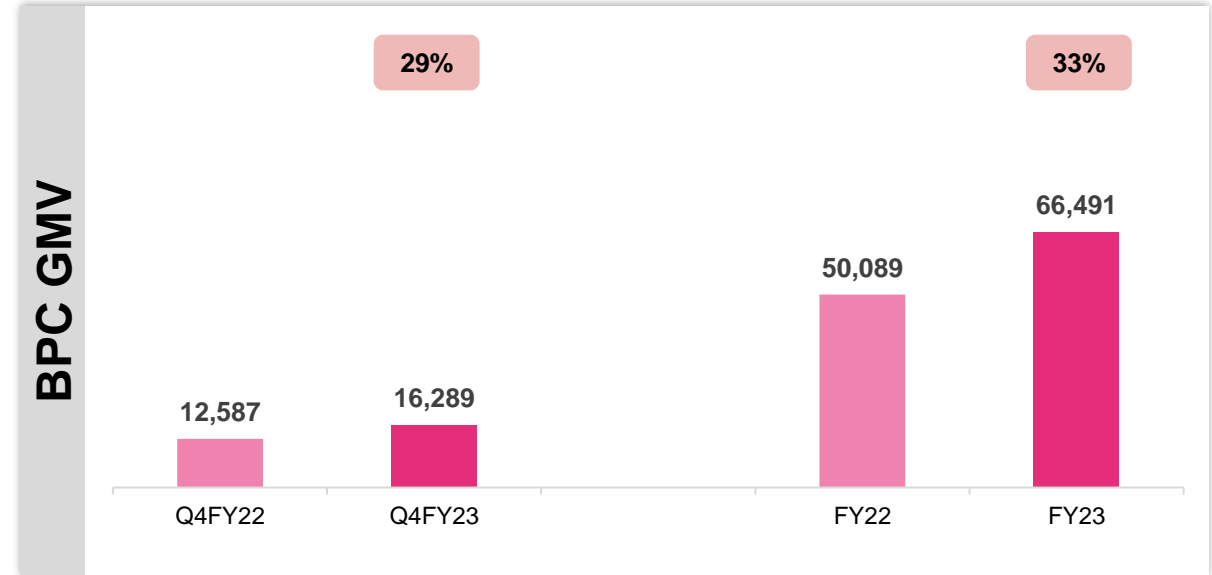
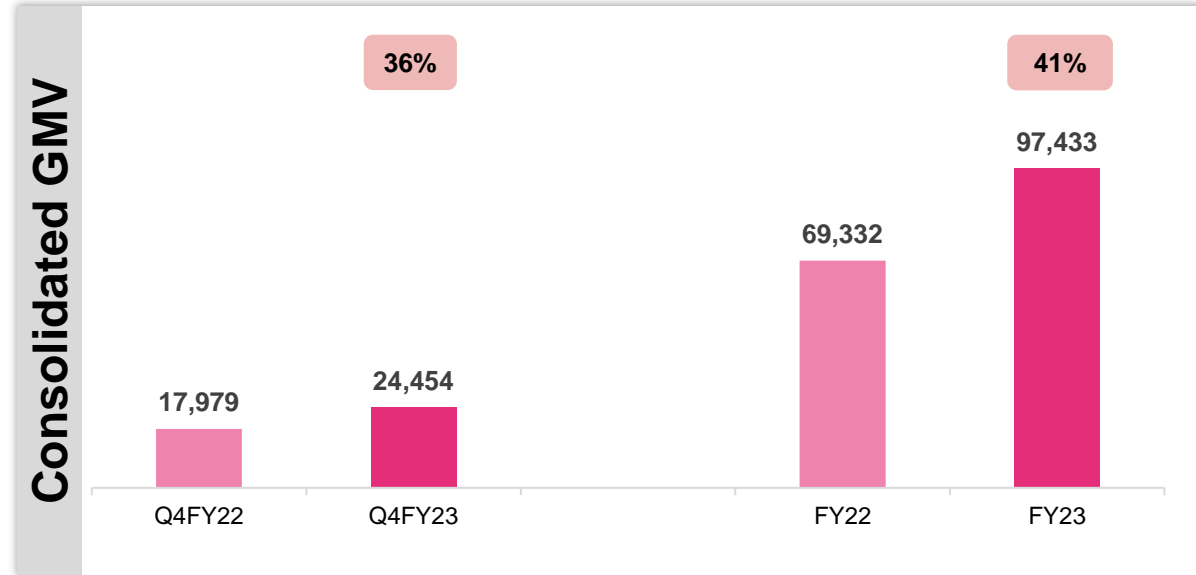


# Our Businesses

# Maintaining our GMV growth momentum

All Values in Rs million

% YoY Growth



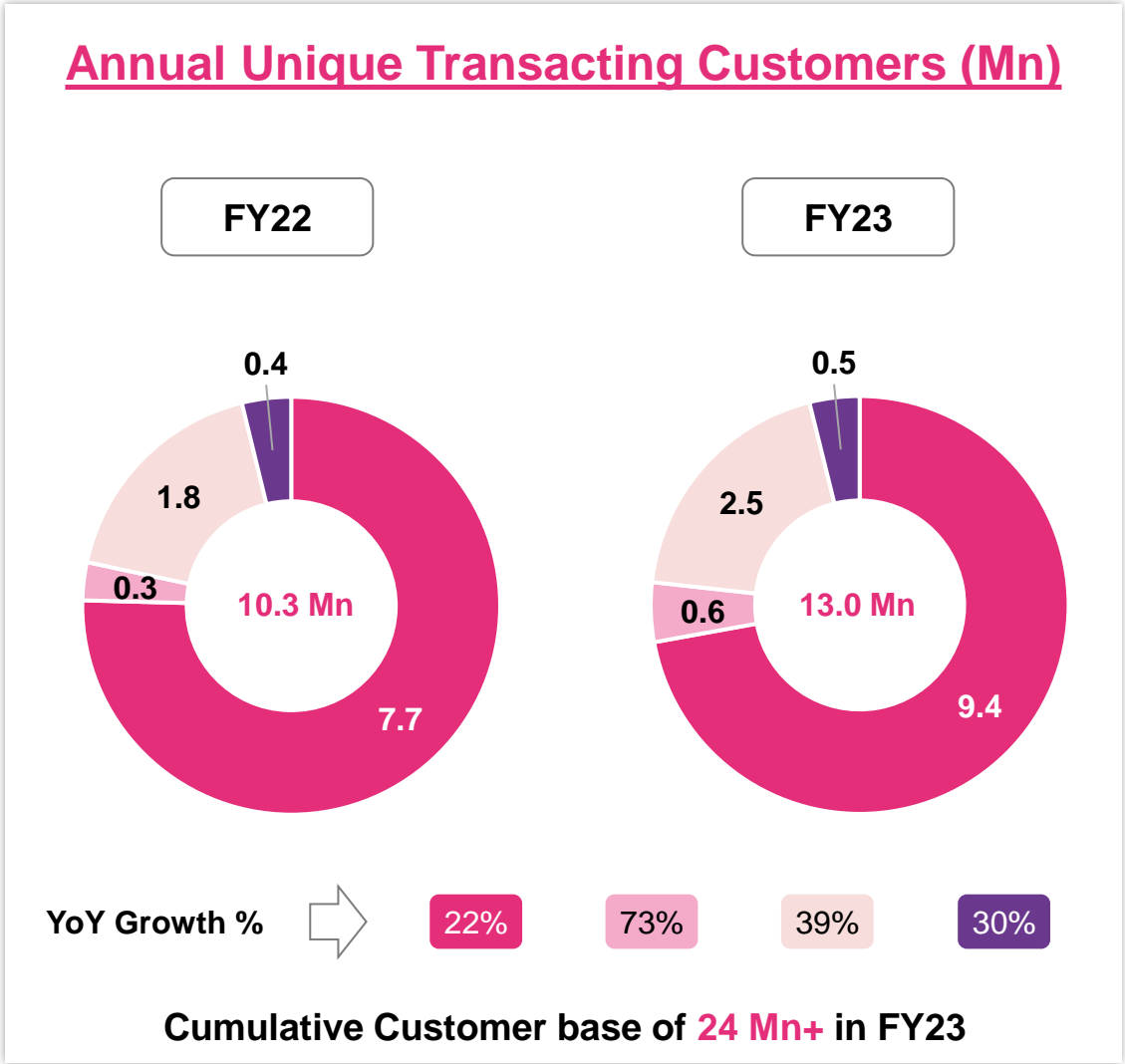
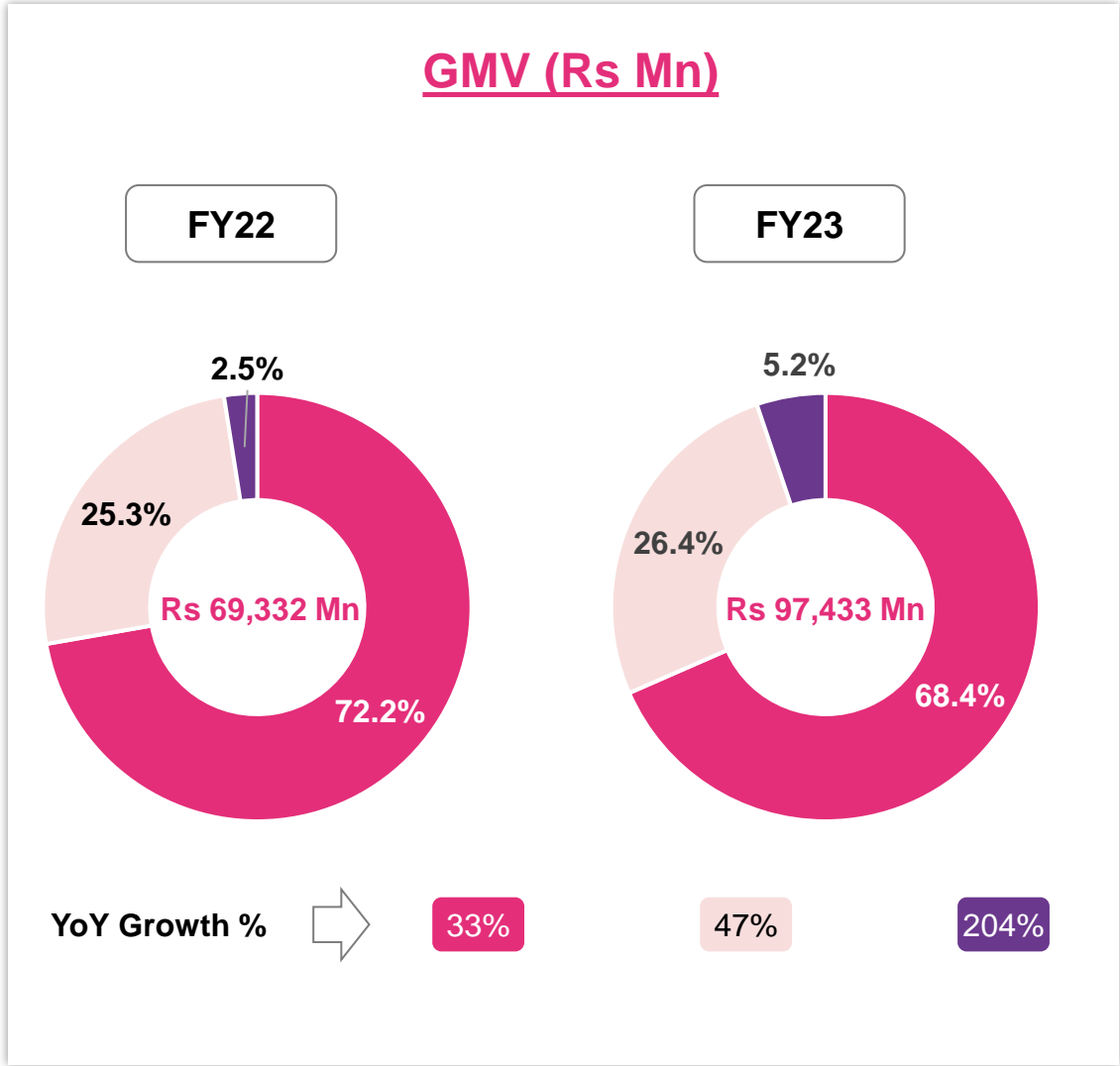
1. Others includes our new businesses NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge



*NYKAA*

Investment  
for future  
growth

# Acceleration in customer acquisition

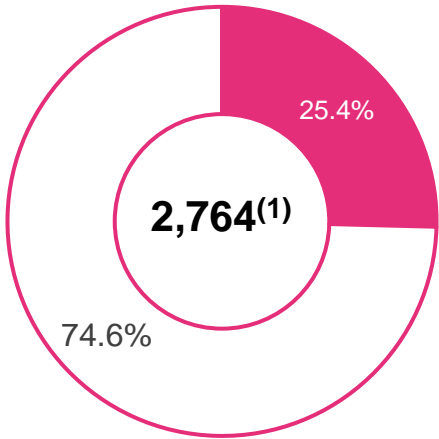


■ BPC    
 ■ BPC Offline    
 ■ Fashion    
 ■ Others<sup>(1)</sup>

<sup>1</sup> Others includes our new businesses NykaaMan, eB2B platform "SuperStore by Nykaa", International and new brand acquisitions.

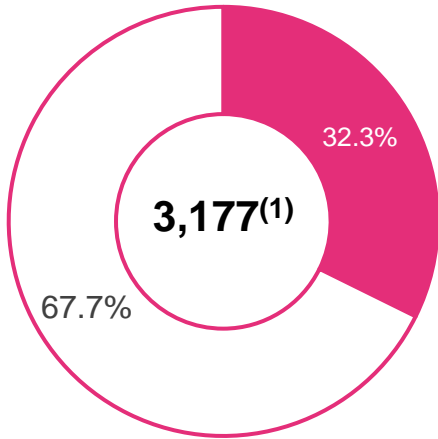
# Employee Count: Core employee count reached an optimal level

FY2022

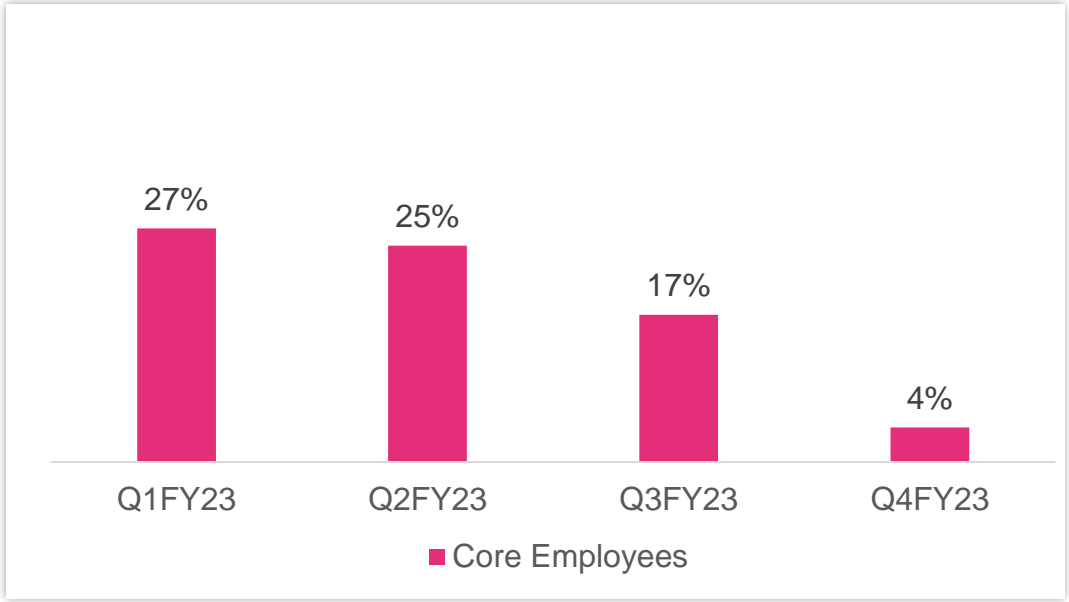
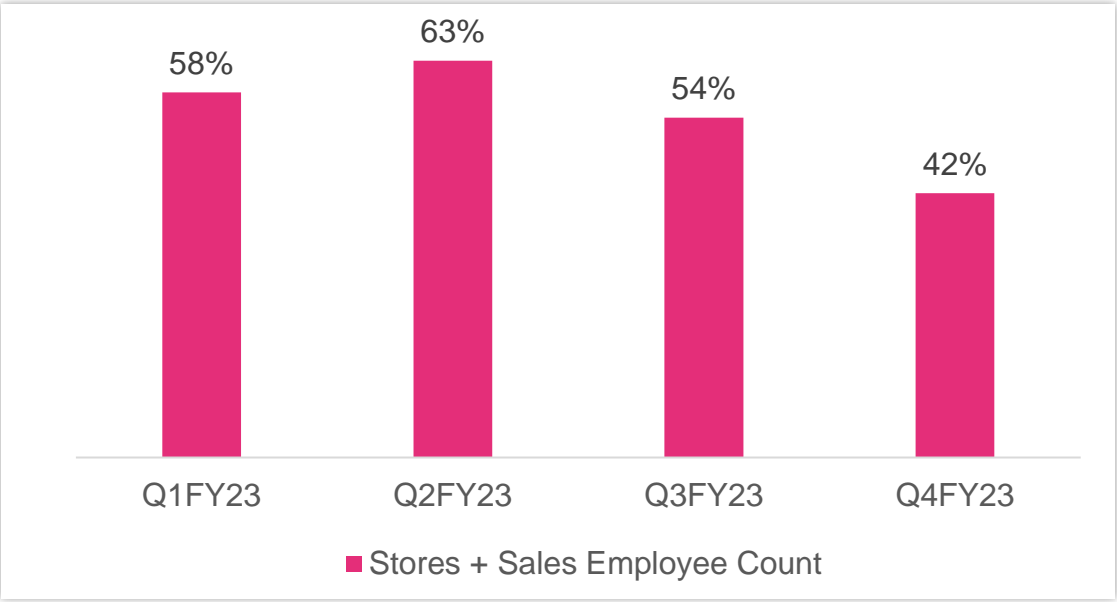


