



February 06, 2024

**National Stock Exchange of India Limited**  
**Symbol: NYKAA**

**BSE Limited**  
**Scrip Code: 543384**

Dear Sirs,

**Subject: Press Release**

We are enclosing herewith the press release being issued by the Company regarding the Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2023.

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

Kindly take the same on record.

**For FSN E-Commerce Ventures Limited**

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



FSN E-Commerce Ventures Limited  
Quarter ended December 31, 2023 – Media Press Release

**Strong growth in Consolidated GMV at 29% YoY; Continuous improvement in profitability with EBITDA growth of 26% YoY and PAT growth of 106% YoY**

Mumbai, India, February 06, 2024:

FSN E-Commerce Ventures Limited (referred as “Nykaa” or the “Company”), today announced its financial results for the quarter ended December 31, 2023.

### Financial Highlights:

- Financial Highlights Summary:
  - **GMV** grew 29% YoY to ₹ 36,194 million in Q3 FY2024
  - **Revenue from Operations** grew 22% YoY to ₹ 17,888 million in the quarter.
  - **Gross Margin** grew 20% YoY to ₹ 7,607 million in the quarter. Gross Margin stood at 42.5%.
  - **EBITDA** grew 26% YoY to ₹ 988 million in Q3 FY2024.
  - **EBITDA margin** was 5.5% in Q3 FY2024 vs 5.3% in Q3 FY2023. **Adjusted** for ESOP and new Business expenses (multi-brand retail operations in GCC, ‘Nysaa’), **EBITDA margin was 6.1%** for Q3 FY2024
  - **Profit before Tax** grew 109% YoY to ₹ 265 million in Q3 FY2024 and,
  - **Net Profit for the Period** grew 106% YoY to ₹ 175 million.
  - **PAT Margin** was 1.0% in Q3 FY2024 vs 0.6% in Q3 FY2023.
- The consolidated revenue from operations continues to grow at a strong pace of 22% YoY, totaling ₹ 17,888 million for the quarter.
- We continue to drive improvement in profitability. EBITDA margin expanded to 5.5% for the quarter, a growth of 26% YoY driven by direct and indirect costs efficiencies. Fulfilment cost as a % to Revenue stood at 9.6% for the quarter, compared to 10.7% in Q3 FY2023. Similarly, employee expense as a % to Revenue stood at 8.3% for the quarter, compared to 8.7% in Q3 FY2023, witnessing improvements through the last few quarters.
- During the quarter, we rolled out the ESOP grants for critical and top talent across the organization levels, which is now reflecting in our employee expenses. Adjusted for ESOP and new business expenses (multibrand retail operations in GCC, ‘Nysaa’), our **EBITDA margin would have been 6.1%**.
- PBT and Net Profit witnessed strong growth of 109% YoY and 106% YoY, and stood at ₹ 265 Million and ₹ 175 million, respectively.

### Business Highlights:

#### Beauty & Personal Care (BPC)

- The **consolidated BPC GMV witnessed an industry leading growth of 25% YoY**, as we continue to gain share while being the largest specialty beauty retailer of the country. NSV growth stood at 20% YoY primarily due to higher discounting by brands in mass and masstige segment.
- Physical retail footprint continues to expand with 39 new stores launched over the last 4 quarters, totalling 174 stores as of December 31, 2023. The retail business now contributes to over 9% of the overall BPC GMV while also continuing to improve profitability. This is reflected in EBITDA improvement of 35% YoY. Our retail stores are critical to omnichannel strategy of premium brands. 85+ premium brands are present across our store network and contribute over 2/3<sup>rd</sup> to our offline GMV.
- Our owned brands in beauty experienced a strong GMV and NSV growth of 40% YoY and 36% YoY respectively with 3 brands witnessing significant scale. **Dot & Key – our new age D2C skin care brand is now at a Rs. 5,000 million GMV run rate**, scaling 8x since its acquisition. Nykaa Cosmetics continues to receive much customer love and has achieved a Rs. 4,000 million GMV run rate. Kay Beauty, India’s largest celebrity beauty brand, has witnessed rapid growth and acceptance, achieving over Rs. 2,000 million GMV run rate, within 4 years of launch.
- **Nykaaland hosted in Nov 2023, was India’s biggest beauty festival** held in Mumbai over 2 days, which saw 15,000+ attendees and participation from a unique assortment of 80+ global and local brands across categories. The first-ever festival featured brand booths, along with masterclasses, interactive games, installations, music, food and more. Close to 5,000 participants attended 12 masterclasses hosted by industry experts. Acclaimed american makeup artist Mario Dedivanonic brought his masterclass to India for the first time at the festival. This innovative first of its kind event, received overwhelming positive response from both brands & consumers. The event generated significant online reach with over 5.5 billion impressions.

