



November 06, 2023

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

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

Symbol: NYKAA

Scrip Code: 543384

Dear Sirs,

Sub: Press Release – Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the press release being issued by the Company regarding the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2023.

Kindly take the same on record.

Thanking You.

Yours faithfully,
For FSN E-Commerce Ventures Limited

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

Encl.: as above



FSN E-Commerce Ventures Limited
Quarter ended September 30, 2023 – Media Press Release

Consolidated Revenue from Operations grew by 22% YoY in Q2 FY2024 crossing Rs. 1500 Crores, witnessing improvements in the quality of business and strong profitability through an EBITDA of over Rs. 80 Crores, growing 32% YoY

Mumbai, India, November 06, 2023:

FSN E-Commerce Ventures Limited (referred as “Nykaa” or the “Company”), today announced its financial results for the quarter ended September 30, 2023.

Financial Highlights:

- The consolidated revenue from operations grew at a strong pace of 22% YoY, totaling ₹ 15,070 million for the quarter. This is despite the festive season witnessing a delay this year, moving into October versus commencing in September last year.
- While Gross Margin as a % to revenue from operations is lower by 221 bps YoY, when compared sequentially, to Q1 FY24, the gross margin profile is stable.
- The quality of the business continues to witness improvements. EBITDA margin expanded to 5.4% for the quarter, a growth of 32% YoY on the back of both direct and indirect costs efficiencies. Fulfilment cost as a % to revenue stood at 9.7% for the quarter, compared to 11.8% in Q2 FY23. Similarly, employee expense as a % to revenue stood at 9.0% for the quarter, compared to 9.9% in Q2 FY23, witnessing improvements through the last few quarters.
- PBT and Net Profit for the quarter both grew over 50% YoY and stood at ₹ 133 Million and ₹ 78 million, respectively.
- Financial Highlights Summary:
 - **GMV** grew 25% YoY to ₹ 29,435 million in Q2 FY2024
 - **NSV** grew 24% YoY to ₹ 14,983 million in Q2 FY2024
 - **Revenue from Operations** grew 22% YoY to ₹ 15,070 million in the quarter.
 - **EBITDA** grew 32% YoY to ₹ 806 million in Q2 FY2024.
 - **EBITDA margin** was 5.4% in Q2 FY2024 vs 5.0% in Q2 FY23, an expansion of 38 bps.
 - **Profit before Tax** grew 51% YoY to ₹ 133 million in Q2 FY2024 and,
 - **Net Profit for the Period** grew 50% YoY to ₹ 78 million.

Business Highlights:

Beauty & Personal Care (BPC)

- The consolidated BPC GMV grew at 23% YoY, with an NSV growth of 19% YoY. Discounting has increased in this category due to proliferation of a number of home-grown brands as well as increasing number of international brands making India a priority market. Physical retail business continued to expand in post-covid world on the back of 13 new stores launched in the quarter, totalling 165 stores as of September 30, 2023. The retail business now constitutes 8% of the overall BPC GMV. Our owned brands in beauty experienced NSV growth of close to 21% YoY.
- The festive season is a big driver for consumption in beauty category and a shift of around 20 days in the festive calendar has resulted in some growth being impacted for the quarter. H1 FY24 BPC performance sets up Nykaa well for the year with second half historically witnessing superior consumer demand.
- July 2023 saw a successful flagship sale event “Hot Pink Sale” where GMV for the sale grew by 37% YoY. The sale event witnessed a number of firsts - creating unique engagement with the customers through initiatives such as gamification features and early access for Prive customers.
- As a category leader, we continued our mission to improve the beauty consumption and adoption in India through events like Nykaaland, India’s first beauty festival hosted in Mumbai which saw 15,000+ attendees immerse themselves in beauty experiences over 2 days in early November.
- We conceptualised “CSMS” – India’s daily skin care routine, developed through our deeper understanding of the Indian consumer needs and regime they follow. We collaborated with more than 100+ dermatologists to educate the customer about the importance of CSMS routine, specifically for Indian skin types. The campaign saw strong reach and engagement, achieving 123 million impressions, creating guided selling in this skincare routine which led to a strong growth of Serum and Sunscreen category by 35% YoY and 85% YoY respectively.