■ Retail and Sales Employee  
 □ Core Employees

FY2023



YoY Growth %



1. Includes core employees, retail and sales employees

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

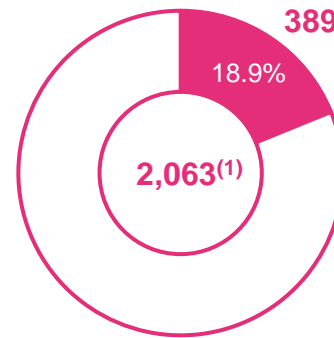
Technology employee count and cost computed as a % of core employees<sup>(1)</sup>



Technology Employee Headcount (#)



FY2022

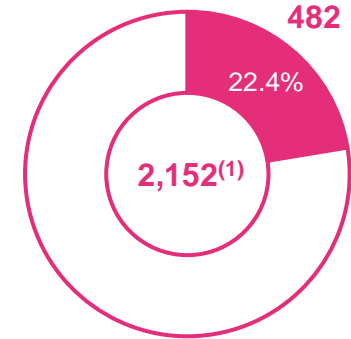


24%

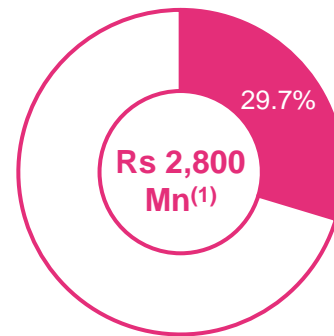


Tech Headcount  
YoY Growth %

FY2023



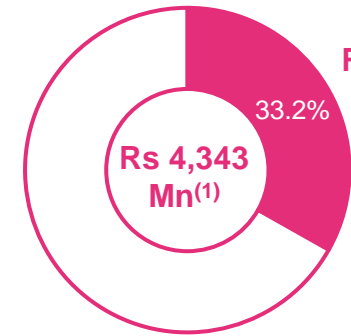
Technology Employee Cost (Rs Mn)



73%



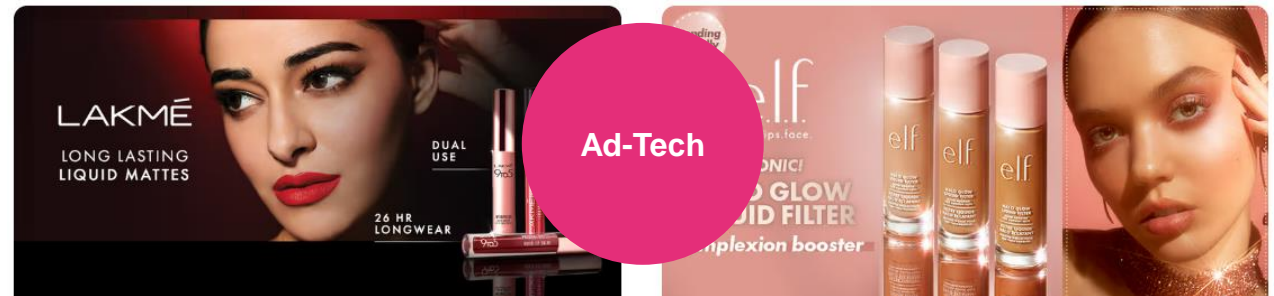
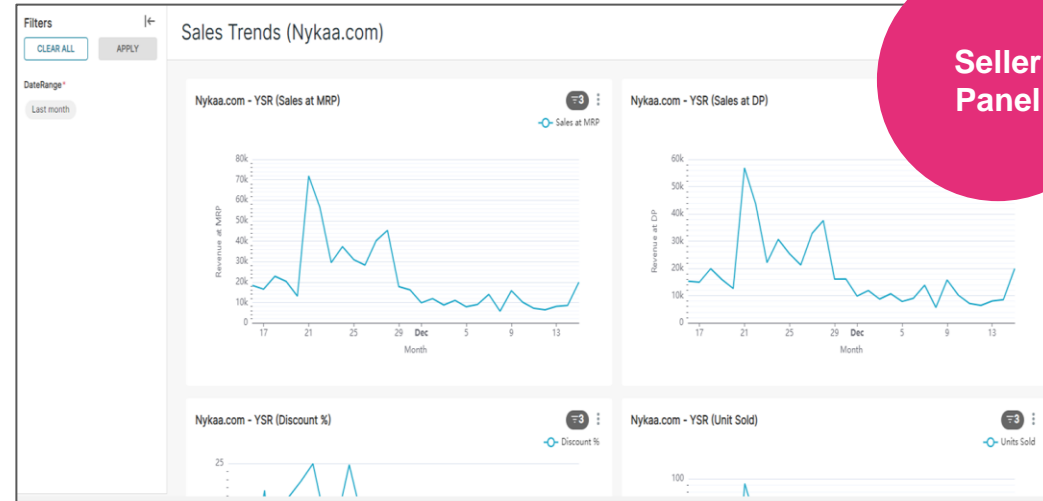
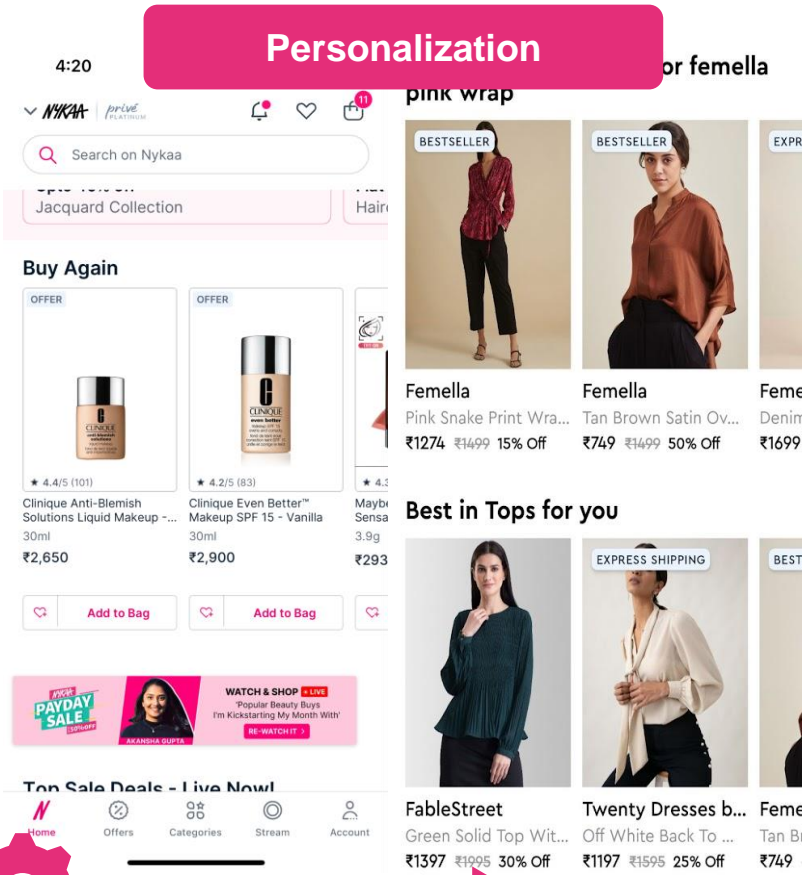
Tech employee  
cost YoY Growth %



Technology

1. Excludes acquired entities, retail and sales team;

# Technology – Improvement in platform capabilities

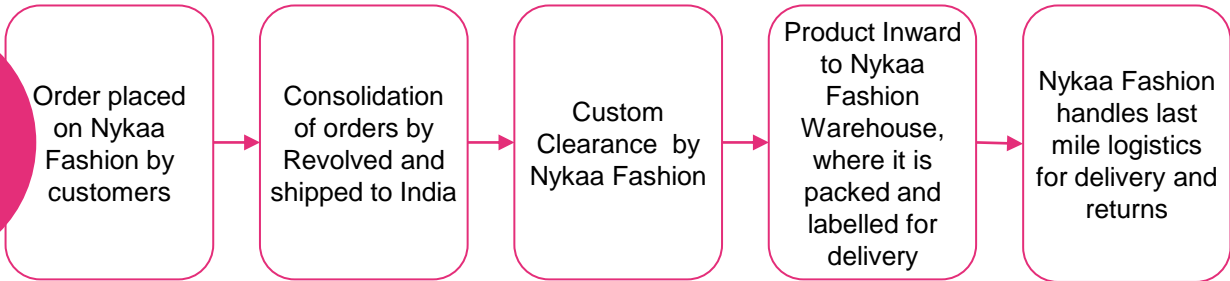


Attribution Engine

AI/ ML – Discovery and Recommendation



Improved customer journey - Martech



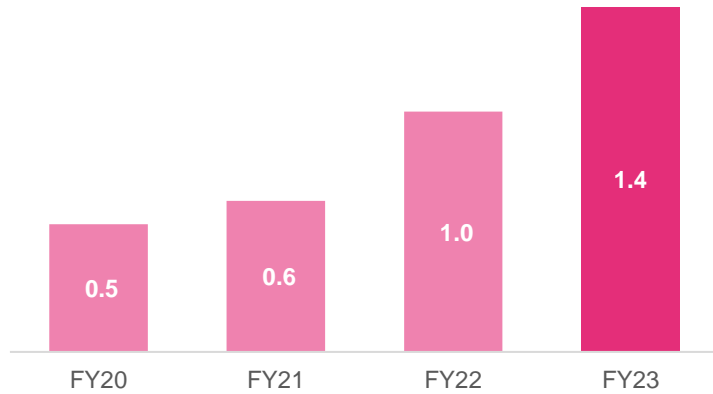
# Investment in infrastructure and retail



**Physical Stores**

Physical Stores Area (Lacs Sq. ft.)

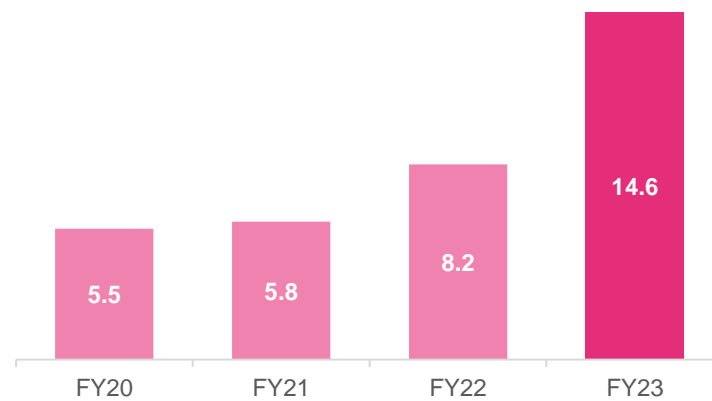
18% 59% 43%



**Warehouse**

Warehouse Capacity (Lacs Sq. ft.)

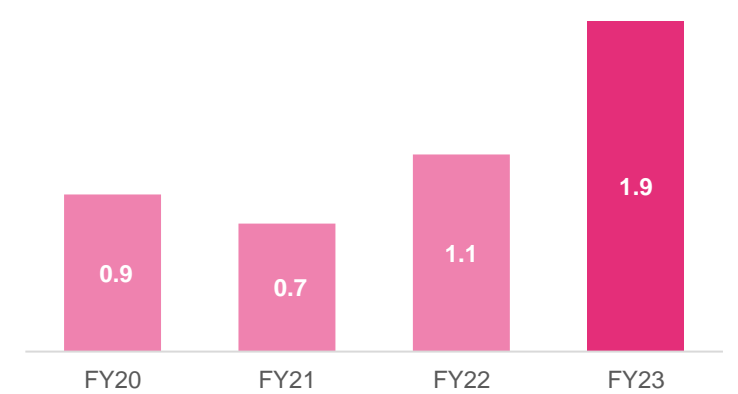
5% 41% 79%



**Office Space**

Capacity (Lacs Sq. ft.)

-19% 54% 68%



% YoY Growth (%)



# Business Highlights



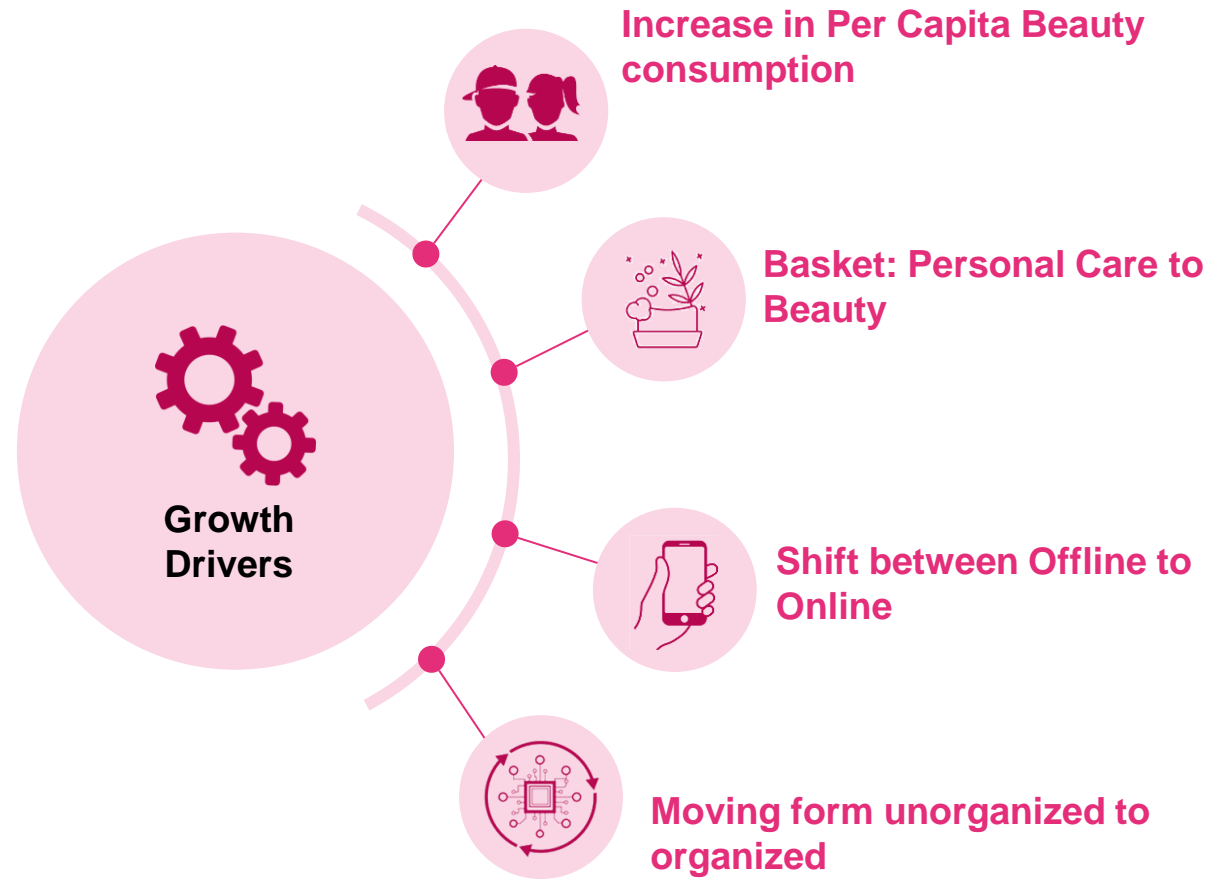
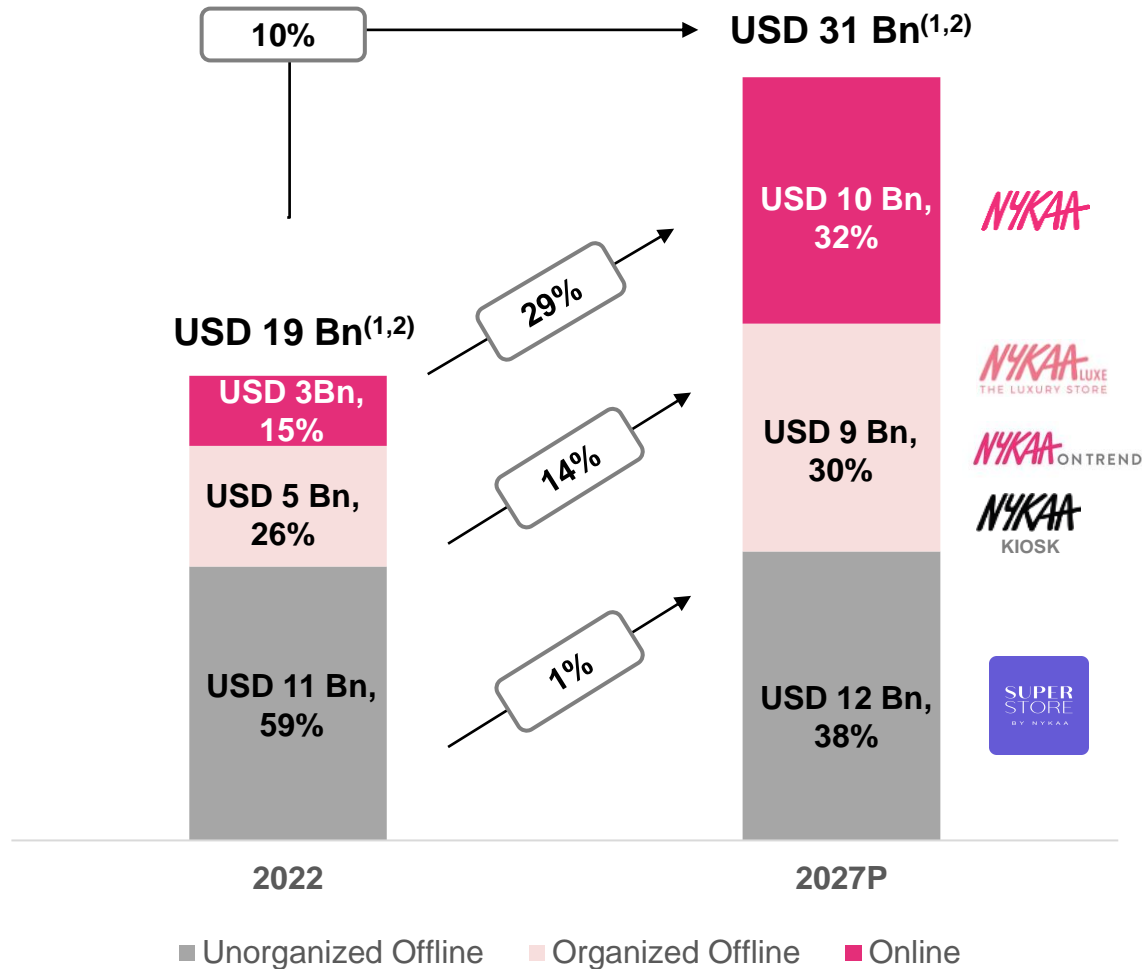
# Beauty & Personal Care





