

INVESTOR PRESENTATION

Q1 FY24

August 09, 2023



1. Executive Summary

2. Hair Oil Market

3. Business Highlights

4. Financials



Topline

- Value growth of 7.8% YoY; 7.9% QoQ
- Volume growth ahead of value growth
- NPDs grew by 23.2% sequentially

Gross Margins

- Q1 FY24 – 54.7%
- Sequential improvement over Q4 FY23 by 60 bps

EBITDA

- Q1 FY24 at INR 49.0 crores higher by 30.1%
- Margin at 18.4%; Improvement of 310 bps on YoY basis
- Sequential improvement in margins by 100 bps

PAT

- Q1 FY24 at INR 46.2 crores; growth of 36.4 % on YoY basis
- Margin at 17.4%; improved by 370 bps on YoY basis

Sales (INR Crs)

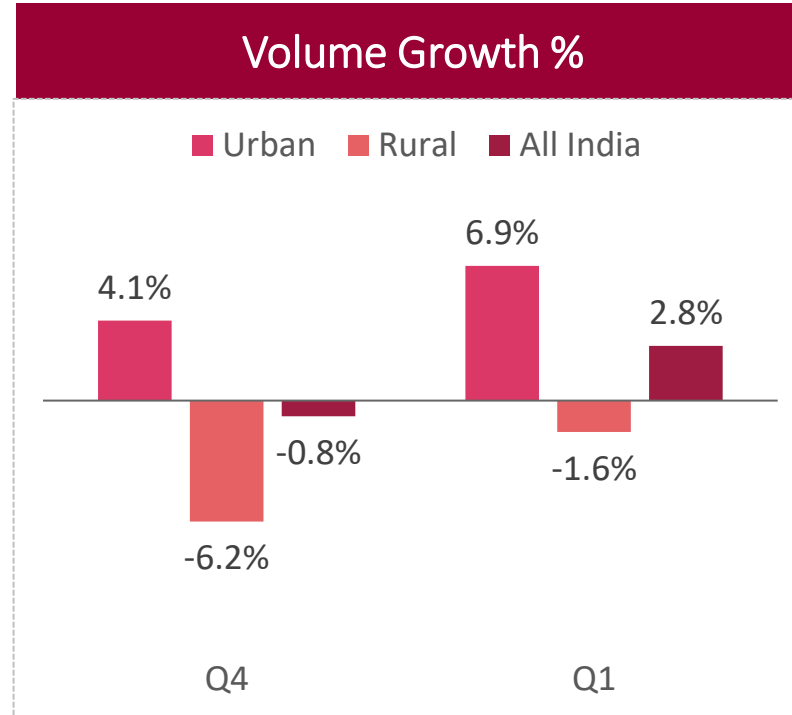
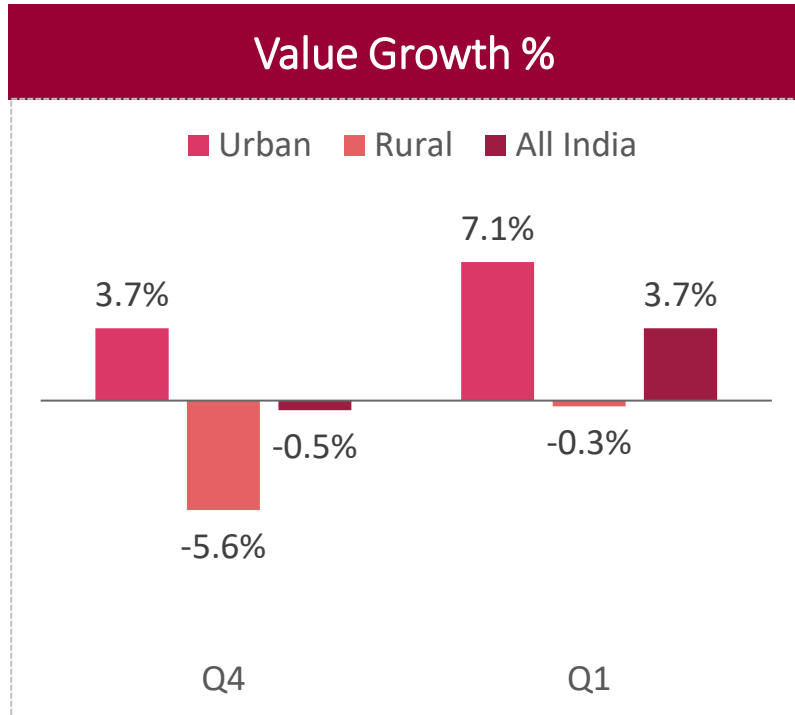
Q1 FY24 - 265.7		YoY 7.8%
Q4 FY23 - 246.2		QoQ 7.9%
Q1 FY23 - 246.5		



