

Company Introduction

BeautyX Trade

Expanding Your Beauty Brand Globally

I. BeautyX Executive summary

- BeautyX Trade is a leading beauty distribution company that helps Korean beauty brands successfully enter the Global cosmetics markets, including Russian, European, GCC & Indian markets.
- BeautyX has a network of more than 20,000 stores, including leading retailers such as L'Etoile, Douglas, Gold Apple, Rossmann, Alshaya Group and more more with an accumulated revenue of 30 bln USD.
- Our team of experts has extensive knowledge and experience in the global beauty market, and we work closely with our clients to develop customized solutions that meet their unique needs and goals.



I. BeautyX Services:



- At BeautyX Consulting, our mission is to help our clients achieve success in the global FMCG markets by providing them with customized solutions and unparalleled expertise.

I. Team & Resources:

Experienced team with access to cutting-edge marketing tools:

- Our team members have extensive experience in launching cosmetics brands from Asia in the Russian, Indian & GCC markets, including successful partnerships with the biggest retailers.
- We have a deep understanding of the beauty industry and the preferences of local consumers, which allows us to develop effective marketing strategies and tailor our approach to the market.
- Our team members have access to the latest marketing intelligence tools and data, including the best marketing data available to-date. This allows us to make data-driven decisions and stay ahead of the competition.
- We work very close with our partners in each of the markets & are trusted for always providing the best services.

I. Brands we work with:

Dr. Althea

SKINFOOD
since 1957

BENTON

Celluver
— LOVE PERSONALITY CARE —

EcoBe

d'Alba
p i e d m o n t

Cos De
BAHA

W.DRESSROOM
NEW YORK

AROMATICA

mixsoon

PETITFÉE
koelf
COSMETIC®

Buend⁺

TOUN28

PURE MELLOW
COSMETICS

NEOGEN
D E R M A L O G Y

unleashia

filli^Willi

NARD

S K I N 1 0 0 4

Pyunkang Yul

+
SUR.
MEDIC

Russia

- Business Offer

I. BeautyX Business network in Russia:

- BeautyX **covers all major retailers** in Russia in mass, mass premium and premium segments.
- Total stores covered by the network is more than **20,000 stores**.
- BeautyX also offers brands **online listings** on major Russian e-commerce channels: Ozon, Wildberries, Joom.
- Below is the list of some of the biggest distribution channels in Russia, but BeautyX network isn't limited to those.

<u>Retailer:</u>	1. L'Etoile	2. Podruzhka	3. Gold Apple	4. Watsons	5. Rive Gauche	6. Illedebeaute	7. X5 Group
I. Stores	1000	200	30	47	201	88	20,000
II. Revenue, 2021 (USD)	1,04 billion	195 million	624 million	13 million	442 million	195 million	28,6 billion
III. Target market	Mass Premium, Premium	Mass	Mass, Mass Premium, Premium	Mass	Mass Premium, Premium	Premium	Mass

II. RUSSIA: Market Overview

- Market trends & customer preferences



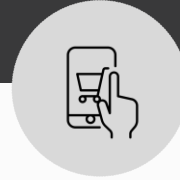
1. Natural Products

- A shift towards more natural & sustainable beauty products, with consumers becoming more conscious of ingredients and the environmental impact of products.



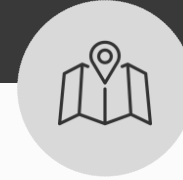
2. H&B retailers - leading channel

- Beauty products are primarily sold through store-based retailers with health and beauty specialist retailers being the dominant sales channels.



3. Growing e-Commerce

- Increasing popularity of online shopping for beauty products, with e-commerce platforms such as Ozon, Wildberries, and Lamoda gaining popularity.



4. Korean beauty

- Korean beauty growing in popularity in Russia, perceived as high quality and fair price market offer.

