Piramal Pharma Day

FEBRUARY 2021

3. India Consumer Healthcare

Evolution of the business to a diversified portfolio of attractive brands

Highlights

- **11th largest** consumer healthcare company in India
- **Five core brands** account for over 60% of revenue
- Growth through **high investment** on Powerbrands and E-commerce

Offerings

- Broad **portfolio of 21 brands** across key categories
- **Reach 70m consumers/month**
- **Six brands** feature amongst the top 100 OTC brands in India
- **1,350+** full time employees

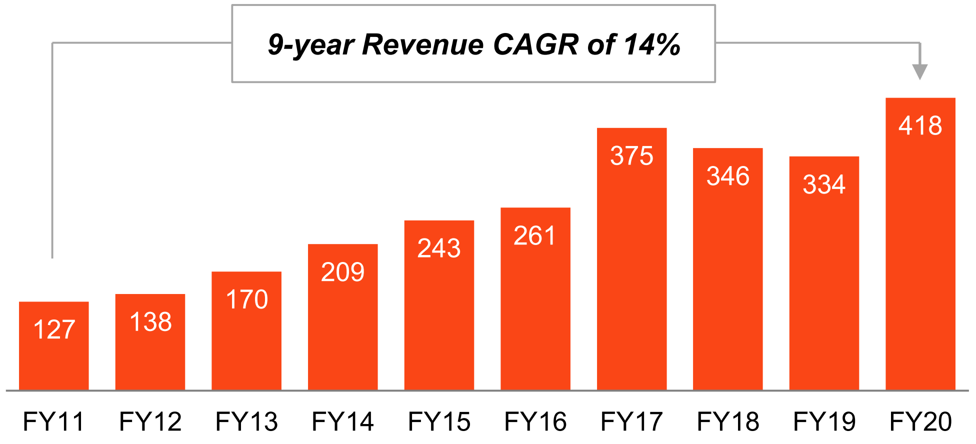
Capabilities

- **Pan India footprint** (1,500+ towns)
- **Multiple channels** including chemists, grocers, modern trade, e-commerce, and kids stores
- **Direct reach to 200,000+ outlets** with **1,200+** strong sales force

M&A

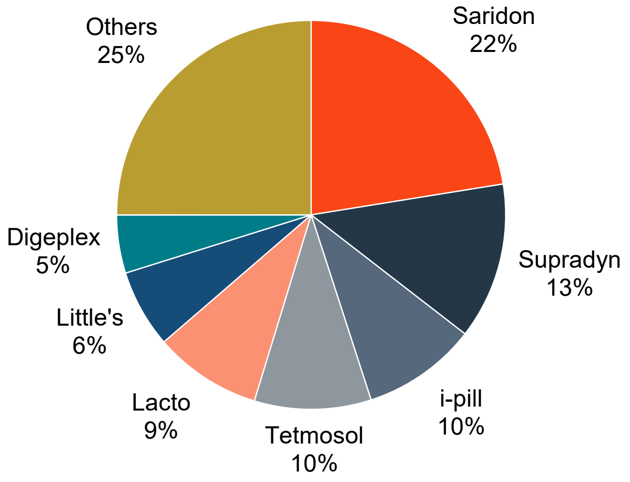
- **Multiple brand acquisitions**
  - **2017:** Digeplex product portfolio
  - **2016:** Ferradol, Sloan's, Neko from Pfizer
  - **2015:** Naturolax +4 brands from MSD in India; Little's, a baby care brand

Revenues (INR Cr.)



US$ Mn	**17**	**19**	**23**	**29**	**33**	**36**	**51**	**47**	**46**	**57**

Revenue by brand (FY20)



Key business highlights

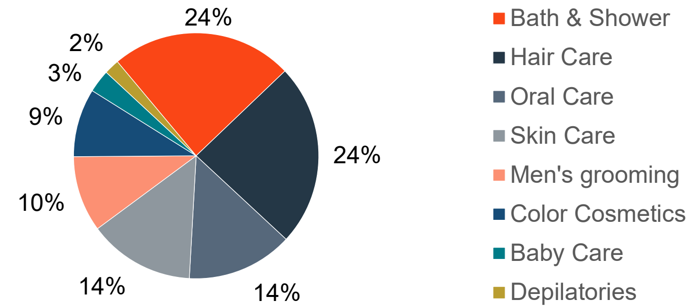
1	**Uniquely positioned in Large and growing Indian Consumer Health market**
2	**Expansive portfolio of well recognized brands**
3	**Asset-light model with a wide distribution network**
4	**Multi-channel distribution strategy, leveraging e-commerce**
5	**Levers for profitable growth**