#### Fashion

- This **fashion GMV witnessed a strong growth of 40% YoY** led by strong growth across all metrics. Our annual unique transacting customer (AUTC) grew at 23% YoY to 2.9 million, Order growth at stood at 19% YoY and AOV were up 18% YoY, as on December 31, 2023.
- Our fashion business is showing consistent improvement in profitability reflecting our platform strength and quality of our customers. **Contribution margin as a % to NSV for Nykaa Fashion improved by 510 bps** and stood at 6.0% in Q3 FY2024 vs 0.9% in Q3 FY2023. This was supported by strong improvement in our marketing expenses, down to 23.9% vs 28.6% a year ago.
- During the quarter, we entered into a **long-term strategic partnership with Foot locker**, a New York-based specialty athletic retailer. Nykaa Fashion will serve as the **exclusive e-commerce partner** and operate Foot Locker's India website and retail authorized merchandise on Foot Locker branded shop on Nykaa’s existing ecommerce platforms. This partnership strengthens Nykaa’s position as a destination for premium curated assortment.

### Others/New Businesses

- New businesses at Nykaa, which includes our distribution business, (which primarily constitutes Superstore by Nykaa), Nykaa Man, International, content led platform LBB and our wellness brand Nudge, continues to further our BPC industry reach. New Businesses NSV of ₹1,309 million at Q3 FY2024, is now a meaningful share of business.
- The distribution business **continues to grow exponentially, with NSV growth of 88% YoY** during Q3 FY2024. Within 2 years of launch, Superstore scaled up over 31x on GMV and now serves almost 1.5 Lakhs transacting retailers across 950 cities as on December 31, 2023.
- The distribution business has achieved scale with improving profitability with **contribution margin as a % to NSV improving 766 bps YoY**. This is supported by several initiatives which led to improvement in pre delivery leakages, optimization of fulfilment and selling & distribution expenses.

### Pink Friday Sale

- This year our annual flagship sale “Pink Friday Sale” was hosted in Nov 2023 across our online platforms – Beauty, Fashion & Man as well as our offline stores. This unified sale across platforms has brought in record numbers this year, with about **50 million unique visitors across our platforms and stores in 10 days**.
  - **Beauty:** Being India’s largest beauty sale, the beauty numbers have witnessed exponential growth scaling 10x over the last 5 years. The rise of disposable incomes driving premiumization is evidenced strongly by the demand for luxury products witnessed during this Pink Friday. Premium and Luxury brands outperformed contributing 1/3<sup>rd</sup> to overall GMV and growing at 32% YoY.
  - **Retail Stores:** The growing love for Pink Friday Sale led to 50% increase in footfall compared to regular days. With higher conversions, the GMV grew even faster than footfalls, witnessing 67% YoY growth.
  - **Fashion:** “Pink Friday Sale” for fashion has scaled significantly with 5x GMV growth over last 2 years and has grown over 85% YoY. This was driven by strong improvement in order conversion along with Women’s western wear and bag and footwear category outperforming, with GMV growth of 120%+ and 150%+ YoY respectively.

### Other announcements

The Company’s board has approved group business restructuring initiatives towards bringing operational synergies by streamlining business operations across entities.

- **Further investment by the Company in Nykaa Fashion Limited by way of rights issue:** FSN E-Commerce Ventures Limited is infusing additional equity into Nykaa Fashion Limited to be utilised for repayment of loans given by the Company.
- **Acquisition of Lingerie & Athleisure business by way of slump sale from Nykaa Fashion Limited to FSN E-Commerce Ventures Limited:** The board has approved to consolidate the Athleisure and Lingerie business of Nykaa Fashion Limited, which is a wholly owned subsidiary of the Company, into FSN E-commerce Ventures Limited. This will help to streamline and consolidate owned brand business in a single entity in a phased manner, similar to beauty owned brands business which are already within FSN E-commerce Ventures Limited.
- **Demerger of eB2B business from FSN Distribution to Nykaa E-Retail:** The board has approved demerger of eB2B business “Superstore by Nykaa” from FSN Distribution Limited to Nykaa E-Retail Ltd. This will help consolidate our online beauty business in a single entity. The proposed demerger will drive synergies in two businesses which have common physical and technology infrastructure, common brand partners as well as are involved in the retail/distribution of common products. The scheme is subject to necessary regulatory and stakeholder approval.

For further details, please refer the stock exchange filing regarding the matter.

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 has expanded its product categories by introducing online platforms Nykaa Fashion, Nykaa Man, and Superstore. Delivering a comprehensive Omnichannel e-commerce experience, Nykaa offers a wide selection of products from over 6,200+ brands through its digital platforms and across 174 retail stores. 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.

[www.nykaa.com](http://www.nykaa.com)

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