Fashion

- The consolidated revenue from operations in fashion business now stands at ₹1,305 Million a growth of 28% on a YOY basis. This was on the back of strong growth of 32% YoY in NSV in Q2 FY2024, led by an increase in annual unique transacting customer (AUTC) which grew at 30% YoY to 2.8 million as on September 30, 2023.
- Our fashion business continues to scale with improving profitability. Contribution margin as a % to NSV for Nykaa Fashion was at 4.7% in Q2 FY2024 vs 2.3% in Q2 FY2023, supported by improvement in our pre delivery leakages and marketing expenses.

- The marketing costs and customer metrics in fashion business continue to see goodness supported by the healthy growth of repeat customers with 46% of the Nykaa Fashion GMV coming from existing customers vs 35% a year ago.
- Nykaa Fashion experienced very promising growth on the back of the long-term investments we have made in building the platform capabilities and in business positioning as a destination of choice for fashion conscious buyers. Operational excellence are showing results through improving customer retention, increasing user conversion and overall shift in unit economics.
- “Hot Pink Sale” event in July 2023, resulted in strong engagement from 9 million unique visitors during the event. The sale witnessed over 18 Million visits with a order to visit conversion of 1.3%.
- Nykaa Fashion launched a curated ‘Gen Z Store’ offering more than 30,000 styles across over 250+ brands such as Cider, Tally Weijl. We’ve also launched our own Gen Z brand, Mixt, to tap into an underpenetrated customer segment in India.
- Fashion owned brands continued to grow with NSV of ₹446 Million for the quarter, a growth of 44% YoY. The key brands include Nykd (Lingerie), Twenty Dresses and RSVP (Western wear), Gajra Gang and Likha (Indian wear) and Pipa Bella and IYKYK (Accessories).

Others/New Businesses

- New businesses at Nykaa, which includes Superstore by Nykaa, witnessed NSV of ₹986 Million for the quarter, growing at 105% on a YoY basis. Superstore business has scaled up to serving almost 1.3 Lakhs transacting retailers across 770 cities as on September 30, 2023.
- The new business vertical also saw significant YoY improvement in contribution margin as a % of NSV – improving from -33.4% in Q2 FY23 to -14.8% in Q2 FY24. This is supported by operational improvements in this vertical – with key cost levers of Fulfilment Expenses, Marketing and Advertising expenses, and Selling and Distribution Expenses, all witnessing significant improvements. The benefits of scale are likely to continue and expand in the future.
- Others include our new businesses eB2B platform Superstore by Nykaa, Nykaa Man, International, content led platform LBB and our wellness brand Nudge.

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

About Nykaa:

Nykaa (FSN E-Commerce) was founded in 2012 by Indian entrepreneur Falguni Nayar with a vision of bringing inspiration and joy to people, everywhere, every single day. Derived from the Sanskrit word ‘Nayaka’, meaning one in the spotlight, Nykaa has emerged as one of India’s leading lifestyle-focused consumer technologies platforms. Since its launch, Nykaa expanded its product categories by introducing online platforms Nykaa Fashion, Nykaa Man, and Superstore. Delivering a comprehensive Omnichannel e-commerce experience, Nykaa offers over 6,000 brands its website and mobile applications. The Nykaa Guarantee ensures that products available at Nykaa are 100% authentic and sourced directly from the brand or authorized retailers. Through engaging and educational content, digital marketing, social media influence, robust CRM strategies, and the Nykaa Network community platform, Nykaa has built a loyal community of millions of beauty and fashion enthusiasts. Over the years, Nykaa has received many accolades for disrupting the beauty market. At the 17th India Business Leader Award in 2022, Nykaa was awarded as the Disruptor of the Year and Kantar’s Brandz List features Nykaa as one of most valuable brands in India. www.nykaa.com

For media enquiries, please contact pr@nykaa.com