II. RUSSIA: Market Overview

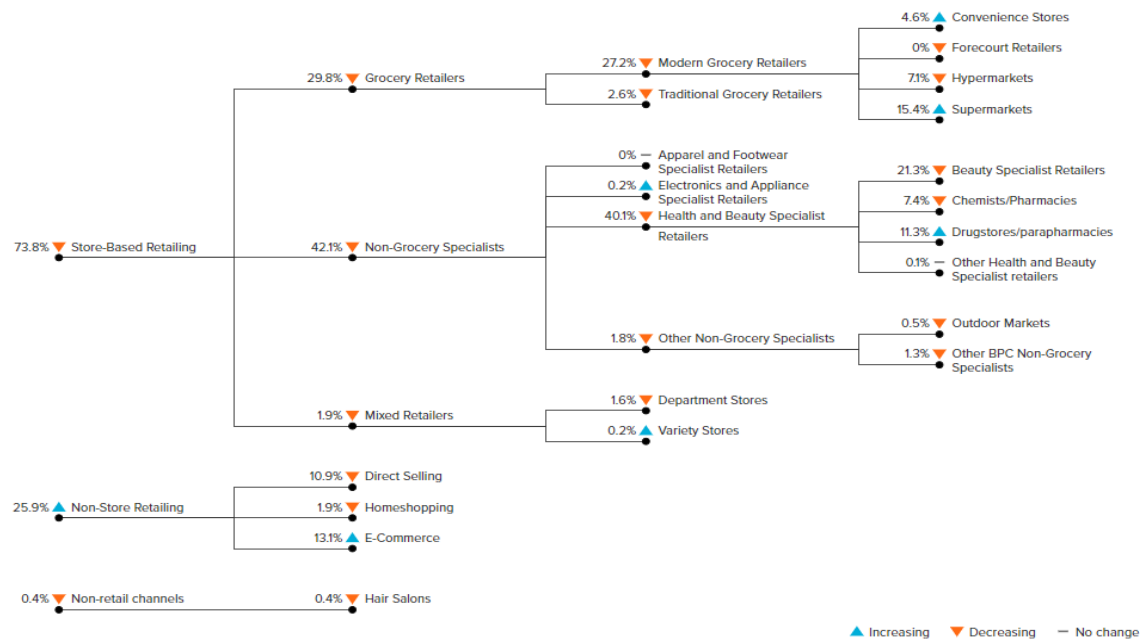
- Revenue in the Beauty & Personal Care market amounts to €10.8bn in 2021. The market is expected to grow annually by 1.60% (CAGR 2023-2027).
- The market's largest segment is the segment Skin Care with a market volume of €2.04bn in 2021.

	Million (RUB)	Market Volume (USD)	Market Share	
Baby&Child-specific Products	28 731,20	\$ 402 236 800,00	4%	
Bath and Shower	46 100,20	\$ 645 402 800,00	6%	
Color Cosmetics	85 400,10	\$ 1 195 601 400,00	11%	3
Deodorants	28 394,10	\$ 397 517 400,00	4%	
Depilatories	8 439,70	\$ 118 155 800,00	1%	
Fragrances	91 911,90	\$ 1 286 766 600,00	12%	
Hair Care	123 790,20	\$ 1 733 062 800,00	16%	2
Men's Grooming	88 825,80	\$ 1 243 561 200,00	11%	
Oral Care	65 442,60	\$ 916 196 400,00	8%	
Oral Care Excl Power Toothbrushe	60 274,30	\$ 843 840 200,00	8%	
Skin Care	143 120,70	\$ 2 003 689 800,00	18%	1
Sun Care	5 524,60	\$ 77 344 400,00	1%	
Total	775955,4	\$ 10 863 375 600,00	100%	

II. RUSSIA: Market Overview

- Leading channels for Beauty and Personal Care distribution are Health and Beauty Specialist Retailers (40.1%) & Grocery Retailers (29.8%).
- Among the H&B Specialist Retailers the biggest channels are Magnit, Alkor (Letoile stores) & Gold Apple stores.

Channel Distribution for Beauty and Personal Care
Retail Value RSP 2020 and Percentage Point Growth - 2015-2020



Company Shares of Health and Beauty Specialist Retailers

% Share (NBO) - Retail Value RSP excl Sales Tax - 2019

Magnit PAO	8.1%	▲
Alkor & Co OOO	5.0%	▼
Rigla OOO	4.1%	▲
Erkapharm ZAO	3.7%	▲
Aptechnaya set' 36,6 OAO	2.6%	▲
Apteka Service Plus LLC	2.3%	▲
Neo-Pharm LLC	2.3%	▲
Vita OOO	2.1%	▲
FK Aprel LLC	1.8%	▲
Ulybka Radugi OOO	1.8%	▲
Parfum Standard OOO	1.8%	▼
Farmlend LLC	1.5%	▲
Implodziya OOO	1.1%	▼
Edinaya Evropa-Holding G...	1.0%	▼
Mir Krasoty LLC	0.8%	▲
Yves Rocher Vostok OOO	0.7%	▲
Marathon Group	0.6%	▲