EBITDA (INR Crs)

Q1 FY24 – 49.0		YoY 30.1%
Q4 FY23 - 42.9		QoQ 14.2%
Q1 FY23 – 37.6		





- Hair Oil market sees a value & volume growth in Q1FY24 after 8 quarters
- This is contributed by Urban continuing to grow and Rural recovering

BUSINESS HIGHLIGHTS

ADHO



- Value growth of 9% YoY and 6% QoQ

NPD



- Topline grew by 23% QoQ in Q1 FY24
- Bajaj 100% Pure Henna and two variants of NOMARKS Face Serums launched

General Trade



- Topline flat YoY; sequentially grew by mid single digit
- Urban continues to register a strong growth of high single digit on YoY and sequential basis
- Rural sales sees a recovery, growth of high single digit on sequential basis

Organised Trade *



- Registered growth of 38% YoY
- Modern Trade grew by 34% YoY
- E-Commerce registered a growth of 55% YoY

* Organised Trade includes Modern Trade + E Commerce + CSD & CPC and Institutional sales

International Business



- On a consolidated basis, IB grew by 42% YoY and 32% sequentially
- Middle East & Africa grew by 23% with new partner appointment in Saudi Arabia and new launches in UAE
- Bangladesh local operations scaling up as per plan

- Registered strong growth of 9% in Q1. Highest ever quarter
- Sales growth was well distributed across packs in Q1

Q1 FY24 Key Actions

- Strong Media presence across the quarter
 - HSM SOV of 17% vs 15% LY
 - High Digital presence. Close to 20% spends now on Digital media
 - TV & Social media campaign with New Brand Ambassador, Kiara Advani
 - AI tools used for the first time in Hair Oils to create visuals promoting brand features
- Improved Visibility with Sustained Investment on E-Commerce Platforms



Community Marketing

হ্যালো বন্ধুরা, কয়েকদিন আগেই তোমাদের বলেছিলাম যেয়ার কালার করে প্রিপার কেয়ার না করে চুল এক্সেসিভে ড্যামেজ হয়ে গেছে/তাই Bajaj almond drops hair oil এর ব্যাপারে তোমাদের কাছে সাজেশন চেয়েছিলাম।তোমাদের এতো ভালো ভাশা রিভিউ দেখে আমি ইউজ করেছিলাম। যেয়ার প্যাকে Bajaj almond drops hair oil মিশিয়ে ইউজ করেছি। বিশ্বাস করবে না বন্ধুরা, এখন পার্থক্য আমি নিজে বুঝতে পারছি। অনেকটা সফট, সুখে সান্ধ্ব হয়ে গেছে। চুল হেলাদি মুক দেয়। আমি যুব খুশি এতে তেলটা নন সিল্কি আর আমলের গুণ আছে। আমত তো কিন চুল, ফোথের জন্যে সবসময়ই বেস্ট। Thank you.

See Translation



Hello Gorgeous - Women Health Beauty Fitness & Lifestyle

Private group · 6.3K members

Join Group

About Discussion

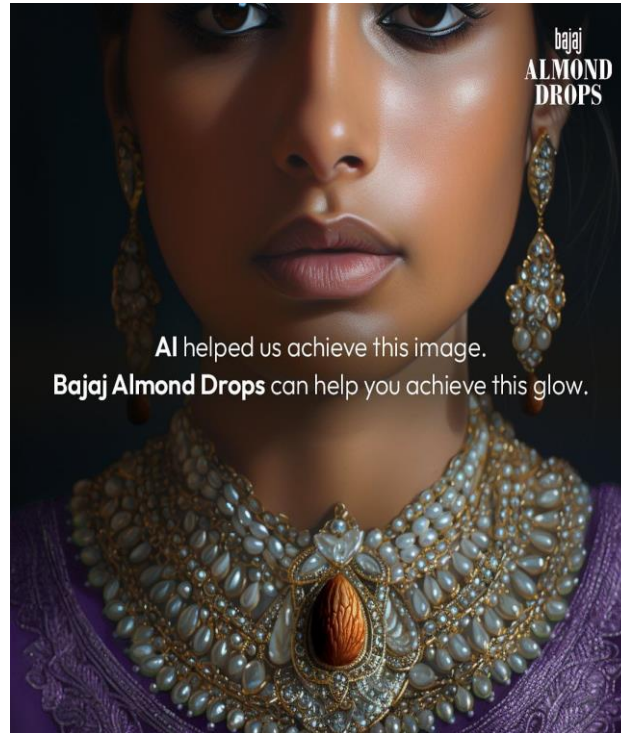
- 1.3 cr women reached out in 348 online communities
- Chatter on Almond as an Ingredient improved from 23% in Mar to 89% in June
- Brand SOV moved up from 49% to 67% from Apr to June

