



August 25, 2025

National Stock Exchange of India Limited

BSE Limited

Symbol: NYKAA

Scrip Code: 543384

Dear Sir/Madam,

Sub: Chairperson's Speech made at the 13th Annual General Meeting held on August 25, 2025

Please find enclosed herewith the Chairperson's Speech delivered at the 13th Annual General Meeting of the Company held today i.e., August 25, 2025.

We request you to take the same on record.

Thanking You.

Yours faithfully,

For FSN E-Commerce Ventures Limited

Neelabja Chakrabarty
Company Secretary and Compliance Officer

Encl: a/a

CHAIRPERSON'S SPEECH AT THE 13TH ANNUAL GENERAL MEETING

Good morning, ladies and gentlemen,

It is my great honour to welcome you all to Nykaa's 13th Annual General Meeting. On behalf of the Board of Directors, I would like to thank each of you for taking out the time to join us today.

Before we talk about Nykaa's performance, I would like to discuss the massive Indian opportunity and the incredible economic landscape we operate in.

India is among the fastest-growing major economies in the world, on a clear trajectory to become the 3rd largest economy with a projected GDP of over \$6 trillion by FY30.

The country's per capita income is expected to more than double — reaching \$4,500 by FY30. India's projected GDP per capita CAGR of 8-9% for the next five years significantly outpaces the 3-6% growth expected in other leading economies.

This rise in GDP per capita is fueling a consumption boom in India. The retail market has already grown 1.3 times from FY20 to FY25. Over the next five years, the market is set to surpass \$1.6 trillion by FY30.

India is currently the third-largest global retail market and is expected to grow faster than other large economies like China and the US over the next 5 years.

Moving on, let's talk about the massive opportunity that e-commerce presents.

In FY25, Indian e-commerce market has reached \$60 billion, with Beauty and Fashion categories making up a significant 35% of that entire mix. Looking ahead, this market is set to reach \$190 billion by FY30.

Beauty and Fashion are set to be the primary drivers of future growth, with potential of making up 40% of the market by FY30 which means Beauty and Fashion alone will be bigger than the entire ecommerce market of FY25.

This demonstrates the long-term potential of the categories we specialize in, placing us right at the centre of India's e-commerce revolution.

This growth in ecommerce is going to be fueled by the evolving consumer demographics as well as democratization of technology.

India already has 280 million online shoppers — at par with the USA — and this base is set to surge past 400 million by 2030.

A key driver of this digital wave is our nation's youth. The digital-native Gen Z shopper base is poised to drive nearly half of India's consumption. They prefer platforms that are curated and discovery-led—a space where we have a clear advantage

Nykaa is well positioned for success as we are operating in this high growth environment where BPC and Fashion are the fastest-growing categories in discretionary consumption.

The online BPC market alone is projected to grow threefold from FY25 to FY30, reaching \$15 billion. Similarly, the Online Fashion market is projected to more than triple in the same period, reaching \$60 billion.

Dear shareholders, now, let's look at Nykaa's performance in FY25

I am thrilled to share that Nykaa has delivered another year of strong performance in FY25, continuing our trajectory of robust growth.

We have grown ahead of the Indian e-commerce market, with a GMV of ₹15,600 crore — delivering 25% YoY growth and a 42% GMV CAGR over the last five years, compared to the industry's 20%.

Our YoY growth story is underscored by consistent expansion in our omnichannel business along with increased diversification over last 5 years

In just five years, we've grown our GMV six times over and today our beauty vertical stands at roughly 75% and Fashion makes up for the remaining 25%.

To sum it up, FY25 has been a milestone year for us.

We closed FY25 with over \$1.8 billion in GMV across all our platforms.

We serve our 42 million customers through our four platforms. With 250 stores across 82 cities, we are the largest specialized beauty retailer in the country.

We have over 9,000 brands across beauty and fashion

We already had very strong fulfilment capabilities. With 'Nykaa Now', we're now delivering beauty products in as little as 30 to 120 minutes across our Top 7 cities.

We have built a comprehensive ecosystem, and it will continue to drive our growth in the years to come.

Now let me begin with our Beauty Vertical

Our beauty vertical had an impressive year, reaching a GMV of close to 11,800 crores. This represents a 30% YoY growth and an incredible 5x growth in the last 5 years

We have a cumulative customer base of over 34 million, who placed more than 54 million omnichannel orders in FY25.