# Key drivers of the BPC market

CAGR %



Source: Redseer Estimates

- Overall BPC Market Size (doesn't include appliances)
- 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

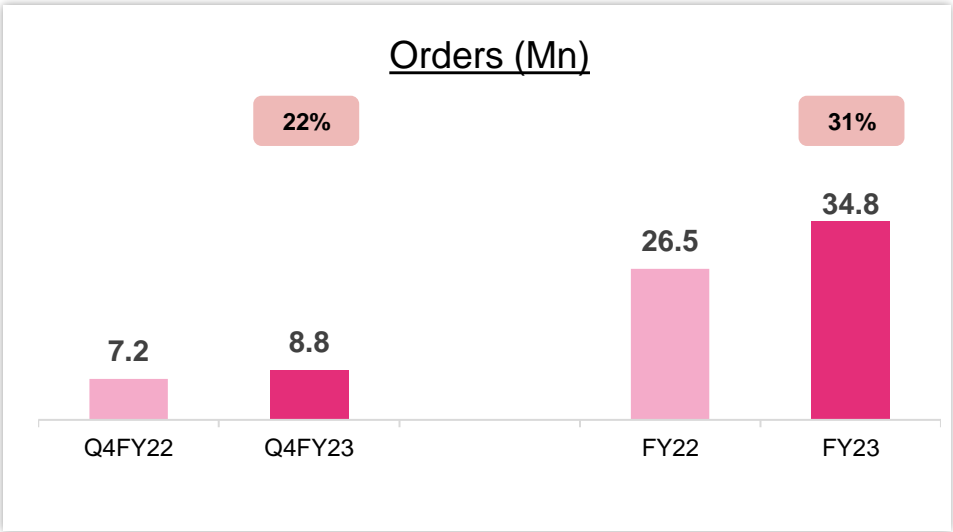
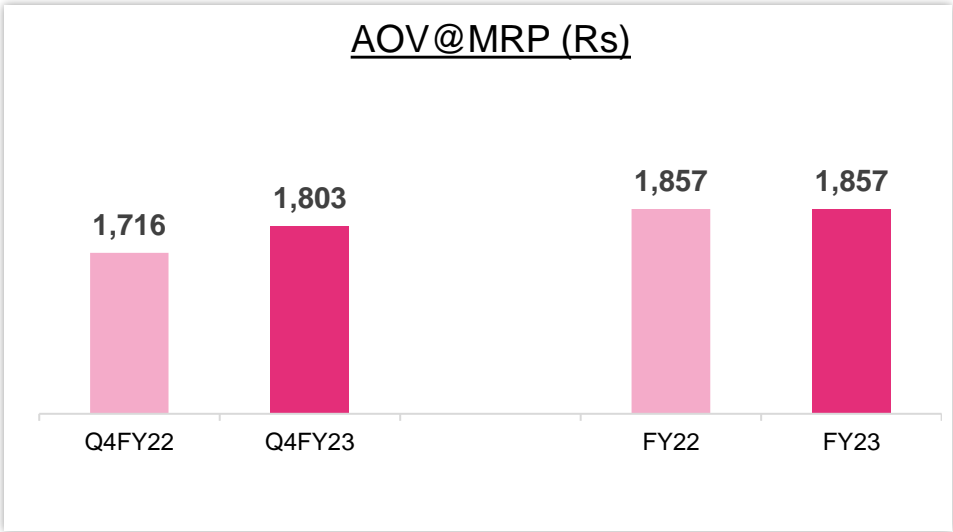
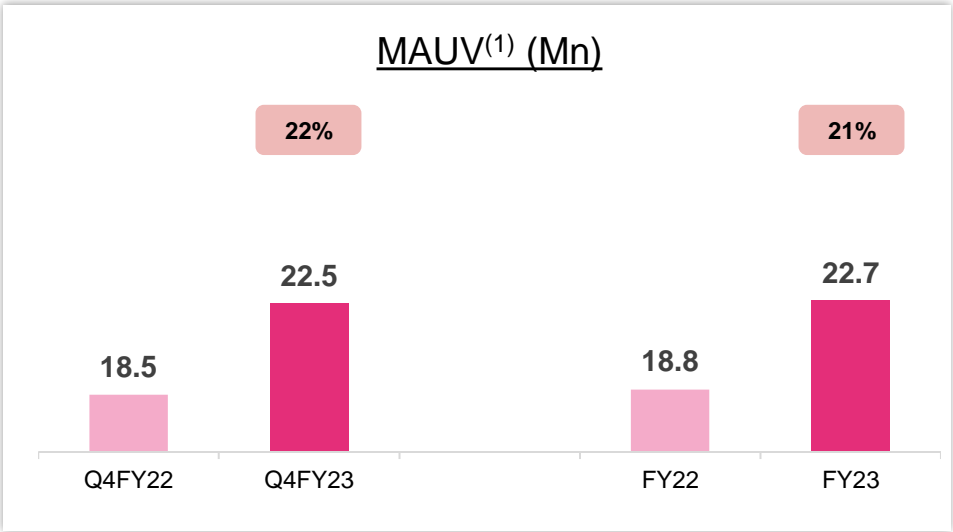
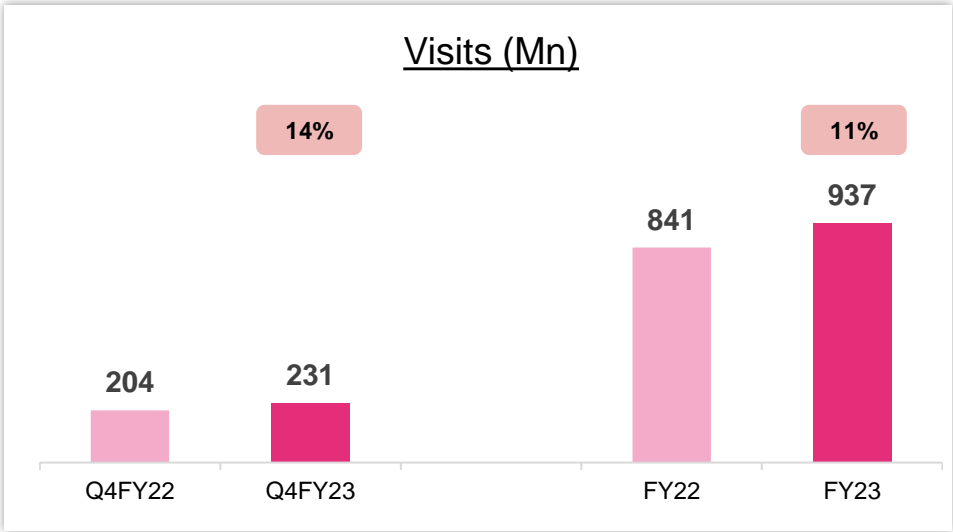
# Sustained growth in traffic along with strong growth in unique visitors

% YoY Growth (%)



1

Acquiring new and retaining our repeat customers



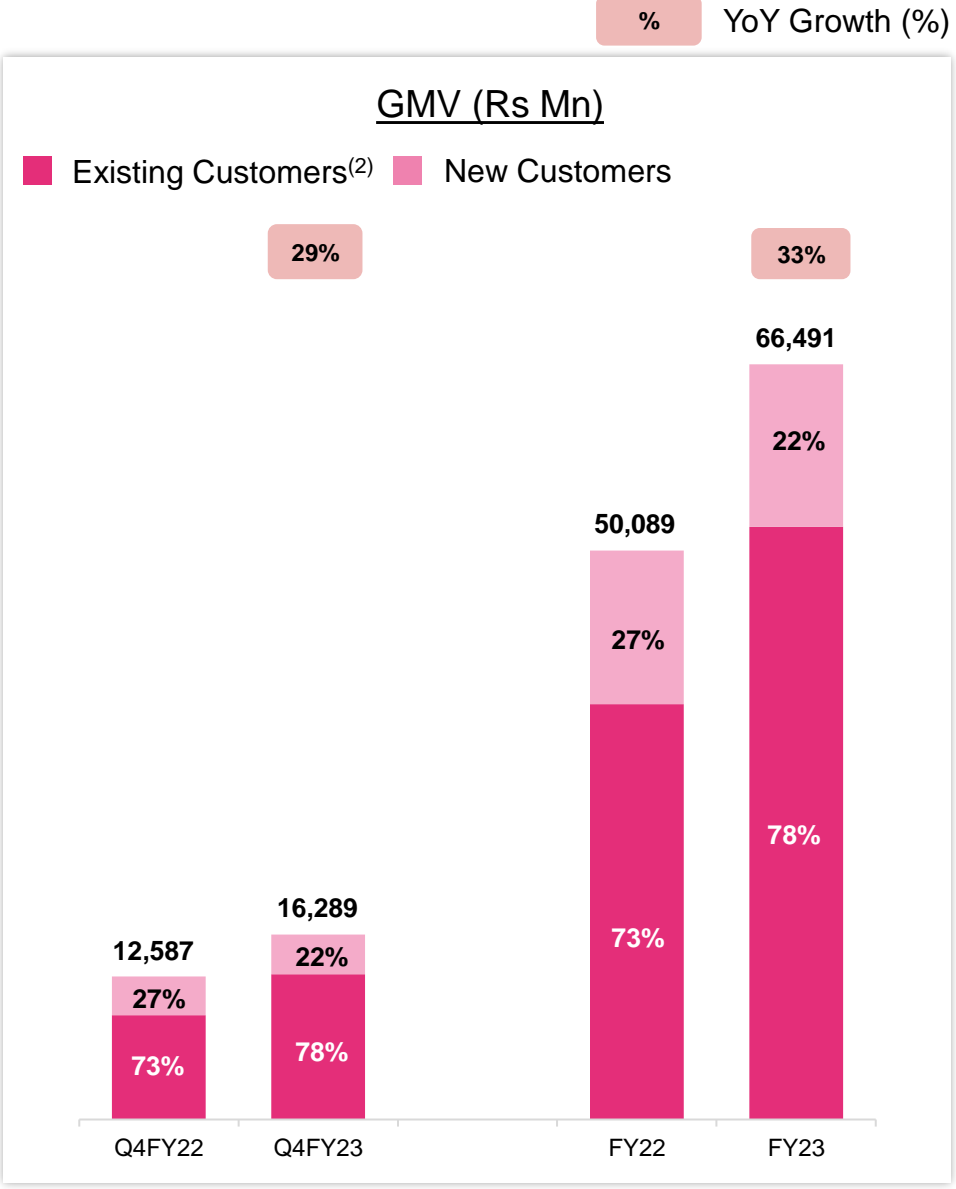
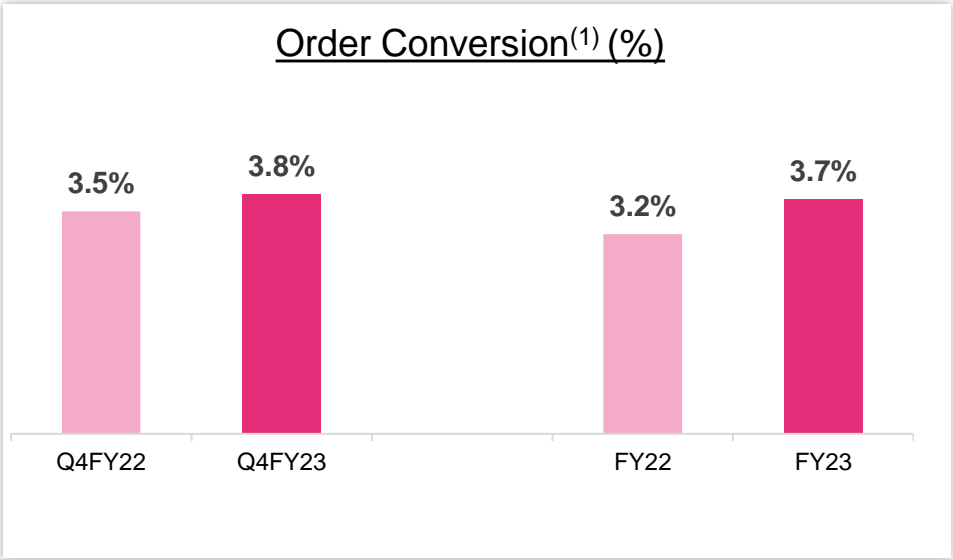
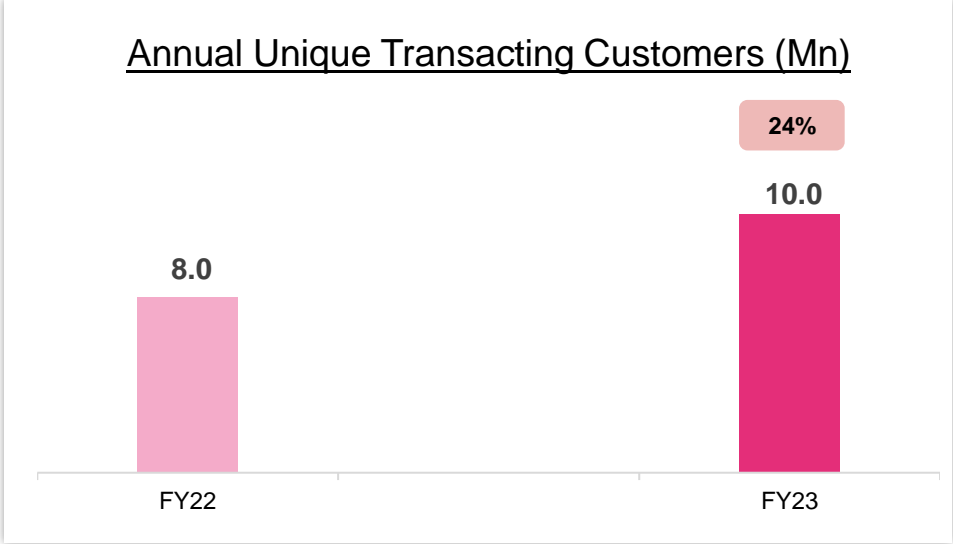
1. MAUV is Monthly Average Unique Visitors