1a Large and growing Indian Consumer Health market with structural tailwinds

Indian 'Health focused' branded consumer market

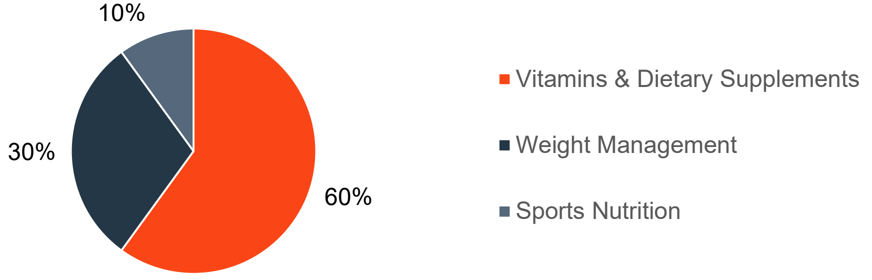
Health focused FMCG *(Beauty & personal care)*

US$ 14.5 bn



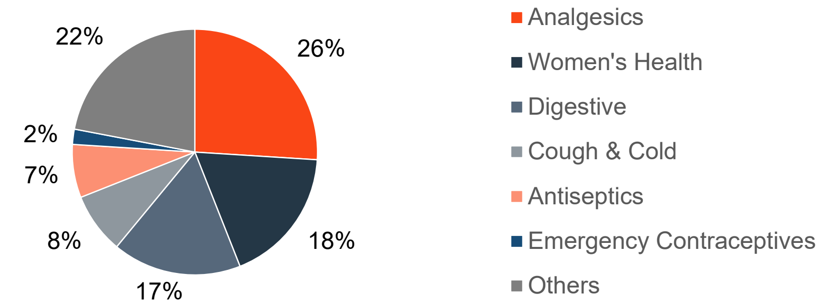
Consumer Health- VMS

US$ 2.3 bn



Consumer Health- OTC

US$ 2.2 bn



Source: Industry reports, 2019

Young, urban consumers with increasing disposable incomes

- Rapid urbanisation leading to higher disposable income
- Young population keen to spend higher for better products

Highly underpenetrated consumer healthcare market

- Significantly lower spend on consumer healthcare in India vs. both developed and emerging markets
- Fragmented market gives opportunity to increase scale

Retail landscape shifting towards faster growing modern trade and e-commerce

- Rapid shift seen towards shopping on Ecommerce
- Ecommerce and Modern trade offers better visibility, targeted positioning and (almost) infinite shelf space

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1b PPL ranks amongst top consumer healthcare companies

Key categories in the consumer healthcare sector

Category	Market size (US$m)	Category growth	Gross margins
Analgesics	820	9%	>80%
Skin care	2,000	8%	60-80%
VMS[4]	1,400	8%	60-80%
Women's health	450	9%	60-80%
Digestives	430	6%	60-80%
Kids wellness	450	12.5%	60-80%
Total	**5,550**		

PPL ranks among top 15 consumer healthcare companies and as the 7th largest "healthcare only" focused company

Company Rank	Revenue for key brands* (US$m)	# outlets ('000s)	Key Categories
1#	184	600	*Analgesics, cough, cold & allergy, digestives*
2#	179	600	*VMS[4], cough, cold & allergy*
3	152	500	*Digestives, analgesics, cough, cold & allergy, skin care*
4	141	1100	*Digestives, cough, cold & allergy*
5	133	300	*Skin care, VMS[4]*
6	79	300	*Analgesics, skin care, digestives, VMS[4], cough, cold & allergy*
7#	78	850	*VMS[4], skin care, cough, cold & allergy*
8#	69	*n.a.*	*Analgesics, VMS[4], Digestives*
9#	69	200	*VMS[4], analgesics, cough, cold & allergy, digestives, skin care*
10#	68	250	*Digestive, skin care*
PPL#	**56**	**210**	**Skin care, women's health, analgesics, digestives, VMS[4]**
12#	40	250	*Pain management, digestives, women's health*
13#	34	225	*VMS[4], cough, cold & allergy, respiratory*