This is a testament to the love Nykaa receives from customers and the deep trust they place in us.

We have further solidified our position as the #1 partner for global beauty brands to enter India. We have the highest number of brand launches in FY25, including some renowned global brands such as NARS, Kérastase, YSL, Eucerin, Obagi, and Dr. Jart.

The world's biggest beauty brands are betting big on India as it rapidly becomes a key market — evident from the number of global brands we launched in last few months. This momentum will only accelerate, as we continue to play a crucial role and remain the partner of choice for global brands to build their business in India.

We've spent the last decade building a truly omnichannel beauty ecosystem, one that spans across all channels to serve the modern Indian consumer.

We believe that focus on both online and offline retail — is critical for both beauty brands and beauty consumers.

Today, we are proud to announce that we have crossed the 250 stores milestone. This makes us the largest network of beauty specialty stores in India, with a presence in 82 cities. Our physical retail business is not only expanding its footprint, but it is also doing so profitably.

These are the 3 different types of store format we have — Nykaa Luxe, Nykaa On Trend and Nykaa Kiosk.

These stores are more than just points of sale; they are destinations that offer immersive and curated experiences.

They are now becoming destination for indulgence and discovery. Customers can now enjoy experiences like makeovers, skin consultations, hair styling, and even nail spa services.

For over a decade, Nykaa has been instrumental in building the beauty category in India.

Our flagship event, Nykaaland, India's biggest beauty festival, was a resounding success with attendance of over 25,000 beauty enthusiasts and over 1,000 content creators

Our Nykaa Wali Shaadi campaign has made Nykaa synonymous with all things wedding. This show was among the top 10 shows on OTT platforms for several weeks.

I am excited to introduce our new initiative to strengthen our fulfilment capabilities - Nykaa Now.

Nykaa Now is available across the top cities delivering beauty to our customers in 30 to 120 minutes.

What truly differentiates Nykaa Now is our unparalleled assortment. It offers the largest and most comprehensive selection of beauty and has delivered 1.3mn orders till date.

Now I would like to share a video showcasing Nykaa Now.

In this section, we will cover our House of Nykaa

Our House of Nykaa represents a diverse portfolio of unique brands across categories and over the last five years, this portfolio has scaled 8x, reaching a GMV of over ₹2,100 crore. In Q1, we are already at ₹2,700 crores GMV on an annualized basis

This slide highlights our milestones over the last five years, from the launch of Kay Beauty - India's most loved celebrity brand with Katrina Kaif to strategic acquisitions of brands like Dot & Key and Earth Rhythm.

Now I would like to share a video on House of Nykaa

I'm proud to announce that the House of Nykaa now stands as India's second-largest homegrown beauty portfolio — comprising 7 brands, generating over ₹1,700 crore in GMV, serving 13 million customers.

Let us now talk about some of these brands

Nykaa cosmetics is India's trendiest brand for the youthful beauty consumer of today and tomorrow.

Kay Beauty in partnership with Katrina Kaif, is India's first and most successful celebrity beauty brand

I'm delighted to share a proud milestone for us all — Kay Beauty is set to make its historic UK debut with an exclusive launch at Space NK.

Kay Beauty is the very first beauty brand founded in India to join Space NK's carefully curated global portfolio. With this launch, we're taking one of India's biggest beauty success stories to the UK's most prestigious luxury beauty retailer

Next is Dot & Key, India's largest and most loved skincare brand, which has scaled to a GMV of more than ₹900 crore in FY25

Now let's talk about 2 of our Fashion brands.

Nykd by Nykaa is a brand that truly simplifies lingerie for Indian women, making comfort and style effortlessly accessible

Twenty Dresses offers chic and trendy western wear collection to match many moods of everyday life.

Next, I would like to talk about our eB2B platform, Superstore by Nykaa.

This technology-driven B2B platform empowers retailers across India with a wide beauty and personal care assortment while helping brands expand their reach as well as improving end consumer access. In just three years, it has quickly scaled to truly serve the underserved via technology.

In FY25 Superstore's GMV has scaled to ₹941 crore. It now serves 2.8 lakh transacting retailers across 1,100 cities. Order volumes have also tripled during this period, with nearly 89% of sales coming from Tier-2 and smaller markets.

Traditional distribution networks struggle to meet this demand—and that's where Superstore plays a critical role. We empower underserved retailers with access to a broad portfolio of over 200 national, regional, and D2C brands.