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



1

Acquiring new and retaining our repeat customers



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

## Brand Partners



3,400+

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

## Of top 100 brands



28<sup>(2)</sup>

International brands



31<sup>(2)</sup>

FMCG brands



6<sup>(2)</sup>

Global brands



31<sup>(2)</sup>

D2C brands



16<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



HAIR GROWTH TREATMENT OIL  
POTENT AYURVEDA  
100 ML



SMELLS DIVINE



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

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



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



- Gamezone
- Slash and Save
- Offer and Price Reveal



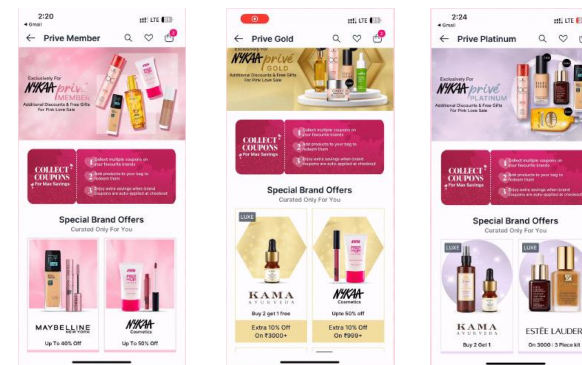
**2**

Deep relationships with a diverse set of domestic & international brands

## Engagement across the Social, App and Youtube



Massive influencer outreach with **144Mn Impressions**



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



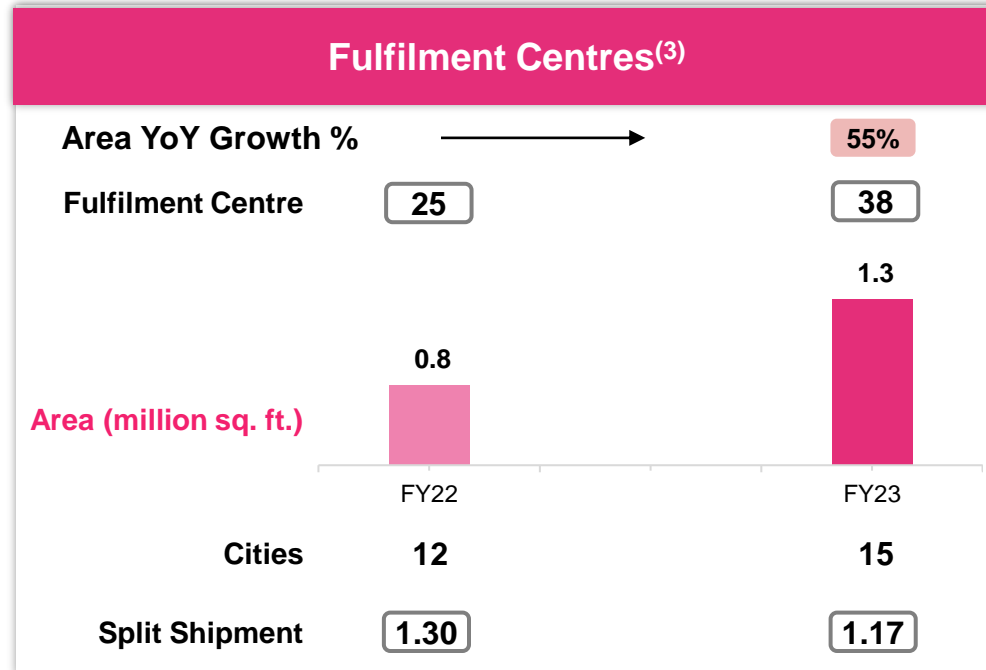
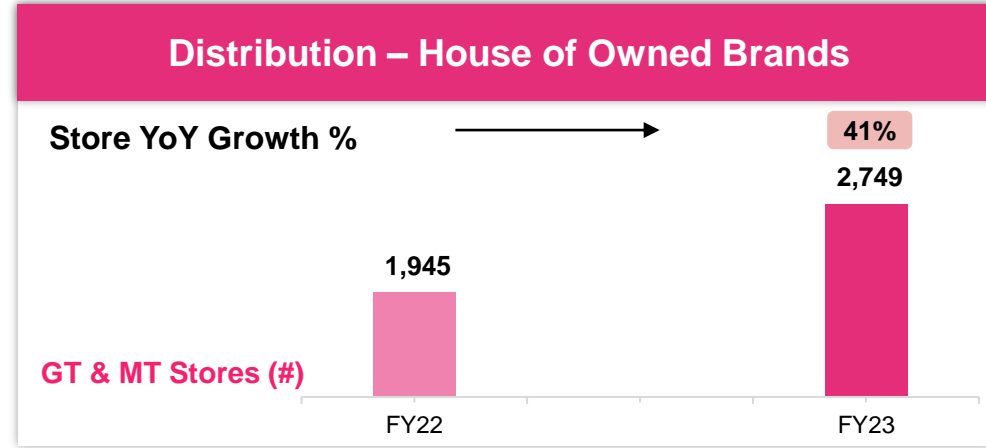
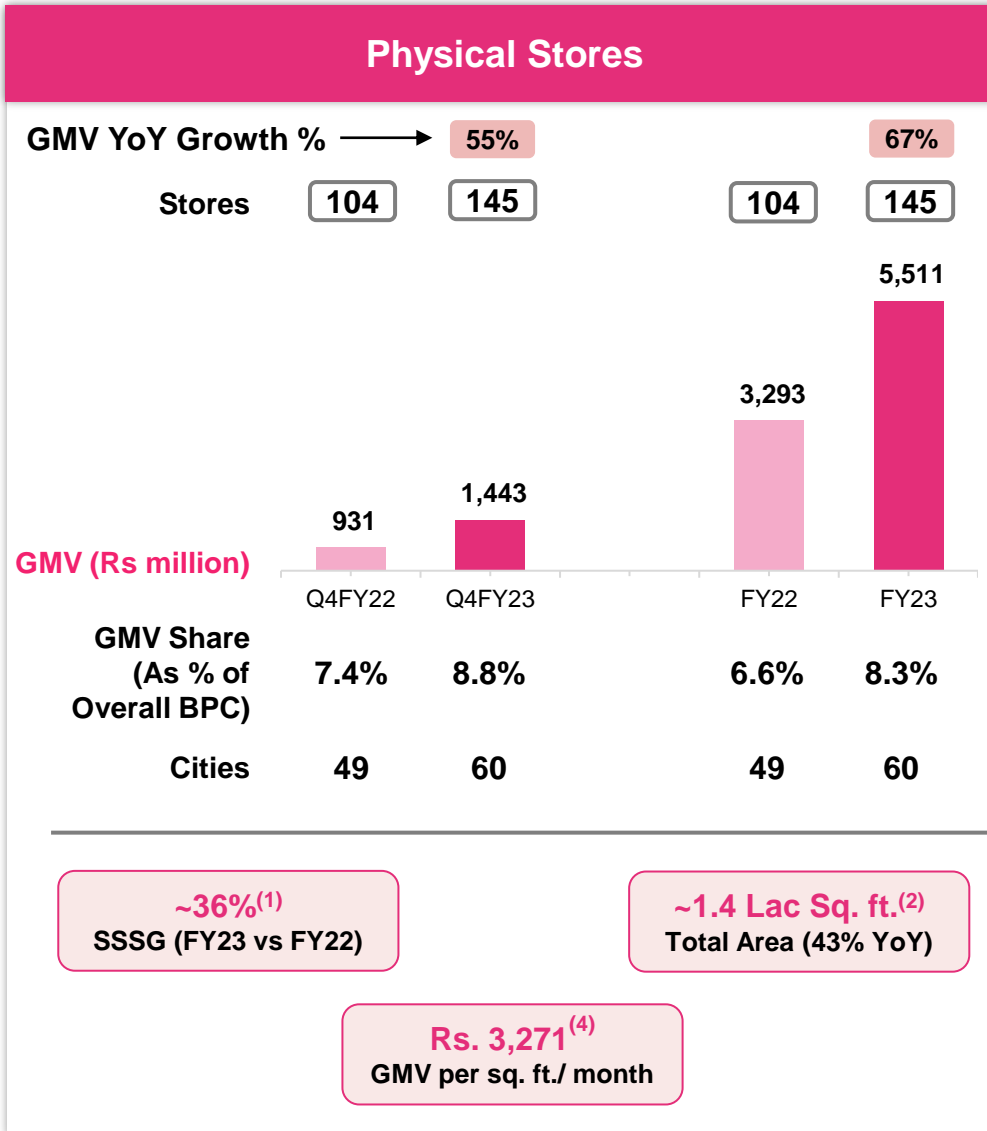
Watch & Buy with **33k visits**

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



## 3

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

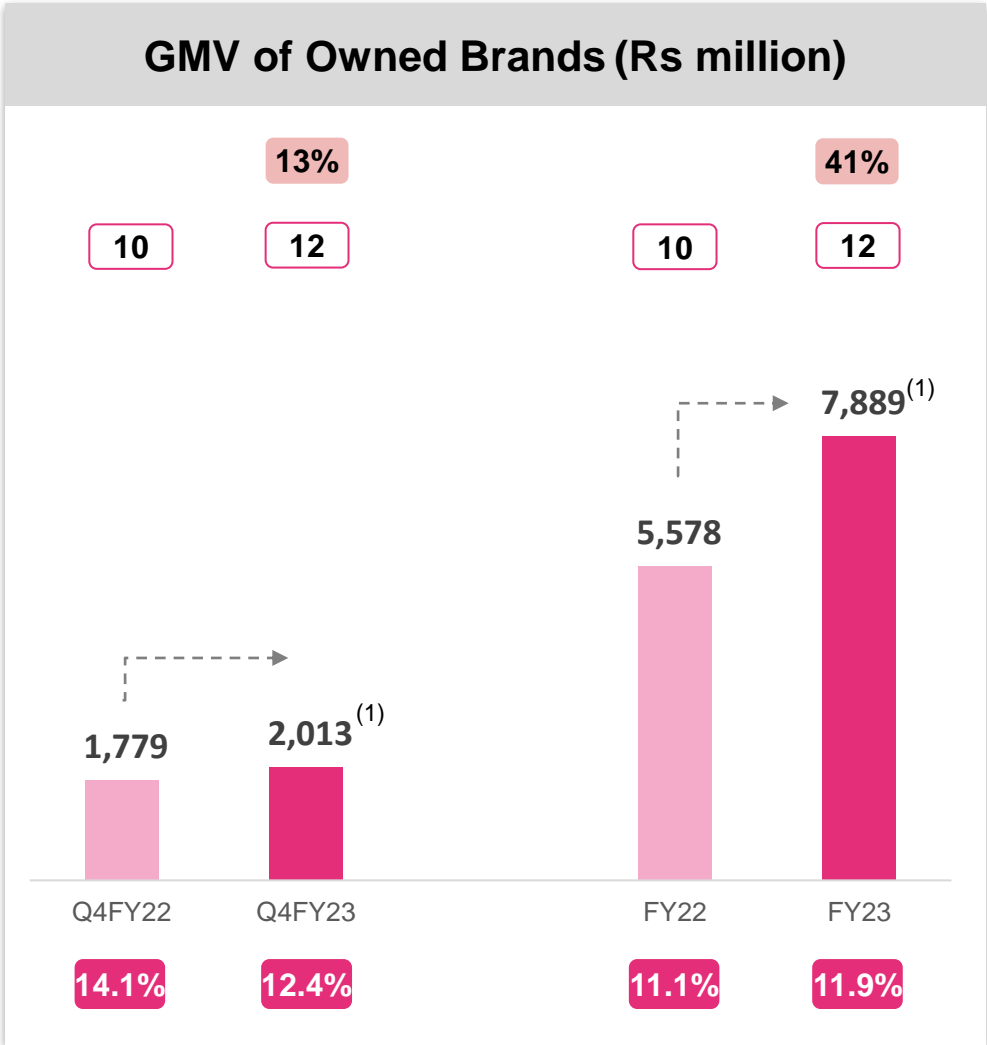


1. SSSG based on physical stores opened till Mar'21  
 2. As on March 31, 2023  
 3. BPC warehouse and eB2B Warehouse  
 4. For FY23

# Growing distribution of our House of Brands

**4**  
 Creating, acquiring, and scaling a portfolio of independent and new age consumer-first brands

**%** YoY GMV Growth      **#** Owned Brand Count



**%** Contribution of Owned Brands to Nykaa BPC GMV

1. GMV of owned brands does not include Earth Rhythm, as Company holds a minority stake in the brand  
 2. For FY 23  
 3. As of March 31, 2023  
 4. Selective doors are supported by Beauty advisors and MT is Modern Trade

### Annual GMV<sup>(2)</sup>

**NYKAA** Cosmetics      Rs 2,500 Mn+

**Kay** Beauty      DOT & KEY      ~Rs 1,300 Mn+ each

**1,600+ SKUs<sup>(3)</sup>**

Distributed across **2,580<sup>(3)</sup>** selective doors and **169<sup>(3)</sup>** MT stores

Reach of **5,400+<sup>(3)</sup>** retailers through our eB2B "SuperStore"



# House of Brands: New launches across categories



4

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



# 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

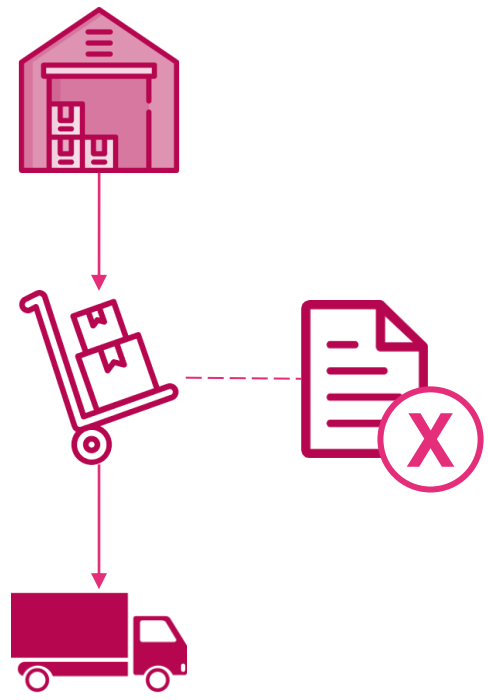
# Leading technology: Our backbone across the value chain



5

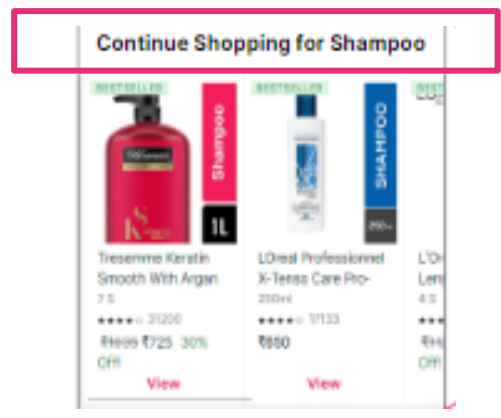
Developing new ways of selling and a holistic consumer connect

## Paperless Picking

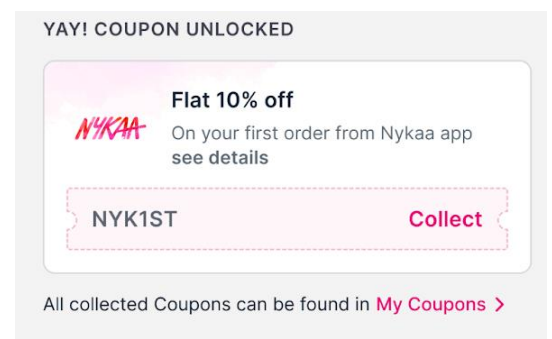


Increase order fulfillment capacity by improving picking process and achieve **zero paper utilization** for orders processing

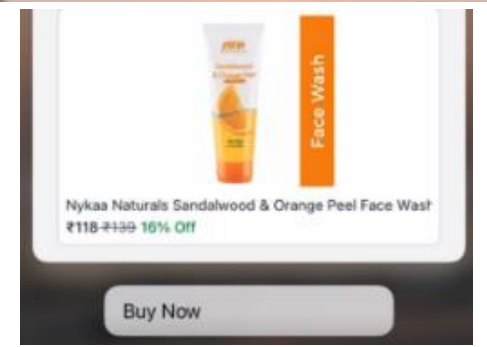
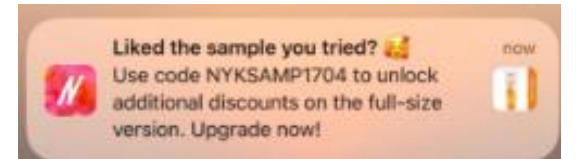
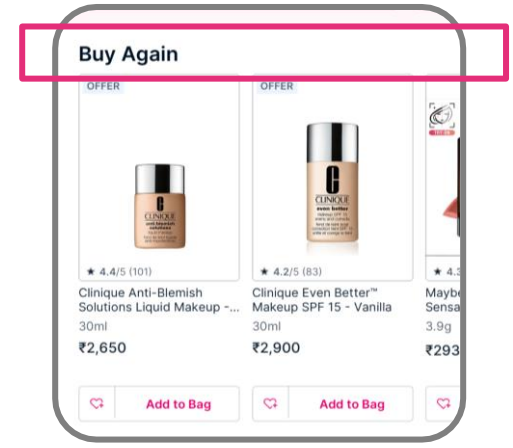
## Nudges for incomplete shopping mission



## Unlocking targeted coupons for cohorts



## Personalized replenishment nudges



Simplify re-purchase of previously bought products for customers

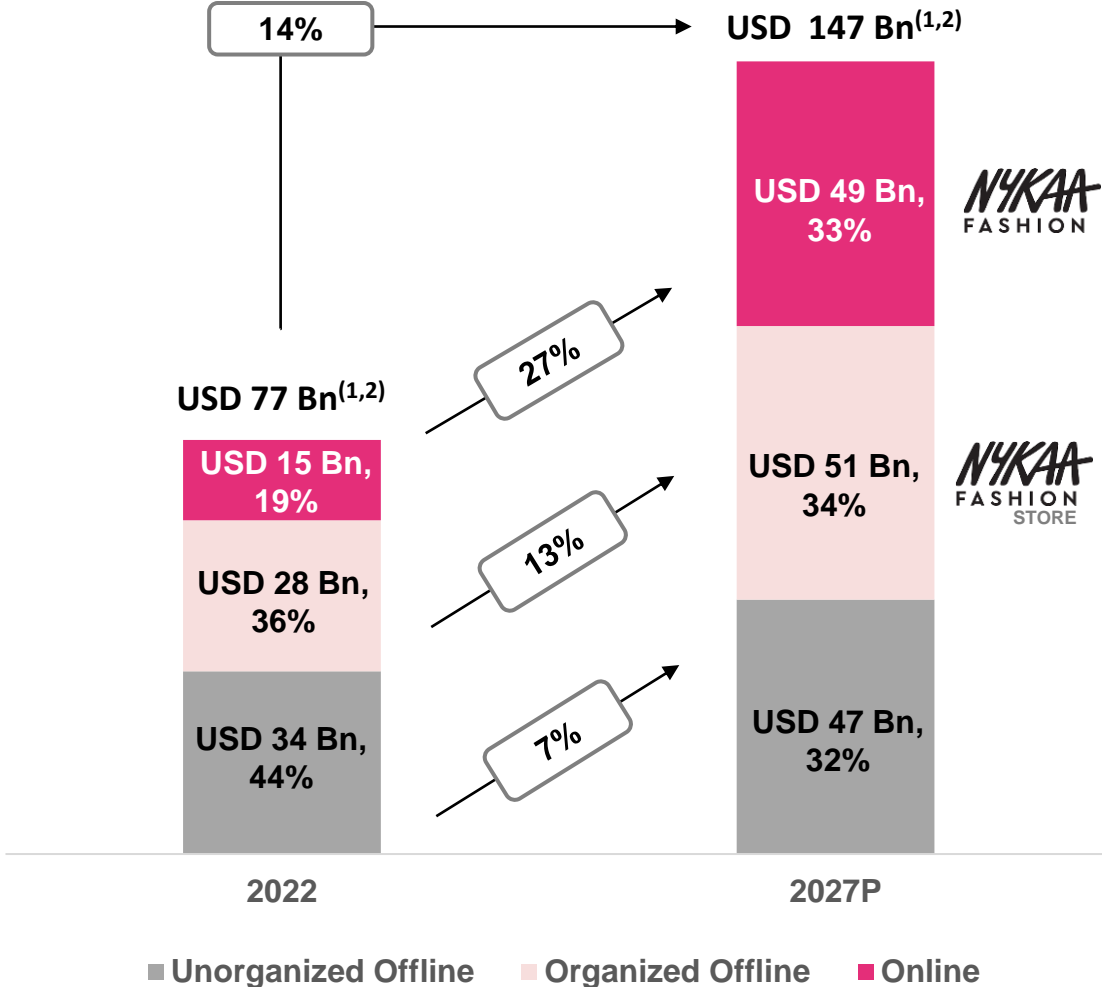
Creating delight in the customer journey and post order customer experience with our Technology backbone