IV. RUSSIA: target channels for the launch (RETAIL)

I. Offline:

• L'Etoile

- About: L'Etoile is the leader of the perfumery and cosmetics industry in Russia. For 24 years now, we have been pleasing customers with the best service and the best assortment, professional recommendations and an expert approach
- Launch date: **1995**
- Employees: **12000+ people**
- Business type: retail, e-commerce
- Firm valuation: **\$1.04b (2021)**



• Rive Gauche

- About: Reeve Gosh is one of the largest perfume and make-up retail networks in the Russian market. The company was founded in 1995. As of today, it incorporates over 200 stores, almost half of which are located in Moscow and Saint Petersburg.
- Launch date: **1995**
- Employees: **7500 people**
- Business type: retail
- Firm valuation: **\$442m (2021)**



• Gold Apple

- About: a perfumery chain of beauty stores, headquartered in Yekaterinburg. By May 2022, Gold Apple ranks second in Russia in terms of sales in its segment.
- Launch date: **2006**
- Employees: **6300+ people**
- Business type: retail, e-commerce
- Firm valuation: **\$624m (2021)**



• X-5 Retail Group

- About: X5 Group is Russia's largest retailer. The company operates several retail formats: convenience stores, supermarkets and hypermarkets.
- Launch date: **2007**
- Employees: **340000+ people**
- Business type: marketplace, e-commerce
- Firm valuation: **\$28b**



IV. RUSSIA: target channels for the launch (RETAIL)

I. Offline:

• Podrzhka

- About: One of the leading beauty retailers in Russia that targets a price sensitive customers & has an extensive portfolio of Asian brands.
- Launch date: **2005**
- Employees: **1700 people**
- Doors: 200 stores
- Business type: retail, e-commerce
- Firm valuation: **\$195m (2021)**



• Ile de Beaute (Sephora)

- About: The Ile de Beaute perfume and make-up network was founded in 2001. Today, it is one of the leaders in the field of selective make-up and perfume retail. Ile de Beaute is a part of Sephora company (LVMH group).
- Launch date: **2001**
- Employees: **1000 people**
- Doors: 88 stores
- Business type: retail
- Firm valuation: **\$195m (2021)**



• Parfum lider

- About: a supermarket chain specializes in selling perfumery & cosmetics products in Eastern & Central Russia.
- Launch date: **2004**
- Employees: **2000+ people**
- Doors: 383 stores
- Business type: retail, e-commerce
- Firm valuation: **\$5m (2022)**



IV. RUSSIA: target channels for the launch (HAIR SALONS)

I. Offline: Beauty Salons

• Mone

- About: One of the leading hair salons in Russia. Miss Universe official partner, Mercedes Benz fashion week Russia official partner, Miss Russia official stylist.
- Launch date: **1998**
- Segment: **Premium**
- Doors: 24 salons in Moscow
- Website: <https://salonmone.ru/>



• Persona

- About: concept beauty salon, Image laboratory covering all services in beauty.
- Launch date: **1993**
- Segment: **Business, Premium**
- Doors: 90 salons
- Hair dressers: 1360
- Brands: Kerastase, Lebel, Moroccanoil, TIGI, L'Oreal, Keune
- Website: <https://persona.ru/>



• Dessange

- About: a global leader among hair salons in luxury segment. House of Dessange is the only official partner of the Cannes film festival.
- Launch date: **1954**
- Segment: **Premium**
- Doors: 330 salons
- Brands: Redken, L'Oreal, Oribe, Le Lumiss, Kydra, Olaplex, Dessange
- Website: <https://dessange.ru/>



India

- Suggested channels for the launch

IV. INDIA: target channels for the launch

I. Offline:



• Reliance retail:

- About: since its inception in 2006, Reliance Retail has grown to become India's largest retailer delivering superior value to its customers, suppliers and shareholders. Reliance Retail offers online shopping and a chain of neighborhood stores, supermarkets, and wholesale/specialty stores.
- Launch date: **2006**
- Business type: retail, e-commerce
- Employees: 10001+ people
- Doors: **13,000 stores**
- Revenue: **\$33b (2023)**



• Future Group:

- About: an Indian conglomerate, known in Indian retail and fashion sectors, operating supermarket chains Big Bazaar and Food Bazaar, lifestyle stores Brand Factory and Central, integrated foods and FMCG manufacturing sectors.
- Launch date: **2013**
- Business type: retail
- Employees: 50,000 people
- Doors: **1,500 stores**
- Revenue: **\$630m** (Public information from Nov 2022)



IV. INDIA: target channels for the launch

I. Online:

• Nykaa

- About: India's biggest online destination for beauty & wellness
- Launch date: **2012**
- Employees: **5000+ people**
- Firm valuation: **\$4.8b** (Public information from May 2023)



• Purple

- About: online shopping marketplace intended to offer skincare and hygiene products
- Launch date: **2012**
- Employees: **800 people**
- Business type: marketplace, e-commerce
- Firm valuation: **\$630m** (Public information from Nov 2022)



• Flipkart

- About: a leading e-commerce platform in India
- Launch date: **2007**
- Employees: **10001+ people**
- Business type: marketplace, e-commerce
- Firm valuation: **\$37.6b** (Public information from Jul 2021)



• Myntra

- About: a major Indian fashion e-commerce company
- Launch date: **2007**
- Employees: **10001+ people**
- Business type: marketplace, e-commerce
- Firm valuation: **\$464—696m**



Europe

- Suggested channels for the launch

IV. EUROPE: target channels for the launch

I. Offline & Online:

- **AS Watson Group:**

- > *Watsons*
- > *Kruidvat (Netherlands)*
- > *Rossmann (Germany)*
- > *Superdrug (UK)*
- > *Drogas (Latvia. Lithuania)*

- About: the world's largest international H&B retailer with over 16,500 stores in 28 markets.
- Launch date: 1828
- Business type: retail and e-commerce
- Employees: 130,000+
- Revenue: US\$23 billion



- **Douglas**

- About: a German multinational perfumery and cosmetics chain.
- Launch date: 1910
- Business type: retail and e-commerce
- Employees: 1,845
- Revenue: US\$4 billion



- **Boots**

- About: a leading H&B store in the UK.
- Launch date: 1849
- Business type: retail and e-commerce
- Stores: 2,200
- Revenue: US\$131 billion



GCC

- Suggested channels for the launch

IV. GCC: target channels for the launch

I. Offline:

Landmark Group:



- About: Founded in 1973 with a single store in Bahrain, the Landmark Group has successfully grown into one of the largest and most successful retail and hospitality conglomerates in the Middle East, Africa and India. Consistently striving to deliver exceptional value.
- Launch date: **1973**
- Business type: retail, e-commerce
- Employees: 55000+ people
- Doors: **2,200 stores**
- Revenue: **\$10.5b (2021)**



Lulu Group International:



- About: LuLu Group International is an Indian Emirati-based multinational conglomerate company that operates a chain of hypermarkets and retail companies. LuLu Group International mainly operates the international chain of hypermarkets named "Lulu Hypermarket". It is one of the largest retail chains in Asia and is the biggest in the Middle East with 215 outlets in the Gulf Cooperation Council (GCC) countries and elsewhere.
- Launch date: **2000**
- Business type: retail
- Employees: 60000+ people
- Doors: **249 stores**
- Revenue: **\$7.4b (2020)**



IV. GCC: target channels for the launch

I. Offline & Online:

• **Al Nahdi group:**

- About: Nahdi Medical Company is the largest pharmacy-led retailer in the Kingdom of Saudi Arabia.
- Launch date: **1986**
- Business type: retail, e-commerce
- Employees: 6000+ people
- Doors: 1151 stores
- Revenue: **\$20m (2022)**



• **Noon:**

- About: Noon is an e-commerce platform and digital marketplace that offers products and services across multiple categories.
- Launch date: **2017**
- Business type: retail, e-commerce
- Employees: 18000+ people
- Revenue: **\$290m (2022)**



• **Namshi:**

- About: Namshi is a leading online shopping website for fast, reliable, and simple online shopping in UAE.
- Launch date: **2011**
- Business type: e-commerce
- Employees: 501-1000 people
- Revenue: **\$305m (Aug 2022)**



• **Souq (Amazon):**

- Souq.com an Amazon Company is the largest ecommerce site in the GCC region. Souq.com today operates both as an award-winning retail business and an online marketplace.
- Launch date: **2005**
- Business type: e-commerce
- Employees: 3000 people
- Revenue: **\$600m**





“Let us bring your beauty brand to live globally!”