At the same time, we enable brands of all sizes to reach consumers across the country, truly democratizing distribution.

The business also witnessed significant improvements in its unit economics over the course of the year – with a contribution margin improvement of over 484 bps in FY25

The primary drivers for improvement were higher gross margins, improved fulfilment costs and improved sales team productivity.

To summarize, Superstore has scaled well with clear path to profitability.

Now let's move on to the Fashion vertical.

Nykaa Fashion continued to deliver healthy growth with a GMV of 3800 crore this year – outpacing the broader online fashion industry growth, despite a muted consumption environment.

Our cumulative customer base has grown to 8 million, and in FY25 alone, we fulfilled about 8 million orders.

We launched Nykaa Fashion to meet two key market needs: the vast potential of the fashion industry and a growing consumer desire for a trend-focused, premium shopping experience. We've stayed true to this vision, focusing on curating a high-quality assortment and enabling discovery.

As per 3rd party surveys, we are the second-most preferred platform of choice amongst consumers and the number one most preferred platform of choice for latest trends and style.

Nykaa Fashion enjoys Best-in-class AOV and High New Season Sales, both of which are 2X the industry average.

Over the past few years, we have built our assortment to reflect presence and availability across brands and categories. Most of the national brands retail on our platform and enjoy significant sales through Nykaa Fashion. These are some of the brands.

Last couple of years have witnessed the launch of some of the strongest D2C brands on Nykaa Fashion and have very quickly scaled on our platform

For years, Nykaa Fashion has been known to bring homegrown, niche brands to the forefront through our Hidden Gems property, showcasing the best of what our country has to offer to millions of customers.

And finally, our House of Nykaa brands find immense consumer love and add significant value to the platform in key categories

Beyond national partnerships, Nykaa Fashion is the destination for premium and global fashion in India.

Our platform now offers over 1,000 international brands, bringing the world's most sought-after fashion directly to our customers' fingertips.

We have also established strong relationships with leading global retailers.

We not only brought their assortment to India but also integrated our platforms through innovative B2B2C cross-border integration, full-stack solutions, and multi-marketplace models.

To further elevate the consumer shopping experience, we created the Nykaa Fashion Edit which provides a content-led discovery journey and offers curated stores by stylists.

This feature allows customers to shop by occasion, trends, and even through influencer-curated collections, making it easier than ever to discover new looks.

Our objective is clear: to maintain our position as India's #1 trend and style-first shopping platform.

Nykaa Fashion continues to build assortment with marquee brands across categories - from GenZ store to men & kids to home & accessories

We have been scaling with improving profitability.

Fashion has witnessed a steady and strong margin improvements. Our gross margin has risen, reaching 49% in FY25, and our EBITDA margin has shown remarkable progress, moving from a negative 28.3% in FY20 to negative 8.3% in FY25.

Moving on, let us reflect on our recent developments in Technology

I am very proud of Nykaa being an extremely agile organization— it has been one of the key pillars to our success. We have been at the forefront of being able to very quickly capture every new opportunity and adapt to our customers' evolving needs.

This year will see our organization transform rapidly, with us making best use of the transformative new AI developments happening across the globe.

We are reimagining all our key journeys end to end – be it product discovery for consumers, our ability to resolve customer queries, pace of our tech releases or solutions for brand partners and much more.

What gives us a strong edge is our existing understanding of our consumers, their preferences and behaviors which enable us to create feedback loops resulting in strong personalization capabilities. I'd like to share few examples of what we are building.

We are taking search to the next level – Through GenAI capabilities, we are bringing content, education and personalization together to transform traditional search and create meaningful journeys for our consumers who are seeking answers from us for a product, a concern, a trend or anything else.

The unique content and educational information we create, such as the CSMS routine, our knowledge of the customer such as brand and category affinities and the AI models bring this all together to create powerful, meaningful responses for all consumers

Fashion is an extremely long tail category, where the breadth of options allows ecommerce to find such strong success. Customers are looking to Nykaa Fashion as a source for the right trend, and in fact the right outfit.

I am excited to talk about the next initiative, Nykaa Muse, a personal AI stylist for every single customer. Through our understanding of the consumer as well as ability to read between the lines of every customer query, Nykaa Muse can drive inspiration for every occasion in our consumer's lives.

An increasing share of our codes are now written by AI.