# Fashion

# Key drivers of the Fashion market

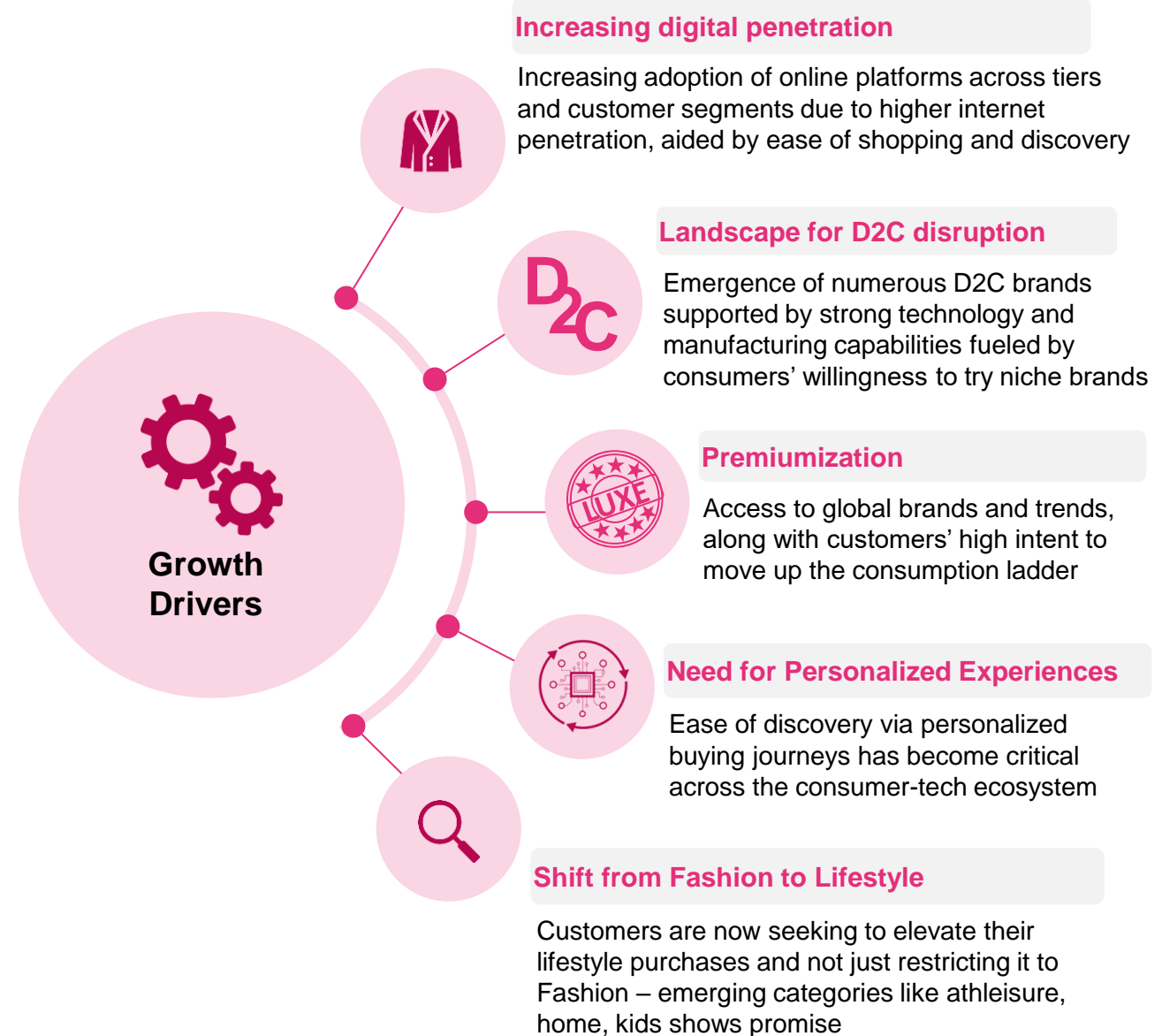
CAGR %



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

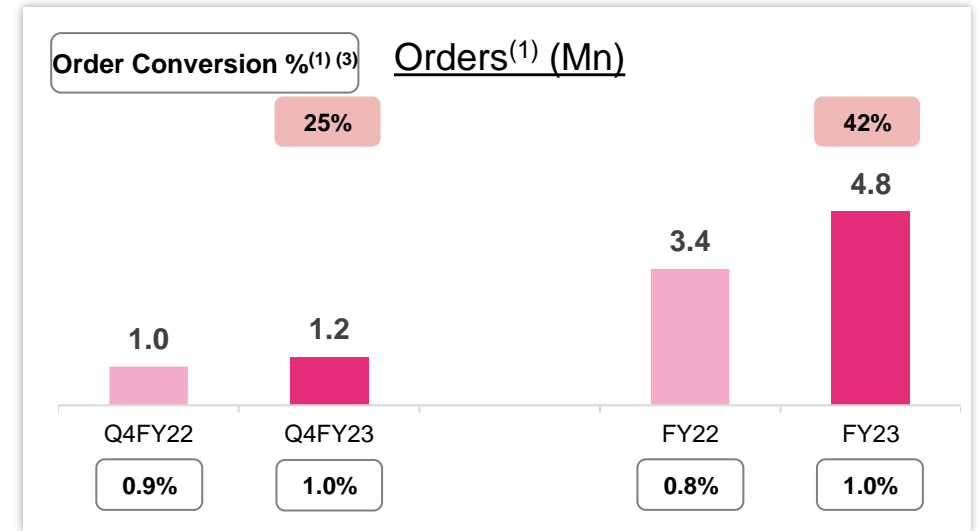
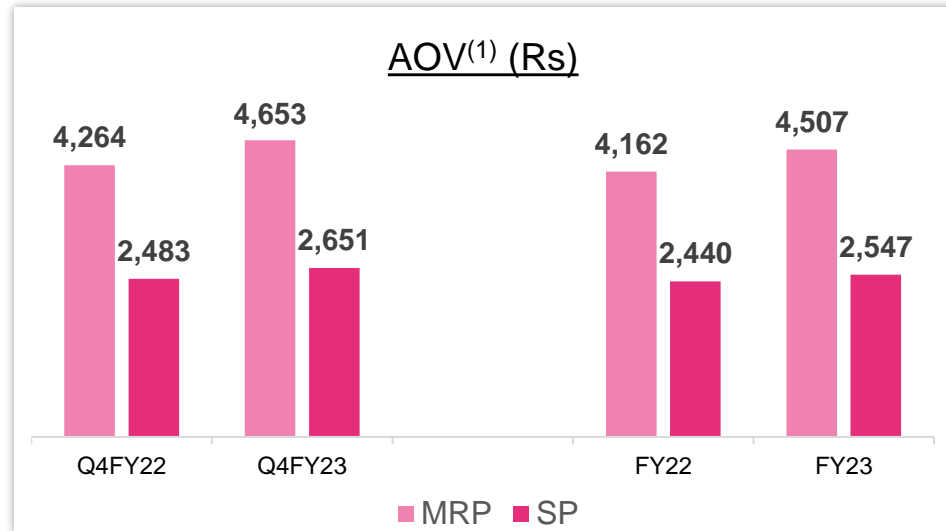
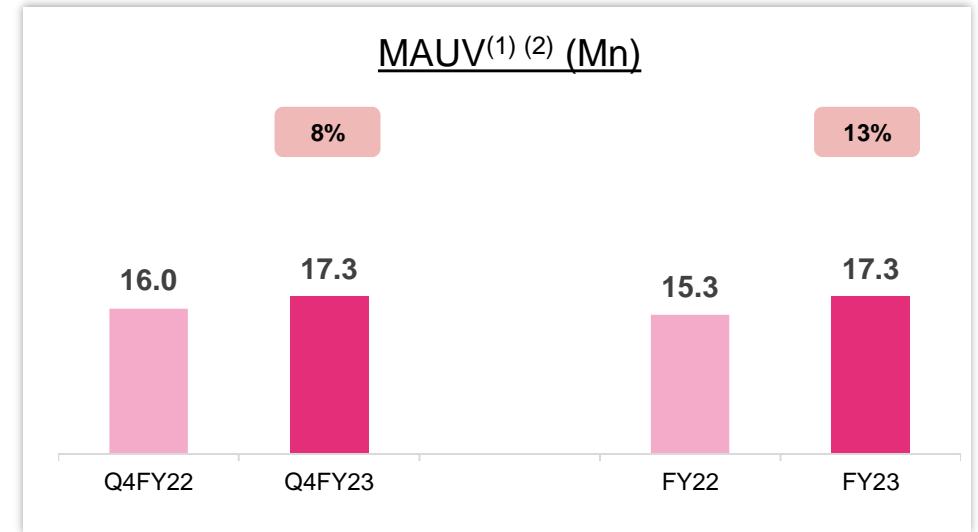
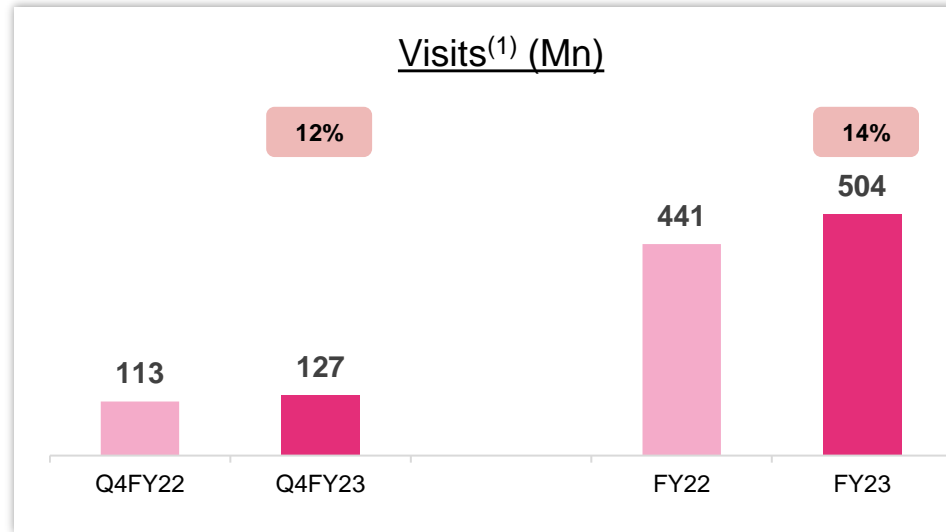
# Targeted Approach to Customer Acquisition



1

Acquiring and retaining customers

% YoY Growth (%)



1. For NykaaFashion.com  
 2. MAUV is Monthly Average Unique Visitors  
 3. Order Conversion is computed on visits



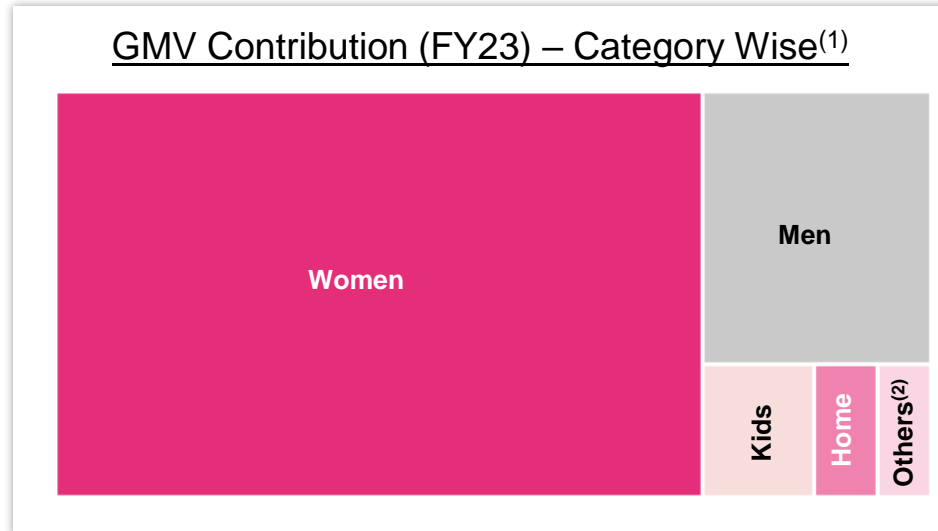
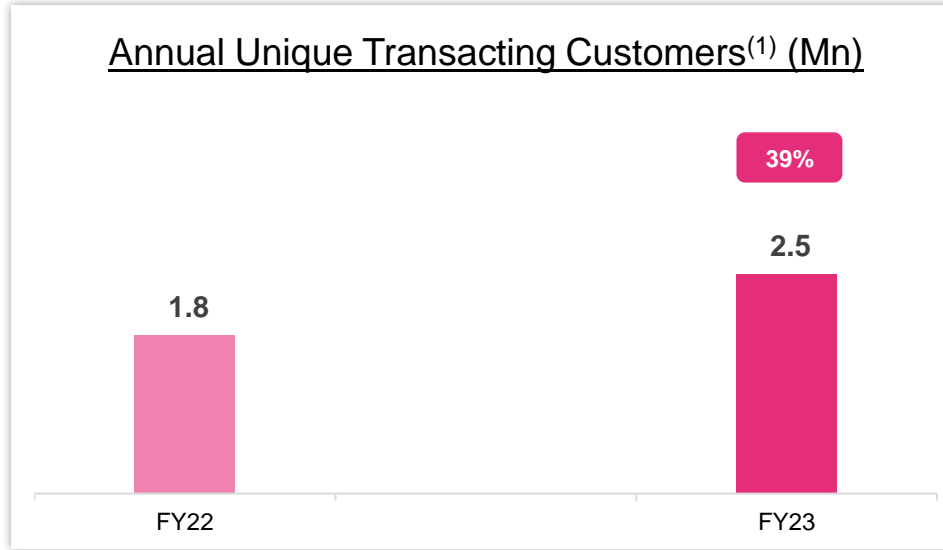
# Investing in customer growth with women as the key demographic



1

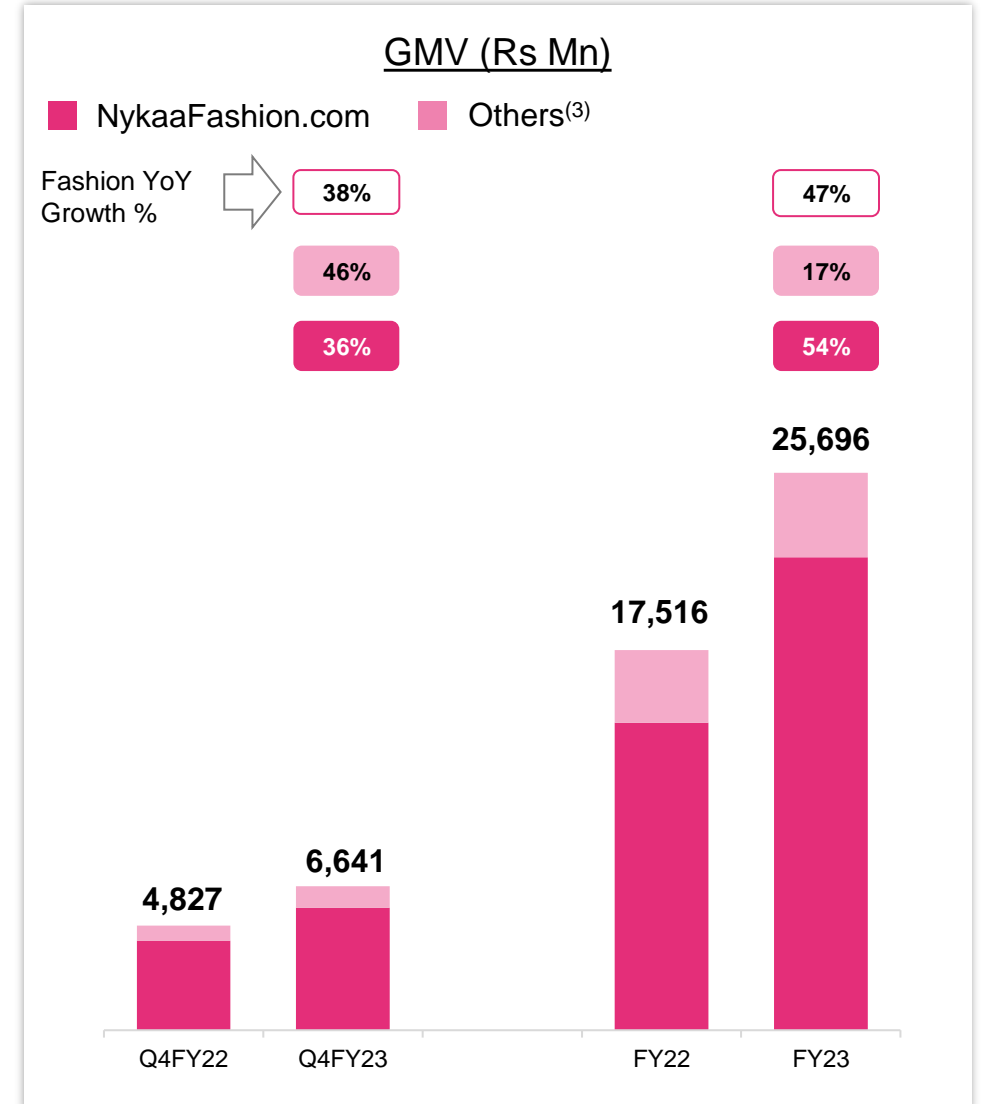
Acquiring and retaining customers

% YoY Growth for NykaaFashion.com (%)