Influencer Marketing



- 38 lac people reached out with 70 influencers in Dermats, Nutritionist & Lifestyle Category
- ~78% uplift seen in Glance views on Amazon
- 7+ lac views on Quora with 3.5 lac reach & 10K organic reads on blogs published

AI Re-Imagined Bajaj Almond Drops – Our First ever AI Creative is Live



<https://indiantelevision.com/mam/media-and-advertising/ad-campaigns/bajaj-almond-drops-steers-t...>

INDIANtelevision

TELEVISION CABLE TV DTH WORLD WAM MOVIES REGULATORS RESOURCE

Bajaj Almond Drops steers the hair care industry into the AI era

Harnessing AI to paint a new picture of almond drops nourishment for hair & skin.

31 Jul, 2023 - 12:24 PM IST | By indiantelevision.com Team



Mumbai: Adding an innovative twist to the narrative of almond nourishment, Bajaj Almond Drops has emerged as the pioneer in the hair care category, fusing the power of AI with creativity and mesmerising creatives.

In an artistic blend of tech and tradition, Bajaj Almond Drops presents three vibrant AI-created visuals depicting the nourishing power of Bajaj Almond Drops. Each image breathes life into the brand's mantra of Bajaj Almond Drops being a #SuperFoodForSuperYou.

The first image unfurls a stunning depiction of shiny, smooth hair, showcasing the nourishing potency of the Bajaj Almond Drops Hair Oil.

The second image depicts a story of skin, showing the softness achievable with Bajaj Almond Drops Moisturising Soap.

The third image lights up with a

glowing face, a testament to the radiant effects of Bajaj Almond Drops offerings.

With this bold move, Bajaj Almond Drops transforms itself into Super Food For Super You while leading the charge in digital creativity within the hair care category.

- AD Extensions supported in Q1 with E-Com visibility spends
- 2 new specific SKUs of AD Soaps planned for launch in Q2 for MT and E-Commerce. These SKU's will enable us to promote aggressively in OT
- AD Serum extended into select MT chains and gains traction in these outlets



- Consumer offtake and distribution buildup has been scaling up well
- Supported with TV Media in Maharashtra and Digital in key HSM



- Amla Portfolio managed to grow by double digit over Q4 FY23 as HSM rebounded
- Small packs are being activated in select States from June onwards



- 100% Pure Henna Powder with higher Lawsone content than Leading brands
- Usage: Hands, Feet and Hair

Features & Benefits

- 100% Pure
 - 100% Natural colour
 - Chemical free colour
 - Higher lawsone content
 - No synthetic dyes
 - Conditions Hair
- Priced at Parity to leading National Brands





- Entry into Face serums category with products directed towards blemish removal which overlaps with NOMARKS' core benefit
- These will be marketed based on trending ingredients known for their efficacy
- Launched in Ecommerce with listings on Amazon, Flipkart and Nykaa in the launch phase

Variants	2% Salicylic Acid	10% Niacinamide
Benefits	<ul style="list-style-type: none"> - Reduces Acne - Reduces blackheads - Helps unclog pores 	<ul style="list-style-type: none"> - Helps control oil - Aids pore size reduction - Reduces pigmentation



- ADHO gains momentum, registered ***strong growth across all channels and all packs in Q1 FY24***, for the second quarter in succession
- Coconut and Amla Portfolio continue to scale up as planned, ***increase in market share on YoY and Sequential basis respectively***
- Bajaj Almond Drops Extensions supported by robust visibility on digital platforms, ***further launches on track in the ensuing quarters***
- Launch of Bajaj 100% Pure Henna as part of the Bajaj Traditional Range, ***leveraging the ‘Bajaj’ brand equity, more launches in subsequent quarters***
- International Business registered strong growth in Q1FY24, ***scale up continues as per plan***

Reduced consumption of Water

- **Guwahati** - 15% reduction in consumption, major initiatives include water conservation steps through controls, and installation of treatment facilities for reuse
- **Paonta Sahib** - 68% reduction in consumption, major initiatives include water conservation steps through controls, and installation of treatment facilities for reuse

Reduced consumption of Energy through efficiency and productivity improvements in manufacturing