Note: (1) The companies include (in no particular order): Abbott, Dabur, Emami, GSK Health, J&J, P&G Health, Reckitt Benckiser, Cipla Health, Amrutanjan Health, Sun Pharma, Zydus Wellness; (2) # denotes "Healthcare only focused company" (3) *Revenue for April 2019; (4) Vitamins, Minerals and Supplements

2a Diversified portfolio of 21 brands, including category leaders

	Analgesics	Skin care	VMS	Women's health	Digestives	Kids wellness
Core brands *(potential to be amongst top 5 in segment)*	 **Saridon** Headache relief tablet	 **Lacto Calamine** Oil control lotion	 **Supradyn** Boosts stamina and vitality	 **i-pill, i-know** Contraceptive pill, Ovulation kit		 **Little's** Wipes, toys, diapers, feeding accessories
Emerging, Established, and Other brands *(Recognized brands, demonstrating strong traction and consumer pull, and other smaller brands)*	 **Sloan's**E Quick relief from severe body pain  **QuikKool gel** Pain relieving mouth ulcer gel	 **Tetmosol**E Medicated soap  **Neko** Daily use soap, wipes  **Caladryl**E Anti-allergy and anti-itch topical application	 **Ourdaily** Vitamin C & Zinc and Vitamin E  **Ferradol** Food supplement  **Becozyme-C Forte**E Vitamin B-Complex tablet; **Benadon** Vitamin B6 tablet	 **i-Can** Pregnancy detection kit  **i-Activ** Menstrual cups	 **Polycrol**E Antacid  **Digeplex**E Used for digestive disorders  **Naturolax**E Provides natural relief from constipation	 **Jungle Magic** Includes perfume, sanitizer, toys and colouring books

Note: E: Denotes Emerging and Established Brands

2b Strong core brands allow for extensions to address a larger target market

	Saridon	Supradyn	i-range	Lacto Calamine Daily Face Care Lotion	Little's Expert Baby Care
Category rank	1st	5th	2nd	6th	5th
Category segment	*Combination analgesics*	*Multivitamin*	*Emergency contraceptive*	*Skin care*	*Kids wellness*
Product proposition	• ~50 year heritage • Household name for headache relief	• Strong brand heritage • Builds immunity, boosts stamina and promotes growth	• i-pill is synonymous with contraceptives • i-know is a category leader in ovulation kits	• 40 year old brand • Strong positioning and product effectiveness	• Offers baby care solutions • Strong product attributes
Product extensions	• Cough and cold remedies • Other pain indications • Higher strength	• Dietary/food supplements	• Ovulation & pregnancy test kit • Menstrual cups • Sanitary napkins • Intimate hygiene	• Body and hand care • Full spectrum of facial care products	• Kids personal care, diapers, and hygiene • Medicated remedies for kids • Feeding accessories and toys

2c New Product Launches during FY21 in the midst of the pandemic

Products launched in response to Covid-19

Tri-Activ Spray – 230ml, 100ml & 500 ml

Tri-Activ Sanitizers – 250ml, 100ml & 50ml & 500ml

Neko Disinfectant Wipes – 30s & 80s with Lid

Pulse Oximeters (On Distribution model)

Tri-Activ Hand Rub

Tri-Activ Mask

Tri-Activ Disinfectant Liquid

OurDaily Vit C and Zinc

Other Launches

Lacto Calamine Sunshield

JM Doodle Waterz (5 Books)

LactoCalamine Wipes

OurDaily – Vitamin E

Little's Diapers (S/M/L/XL)

i-activ Menstrual Cups (Medium / Large)