1. For NykaaFashion.com
2. Others includes Tech & Gadget, Sports & Fitness Equipment
3. Others refer to 3P Platforms

% YoY Growth for Other Platforms (%)



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



2

Strengthen external brand assortment

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

International & Domestic Brands

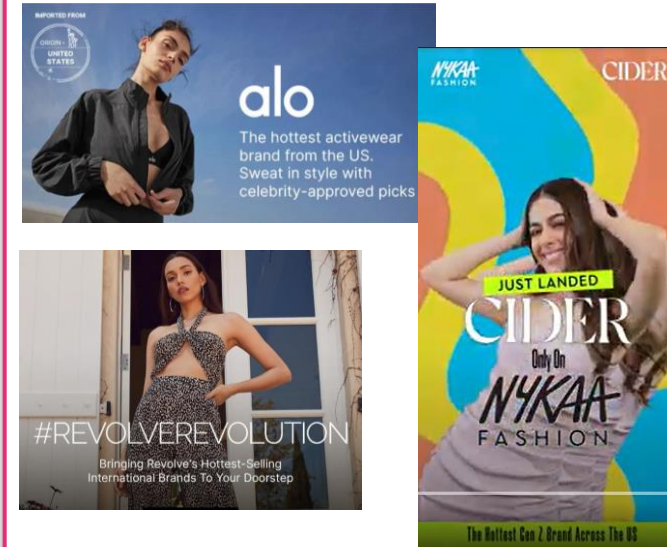
## Growth of key brands popular with the Indian audience



~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

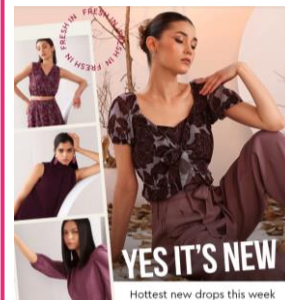
### Hidden Gems



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

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








Brand Types	FY20	FY21	FY22	FY23
Acquired			pipa·bella	KICA
Built Internally		 RSVP	 	     
Collaborations			Masaba (NYKD), Nikhil Thampi (RSVP), AlayaF (XXD)	



3

Accelerate **Owned Brands** Strategy

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
FY20									
FY21	RSVP					RSVP			
FY22					pipa·bella				
FY23		 		KICA					

# 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>

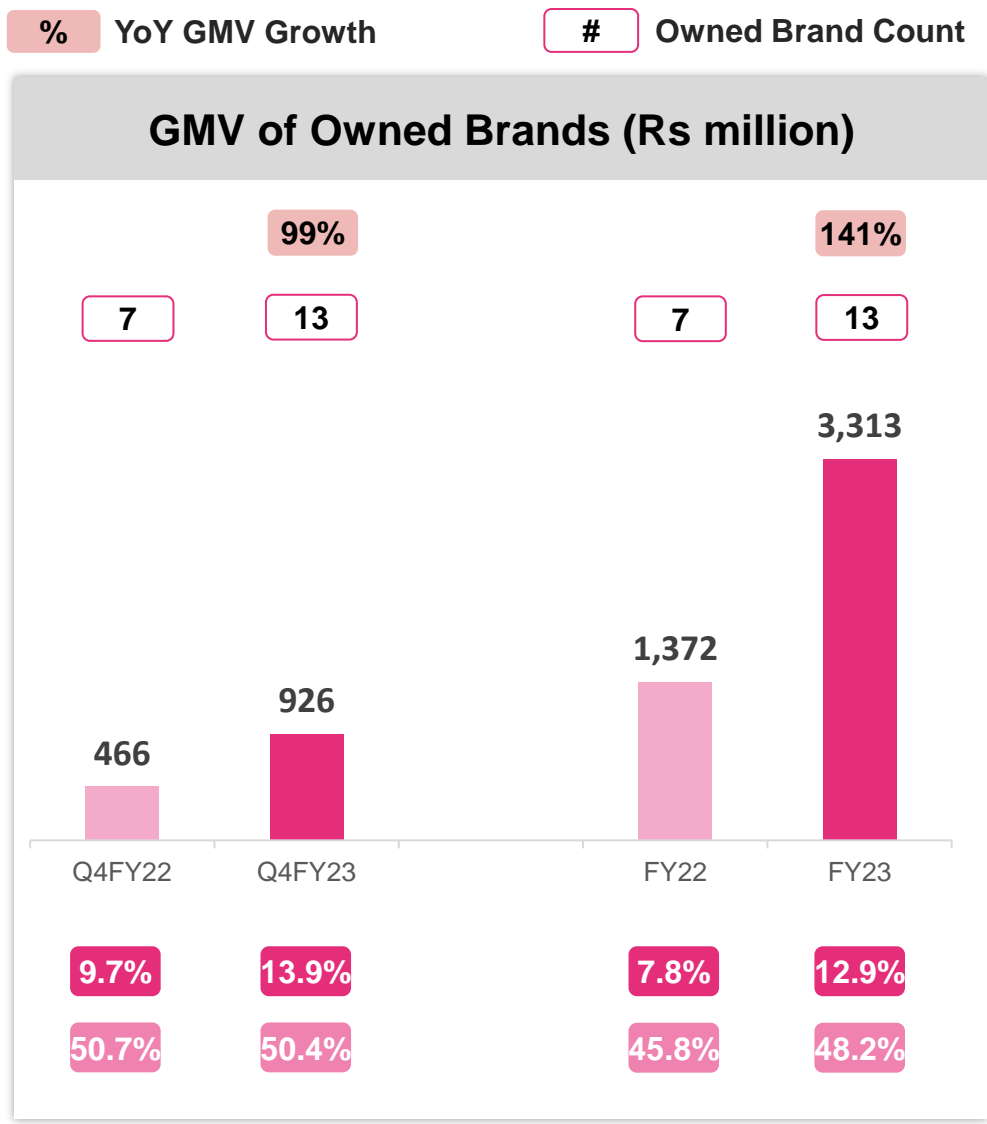
1. Listed on NykaaFashion.com as on March 31, 2023

# House of Brands: Consistent growth across channels



**3**


Accelerate **Owned Brands** Strategy




**%** Contribution of Owned Brands to Fashion Vertical GMV  
**%** Contribution from 3P Platforms to Owned Brands' GMV

1. For FY23

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



**TWENTY DRESSES** Rs 1,500 Mn+




**Nykd** Rs 850 Mn+

- 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

Nykd – 4 EBOs and 900+ General Trade Outlets



Average EBO store size of 650 sq. ft.

Nykaa Fashion – 4 MBOs



Average MBO store size of 2,938 sq. ft.

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

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**



4

Explore new **operating models and channels**



**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, Vera 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

1. As of March 31, 2023

# Enhancing the buying journey across touchpoints



5

Technology led innovations across the platform

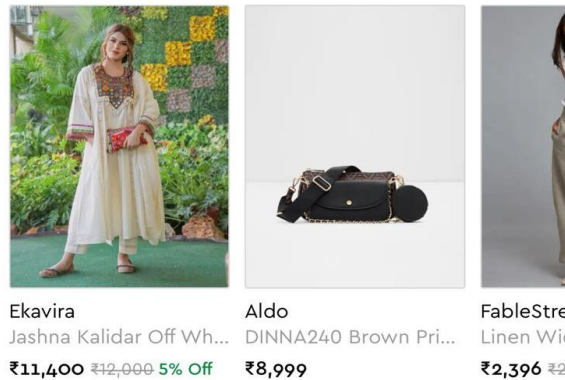
## Personalization

Launching hyper personalised recommendations to customize the discovery experience

Are you still searching for Co-ords?

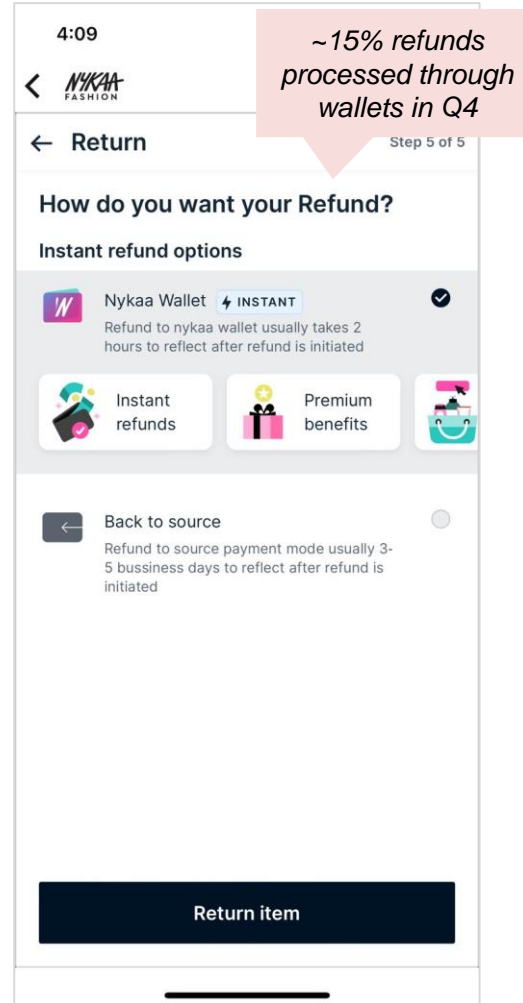


We think you'll love



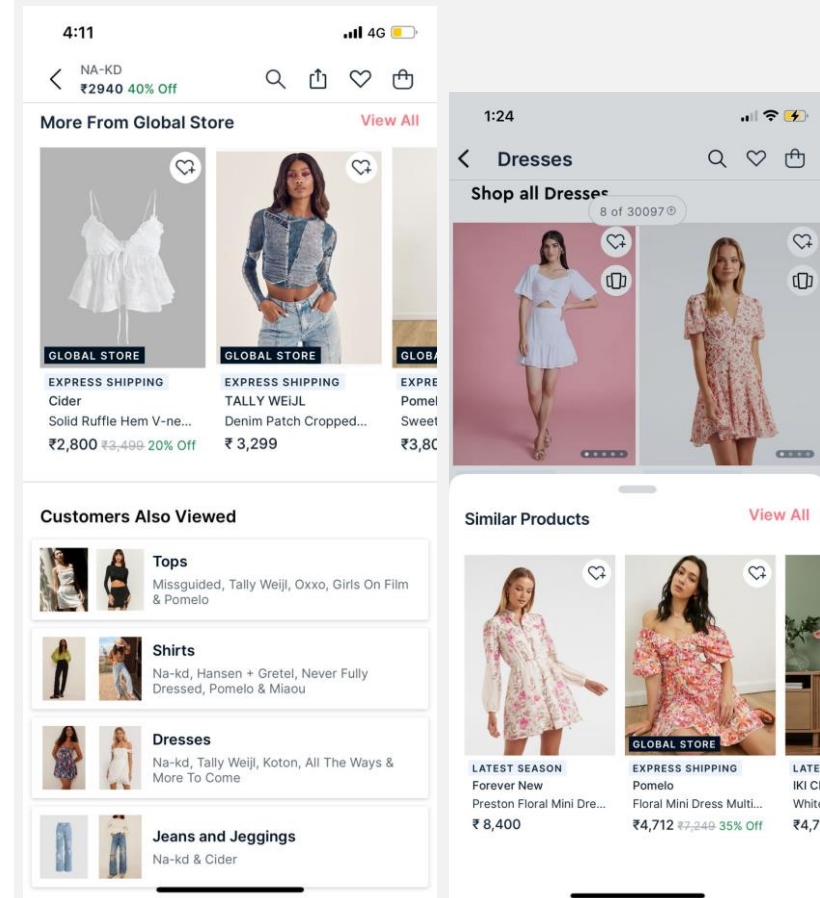
## Refund to Wallet

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



## Recommendation Engine

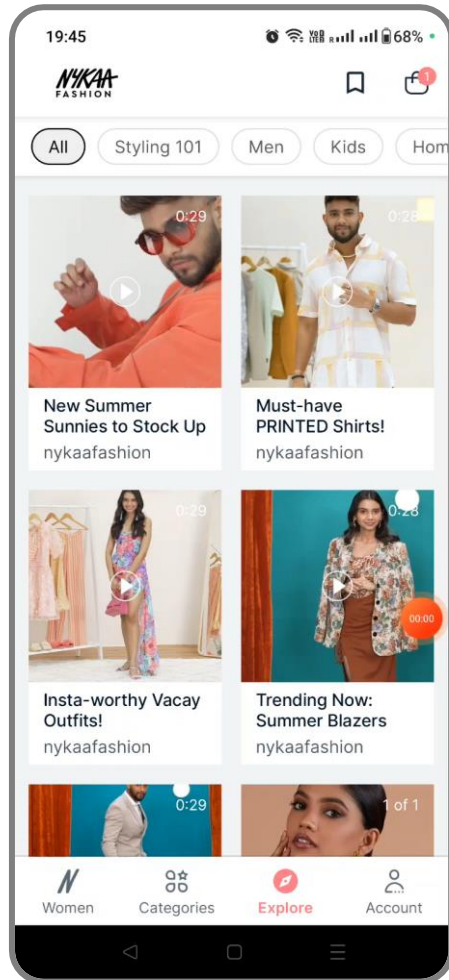
Revamping recommendation widgets across different landing pages to help customers choose easily from a plethora of products



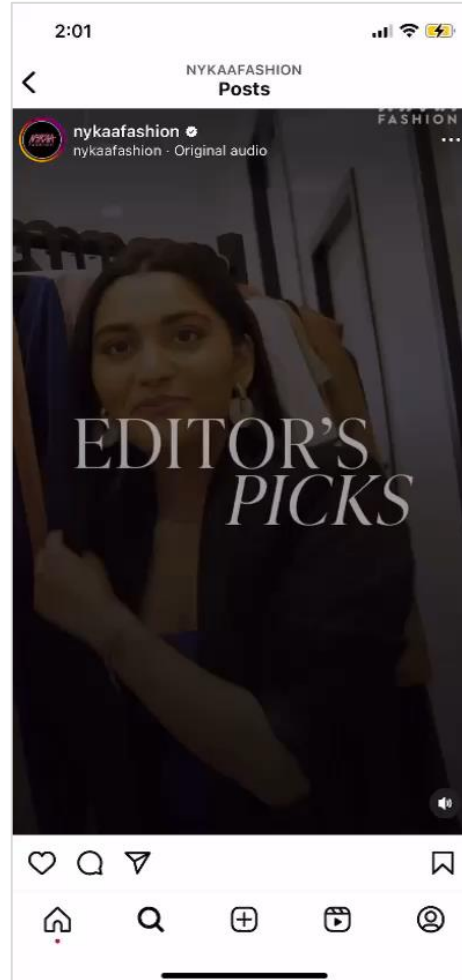
# Engaging customers on and off the platform