This video shows how a UX screen that would have taken days to build has been generated in only minutes. We expect our speed of execution to increase dramatically and have taken an internal goal of 50% code generation through AI by the end of the year, well ahead of industry benchmarks.

These examples were a glimpse of how AI has truly been given a seat at every meeting we have. Today, we have 40+ GenAI initiatives spanning customer experiences, tech product development, and productivity across functions from service to operations to finance to much more

I am excited for the immense opportunities these transformative technologies are creating for Nykaa.

Moving on, let us look at Nykaa's financial performance in FY25

We have achieved strong growth in both revenue and profitability.

Our revenue has seen a remarkable 35% five-year CAGR. In FY25 alone, we delivered a 24% YoY growth, reaching nearly ₹8,000 crores.

Our EBITDA has grown even faster, with a 41% five-year CAGR, demonstrating our focus on building a sustainable and efficient business. Our EBITDA margin expanded to 6.0% in FY25, a testament to scaling our business with the right unit economics.

We have consistently improved capital efficiency and delivered healthy returns. Our ROCE has improved to 11.3% in FY25 from 7.5% in FY24.

Our disciplined approach and capital efficiency has allowed us to build a large and growing lifestyle ecosystem with a total capital raise of only \$140mn in the entire journey of Nykaa.

And finally, we are committed to making choices that create positive impact all around us. As we grow, we are building a future that is responsible and sustainable

Everything we do as an organization, big or small actions, business or otherwise, are driven by our six core values. We aim to drive the right culture and values across our teams and people and I am proud of the integrity, strong work ethic and holistic thinking displayed by each Nykaaite in our company.

The unique proposition of Nykaa is built on our expansive ecosystem, which connects brands, suppliers, and vendors into a single, cohesive network.

Along with driving direct employment for over 13,000 people - We are incredibly proud of our ability to support and be a part of the journey of many more individuals and SMEs— such as beauty creators, independent beauty professionals, vendors, suppliers, independent retailers through Superstore – and many more.

We are deeply committed to building a sustainable and responsible organization

We have taken significant efforts to drive operational efficiencies to create a positive environmental impact.

I am happy to share that we have made significant strides in this area with 96% of packaging materials coming from sustainable materials in FY25.

We have also recycled 160 metric tonnes of plastic in FY25

In the Superstore business we are re-using packaging materials we receive from brands to further fulfil orders to retailers. We reused over 1.5 million brand boxes to fulfil orders in FY25.

In House of Nykaa warehouses – 100% of the corrugated boxes are reused.

As our organization has scaled rapidly, we've remained committed to nurturing a workforce that is both diverse and inclusive.

Women make up 43% of our team, contributing meaningfully at every level of the company.

Women comprise over 60% of our workforce in Beauty & Fashion Category Management, Marketing, and HR. In 2025, we were honored to be recognized among the best workplaces for women by ET Now—a reflection of our ongoing mission to build an inclusive culture.

At Nykaa, our core values shape a culture that prioritizes employee growth and development. From recognizing performance and value champions with the Chairperson's Annual Award to providing opportunities for

continuous learning and development, we are committed to our people.

Nykaa is deeply committed to employee well-being and has introduced these initiatives to support it.

The Nykaa Foundation, our CSR arm, focuses on multiple initiatives to support and uplift the most vulnerable communities.

We've partnered with several NGOs, positively impacting lakhs of lives over 5 years.

Here are some of the key initiatives undertaken by the Nykaa Foundation.

With its focus on women empowerment, Nykaa Foundation has successfully helped over 11,500 women, helping them build careers and financial independence.

Nykaa Foundation provided access to quality education, impacting more than 25,000 students.

We are uplifting communities through our community empowerment efforts

To conclude, this has been another remarkable year in Nykaa's journey. We have not only reinforced our position as a leader in the industry but have done so by consistently being at the forefront of what's next. Our agility and consumer-first approach will continue to guide us as we unlock new opportunities in the beauty and fashion industry. We look forward to what Nykaa can achieve and be for its consumers.

As we close this year, I would like to express my sincere gratitude to all of you.

On behalf of the company, I want to thank all our shareholders, investors, partners, suppliers, Nykaaites, and, most importantly, our customers for your unwavering faith and continued support.

Our 42 million and counting customers are at the heart of everything we do, whose trust in our platform has been the foundation of our growth and continued success. We remain committed to serving you better everyday with every click and every order, thank you for letting Nykaa be a part of your lives. Thank you so much.