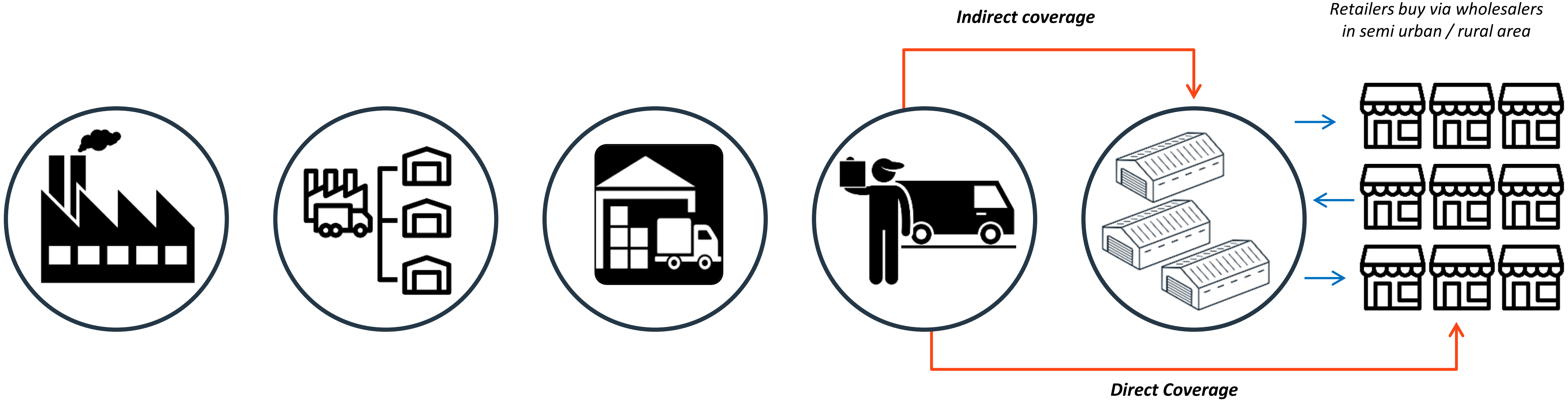
Despite global pandemic, new launches including COVID related products helped in delivering resilient revenue performance

15+ new products and 35+ SKUs launched, highest ever new launches with most products being successful

3 Asset-light model with end-to-end supply chain capabilities

Supply chain from manufacturing to outlets

I	II	III	IV	V	VI
3rd party manufacturing	Distribution Hub	Carrying & Forward Agent	Distributors	Wholesalers	Outlet



4 Multi-channel distribution strategy

Channel	Chemist and cosmetics		Chemists	Modern trade & e-Commerce	Kids' stores
Description and strategy	• Separate dedicated teams - for 'chemist only' and 'cosmetics and chemist channel', each with a specific set of brands • 100% Tech enabled sales coverage to enhance productivity of field force • Visibility at Point of Sales (POS) to drive consumer demand			• Analytics-backed demand models • Visibility and merchandising • Presence across all leading Ecommerce portals	• Broaden range of toys via successful pilots in e-commerce • Direct coverage of toy stores to enhance depth and visibility
Brands	Saridon, Lacto Calamine Daily Face Care Lotion, Little's Expert Baby Care, Ferradol Food Supplement, Neko Daily Hygiene Soap, Sloan's, Digeplex, Supradyn		Polycrol Xpress Relief, Naturolax-A, i-range, QuikKool Pain Relieving Mouth Ulcer Gel, Tetmosol, Benadon, Caladryl Skin Soothing Solution, Becozym C Forte	Saridon, Lacto Calamine Daily Face Care Lotion, Tetmosol, Jungle Magic, Polycrol Xpress Relief, Benadon, Supradyn, OxySat Fingertip Pulse Oximeter, Little's, ourdaily, i-know, Tri-Activ, Becozym C Forte, Naturolax-A, Caladryl Skin Soothing Solution	Little's Expert Baby Care, Jungle Magic
Outlets	• ~200,000 chemists + cosmetic stores			• Pharmacy chains • E-commerce	• 10,000+ kids, toys and gift shops

5 Credible levers in place to create a larger consumer healthcare platform

Near-term visible revenue growth levers	Upsides beyond the plan

Accelerated growth backed by investment on Powerbrands and E-commerce

Tech enablement and capability building
- Strengthen Sales through Tech enablement
- Capability building for improvement in market servicing

High investment in Powerbrands
- Create awareness using media and promotion
- Growing Powerbrands through media and launches

Establish E-commerce as a growth engine
- Utilizing E-commerce as launch vehicle for key new products
- Launching E-Commerce specific products/brands
- Robust infrastructure and team to drive performance

Future ready entrepreneurial organization
- Enhancing agility to cater swiftly to customers needs
- Business expansion by piloting via e-commerce
- Scaling up through traditional & modern trade sales organization

Inorganic growth
- Acquire brands to build scale and leverage fixed cost structure
- Target brands with high potential to grow
- Build/acquire prescription field force

Thank You