## 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*

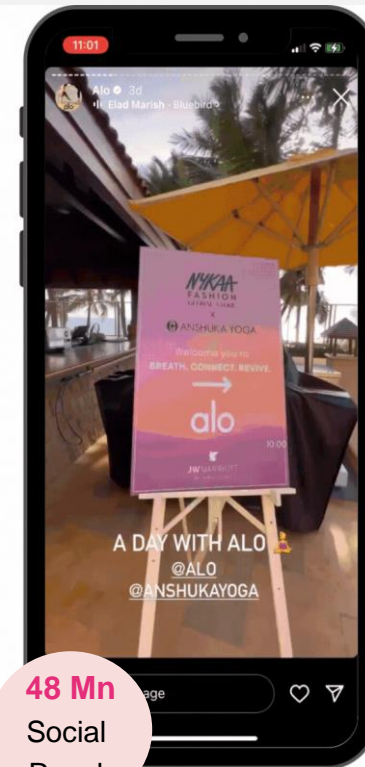


## Editor's Picks

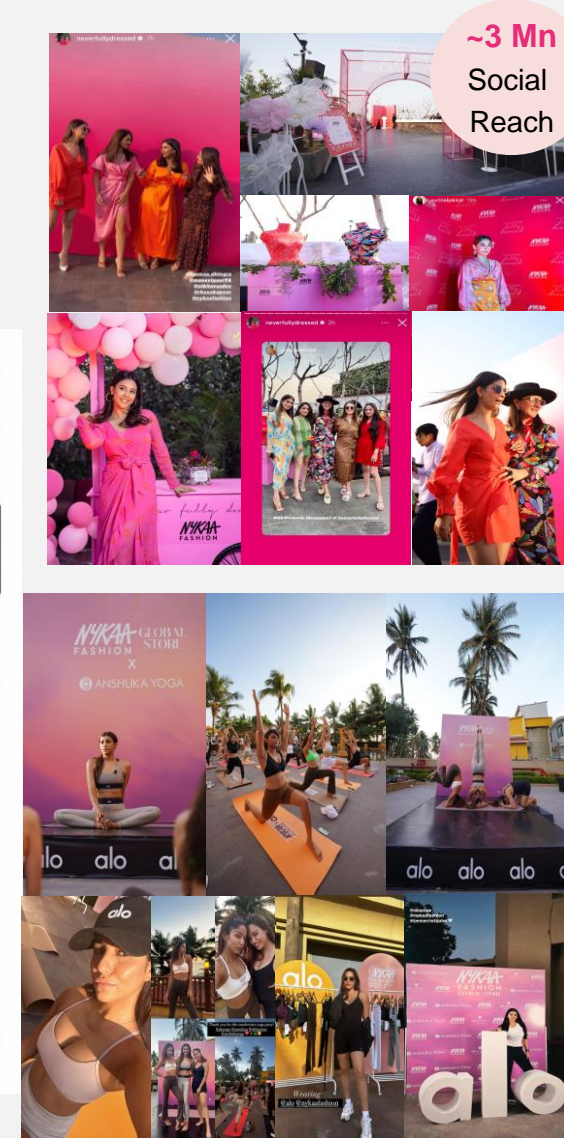


## Events and Launches

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



48 Mn Social Reach



5

Technology led innovations across the platform

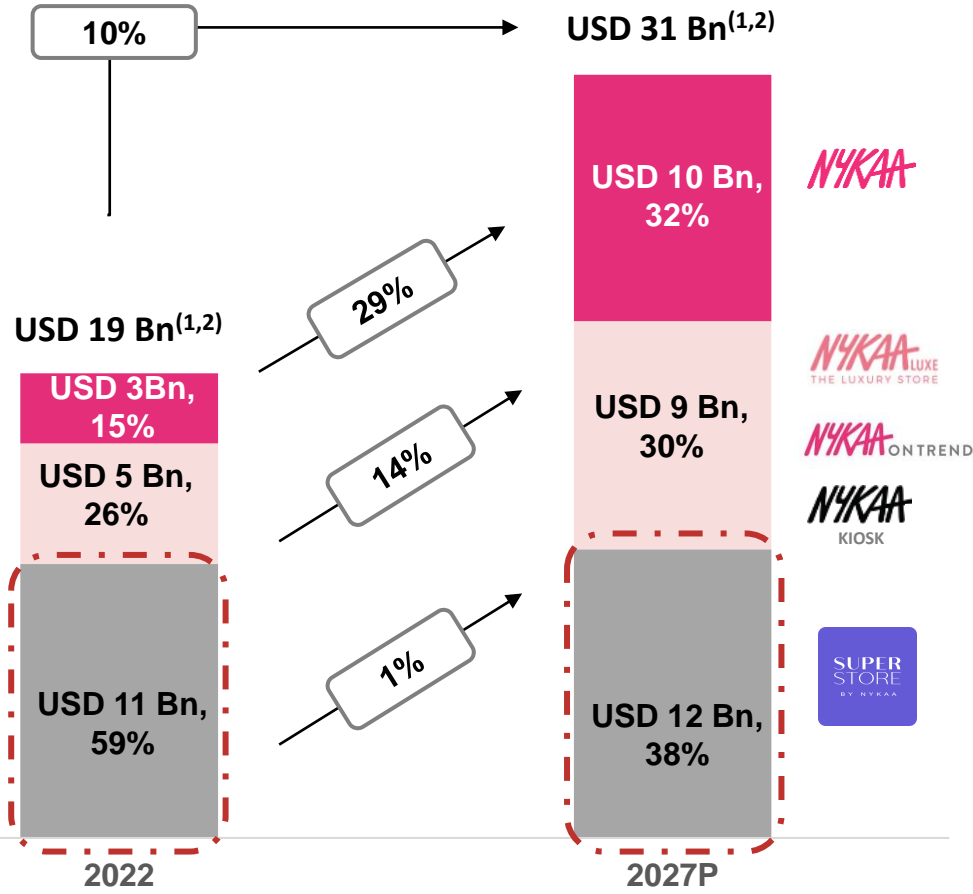
The logo for SuperStore by Nykaa is contained within a blue rounded square. It features the text "SUPER STORE" in a large, bold, white sans-serif font, with "BY NYKAA" in a smaller, white sans-serif font centered below it.

**SUPER  
STORE**  
BY NYKAA

# eB2B: SuperStore by Nykaa

# eB2B: Deepening the BPC moat

CAGR %



■ Unorganized Offline ■ Organized Offline ■ Online



### Value Proposition

- Your All-in-One Store** (Icon: VEG, Footlocker, etc.)
- Super Service** (Icon: Delivery truck)
- Super Flexibility** (Icon: Storefront)
- Super Earnings** (Icon: Hand holding money)

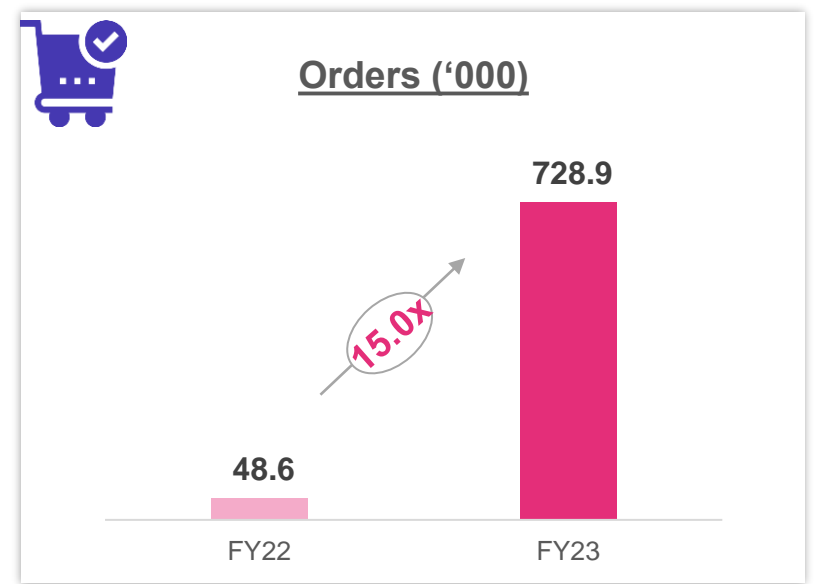
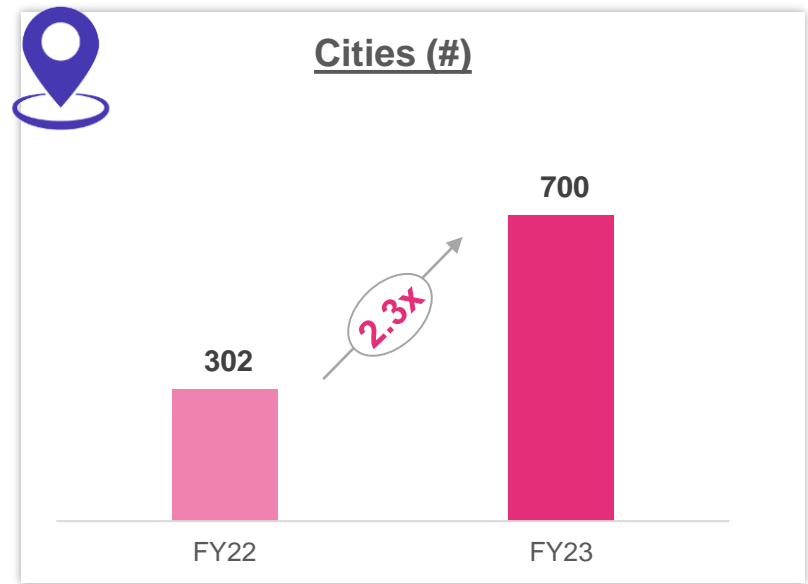
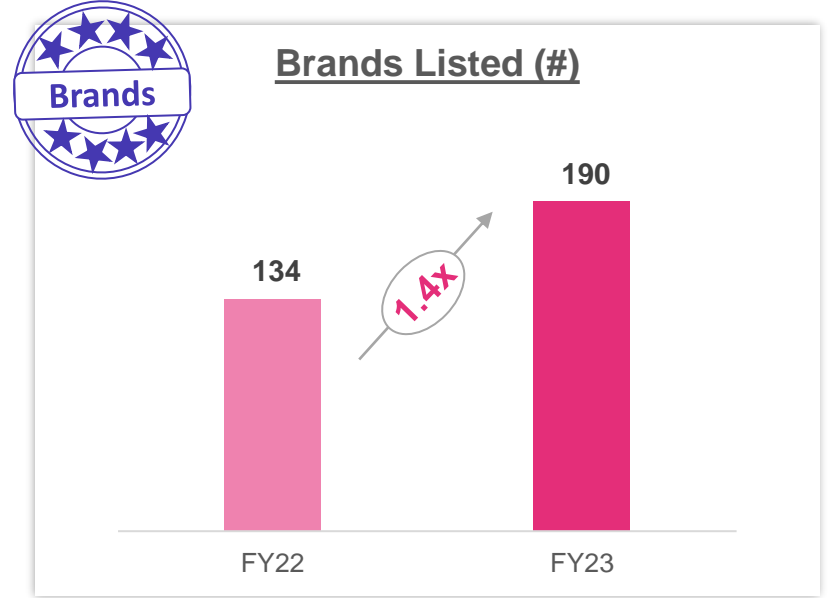
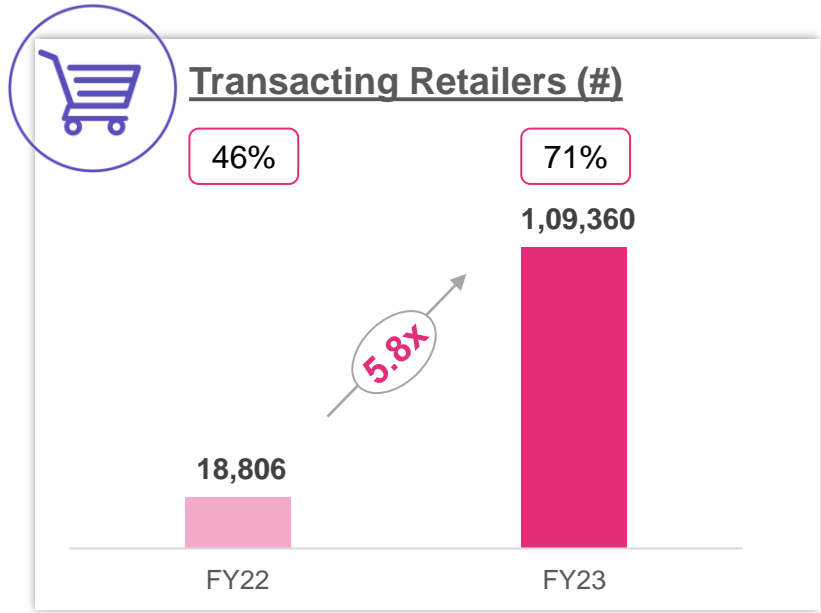
**A Democratized Distribution Channel Powered by Advisory & Advocacy**

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



% Activation rate (As % of registered retailers)



# eB2B: Scaling up technology infrastructure



## One click access to get best price

Facial Oil

★ FEATURED OFFER

Nykaa Naturals Skin Potion Dull & Dry Skincare Face Oil  
100 gm • MOQ :1

₹100/pc MRP

₹69/pc Best Price

**Best Price Achieved** ✓

- Buy 18 @ ₹78.00/pc 18 added  
Profit Margin: 28.2% (₹22.00/pc)
- Buy Nykaa Naturals Skin worth ₹8000 & get extra 10% extra Applied

**Other offers for better price**

Schemes & Brand Offers

- Buy 9 @ 79.00/pc  
Profit Margin: 26.5% | Profit: 21/pc
- Buy Nykaa Naturals Skin worth ₹4000 & get extra 5% extra  
Profit Margin: 32.0% (₹31.00/pc)

Cart offers

- Extra 5% off on your 1st order valid on all purchases above ₹5000+

## Personalized recommendations for retailer

SUPER STORE BY NYKAA

Search for Categories, Brands, Products, etc.

**Recommended for you store**

- Khadi Natural Amla & Bhringraj Hair Cleanser Shampoo - 1mg  
₹147.00/pc  
Profit Margin: 42.86%
- Mamaearth Onion Shampoo For Hair Growth & Hair Fall  
₹251.28/pc  
Profit Margin: 38.89%
- Swiss Bear Shadow Pa  
₹215.00/pc  
Profit Margin: 38.89%

**New Launch**

- mamaearth™  
+Upto 39% Profit Margin  
Buy Now →
- REVG MAKEUP RET...  
+Upto 43% Profit Margin  
Buy Now →

Extra 3% off on Rs 100+ order | 1% off on Rs 500+ order

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

Original Om Sai Cosmetics Sho...  
Malviya Nagar, Delhi

Discussion Highlights Orders Cart Suggest

**Pitch For High Value Product** NEW  
Target brands like Blue heaven, O3+  
Retailer Reply →

**Try selling High value Products in F...**  
Target brands like Blue heaven, O3+ and give offer in hand  
Retailer Reply →

**You are not within 100m area of the retailer.**  
This will have an effect on your coverage.

Check-in without location

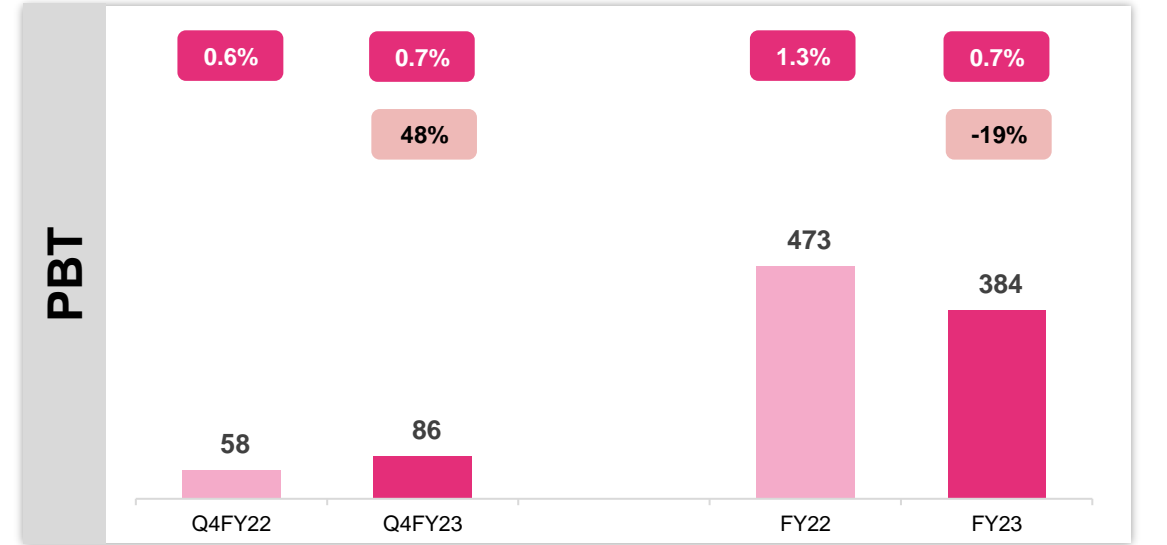
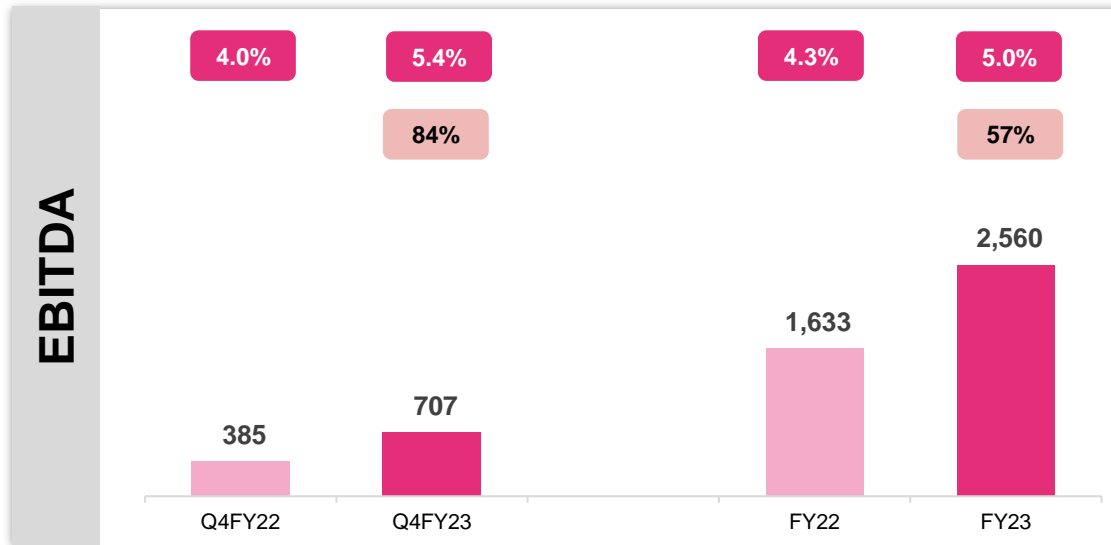
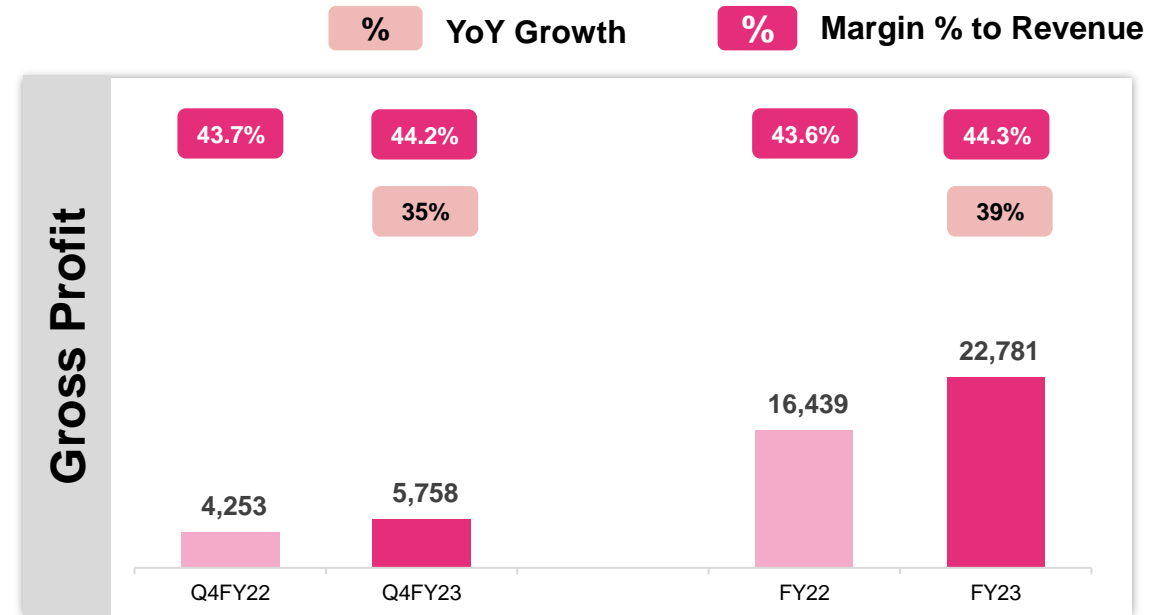
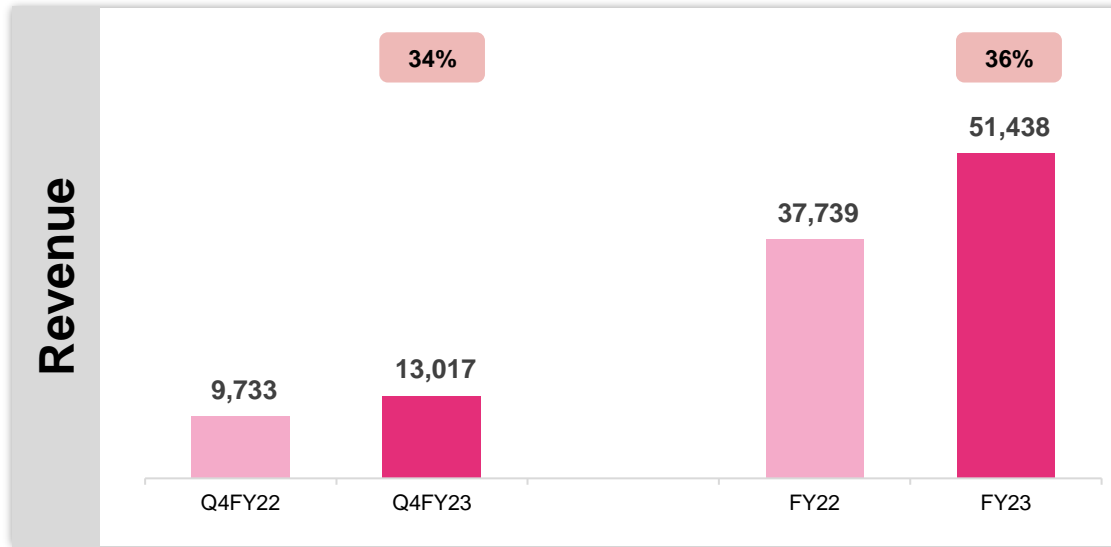
*NYKAA*

Financials

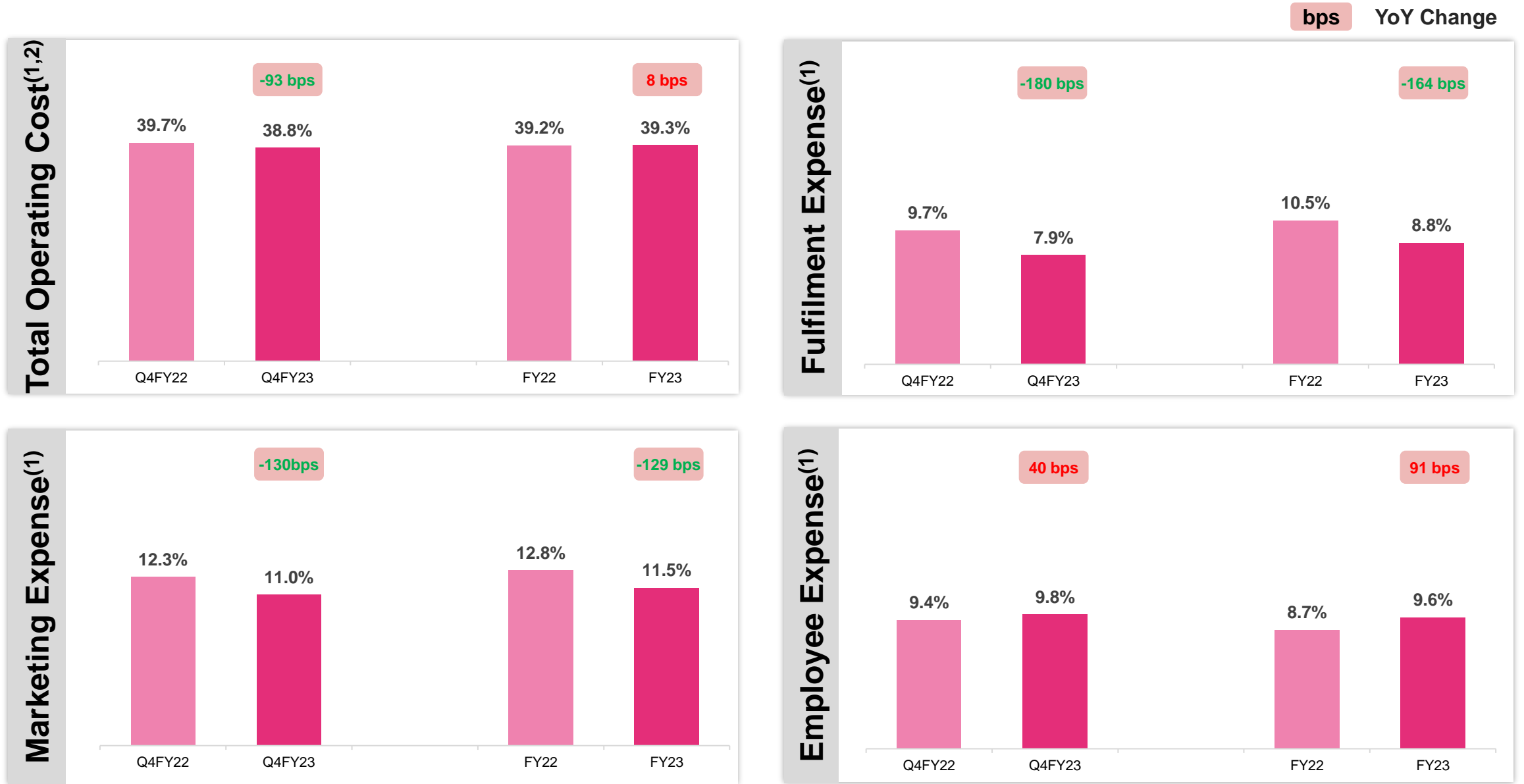


# Strong revenue growth

All Values in Rs million



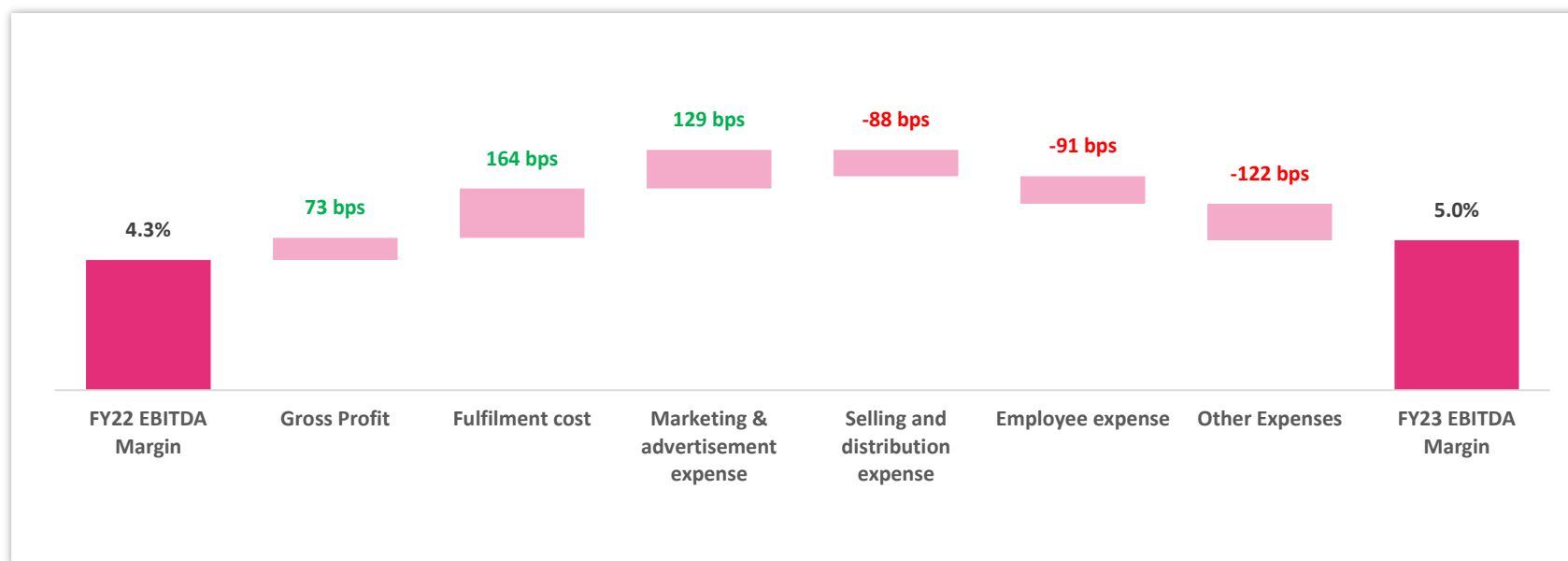
# Scale efficiencies show through



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



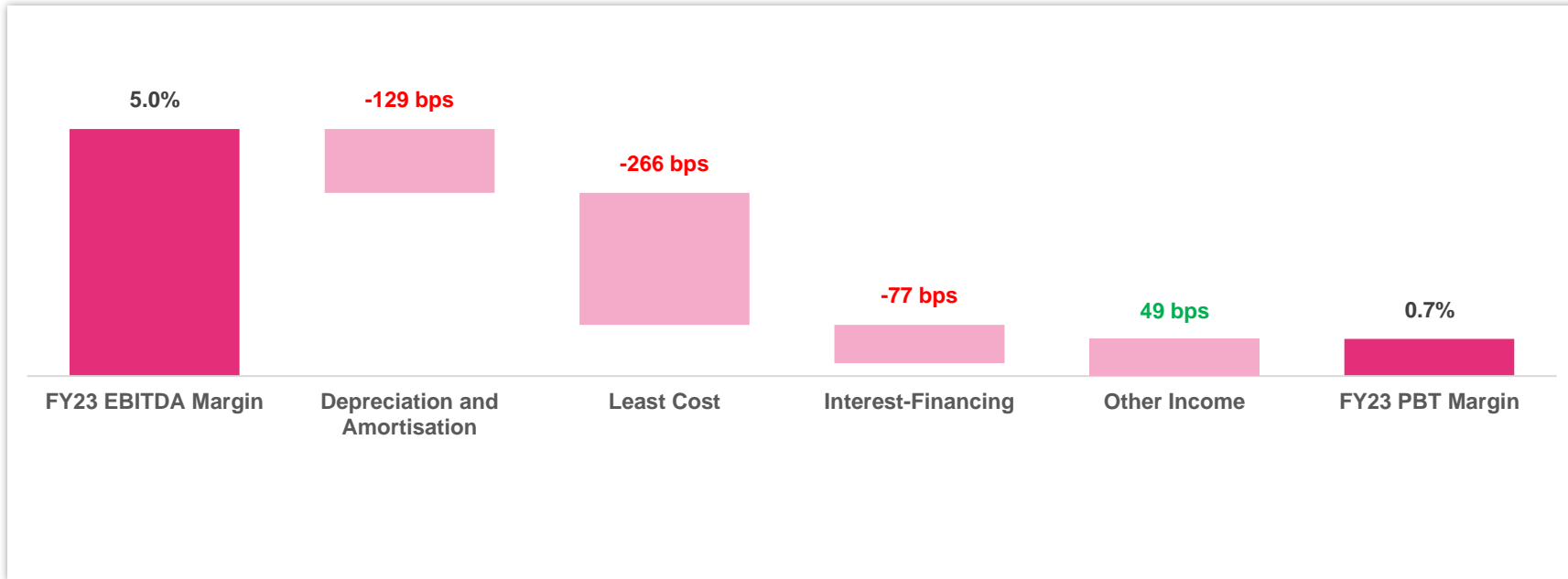
Rs Mn	Gross Profit	Fulfilment Expense	Marketing & advertisement expense	Selling and distribution expense	Employee expense	Other Expenses	EBITDA
FY22	16,439	-3,956	-4,820	-1,207	-3,265	-1,559	1,633
FY23	22,781	-4,548	-5,906	-2,098	-4,917	-2,752	2,560
<b>Delta</b>	<b>6,342</b>	<b>-592</b>	<b>-1,086</b>	<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



- 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**

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%

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

- Others includes our new businesses NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge
- Selling & distribution expenses in Fashion verticals has increased due to the expansion of offline channels for owned brands**
- Branding Media & Production Cost is not considered for Contribution Profit as it is not allocatable, and its benefit accrue over long term
- NSV refers to Net Sales Value calculated basis GMV minus discounts, cancellations, returns and taxes
- 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	<b>97,433</b>	50,089	17,516	1,727	<b>69,332</b>
<i>Growth</i>	<i>33%</i>	<i>47%</i>	<i>204%</i>	<i>41%</i>	<i>49%</i>	<i>168%</i>	<i>344%</i>	<i>71%</i>
NSV	40,765	7,444	2,416	<b>50,625</b>	30,823	5,728	566	<b>37,117</b>
<i>Growth</i>	<i>32%</i>	<i>30%</i>	<i>327%</i>	<i>36%</i>	<i>47%</i>	<i>148%</i>	<i>332%</i>	<i>58%</i>
Revenue from Operations	44,820	4,347	2,271	<b>51,438</b>	33,997	3,254	488	<b>37,739</b>
<i>Growth</i>	<i>32%</i>	<i>34%</i>	<i>366%</i>	<i>36%</i>	<i>49%</i>	<i>126%</i>	<i>261%</i>	<i>55%</i>
Gross Profit	18,907	3,289	584	<b>22,781</b>	13,727	2,555	157	<b>16,439</b>
Fulfilment expenses	3,469	801	278	<b>4,548</b>	3,251	631	74	<b>3,956</b>
Marketing & advertisement expense	3,268	2,085	307	<b>5,660</b>	2,807	1,606	204	<b>4,618</b>
Selling and Distribution expenses	1,374	243	482	<b>2,098</b>	993	155	59	<b>1,207</b>
Contribution Profit	10,796	161	-482	<b>10,476</b>	6,675	163	-180	<b>6,658</b>
<b>Key Ratios as a % to NSV</b>								
Gross Profit Margin %	46.4%	44.2%	24.2%	<b>45.0%</b>	44.5%	44.6%	27.8%	<b>44.3%</b>
Fulfilment expenses %	8.5%	10.8%	11.5%	<b>9.0%</b>	10.5%	11.0%	13.1%	<b>10.7%</b>
Marketing and Advertisement expense %	8.0%	28.0%	12.7%	<b>11.2%</b>	9.1%	28.0%	36.1%	<b>12.4%</b>
Selling and Distribution expenses %	3.4%	3.3%	19.9%	<b>4.1%</b>	3.2%	2.7%	10.4%	<b>3.3%</b>
<b>Contribution Margin %</b>	<b>26.5%</b>	<b>2.2%</b>	<b>-19.9%</b>	<b>20.7%</b>	<b>21.7%</b>	<b>2.8%</b>	<b>-31.8%</b>	<b>17.9%</b>

Notes:

- Others includes our new business NykaaMan, eB2B platform "SuperStore by Nykaa", International, LBB, and Nudge
- Selling & distribution expenses in Other verticals has increased due to the expansion of BDE count in eB2B business: SuperStore by Nykaa**
- Selling & distribution expenses in Fashion verticals has increased due to the expansion of offline channels for owned brands**
- Branding Media & Production Cost is not considered for Contribution Profit as it is not allocatable, and its benefit accrue over long term
- NSV refers to Net Sales Value calculated basis GMV minus discounts, cancellations, returns and taxes
- 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	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 Mar-23 YoY growth	Year Ended		
		Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23		FY22	FY23	YoY Growth
<b>Number of Visits</b>													
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%
<b>Monthly Average Unique Visitors</b>													
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%
<b>Orders</b>													
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%
<b>Average Order Value (AOV)</b>													
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%
<b>Annual Unique Transacting Customers</b>													
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%
<b>Gross Merchandise Value (GMV)</b>													
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%
<b>Total</b>	<b>₹ in Million</b>	<b>14,696</b>	<b>16,229</b>	<b>20,428</b>	<b>17,979</b>	<b>21,558</b>	<b>23,457</b>	<b>27,965</b>	<b>24,454</b>	<b>36%</b>	<b>69,332</b>	<b>97,433</b>	<b>41%</b>