- Reduction by 26% in Guwahati and 9% in Paonta Sahib

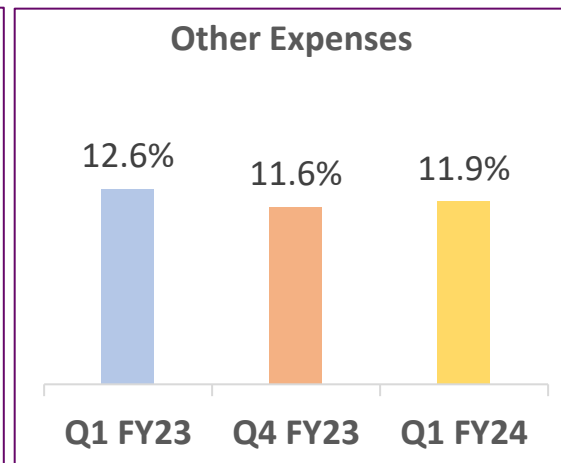
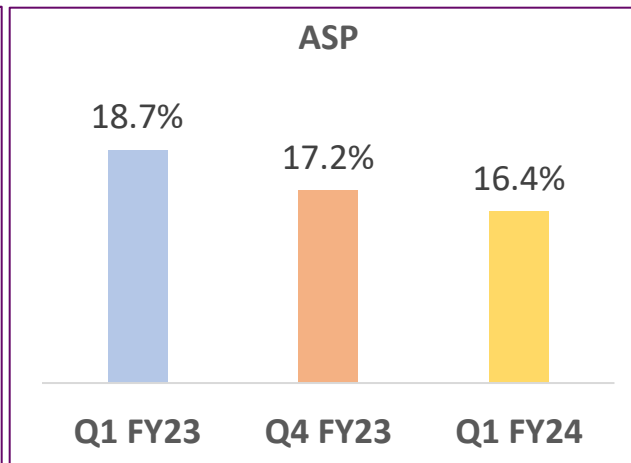
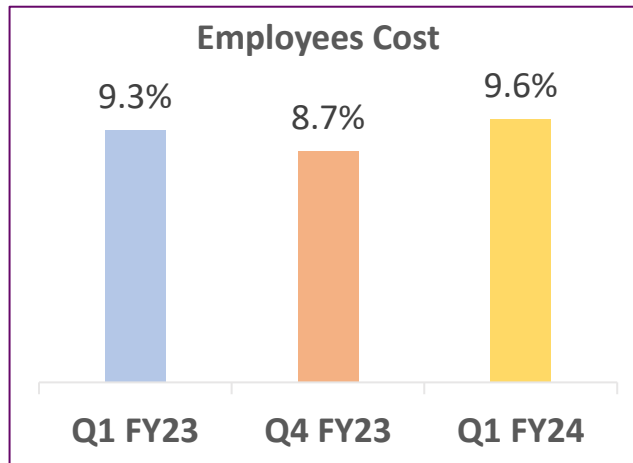
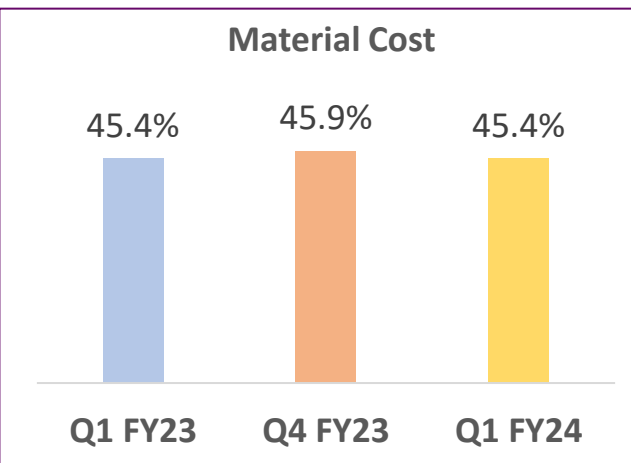
Reduced wastage through machine automation

- Laminate wastage reduction of 35% in Guwahati and 48% in Paonta Sahib

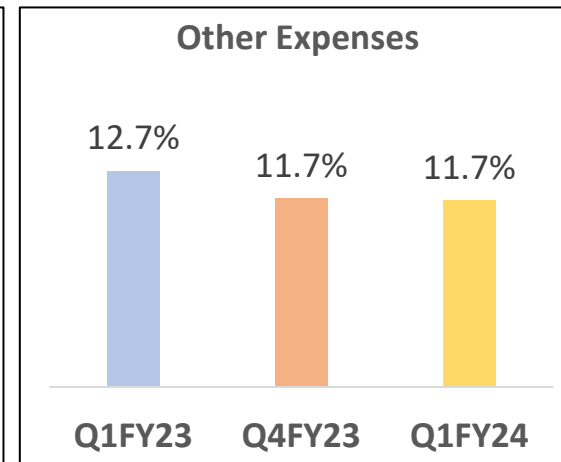
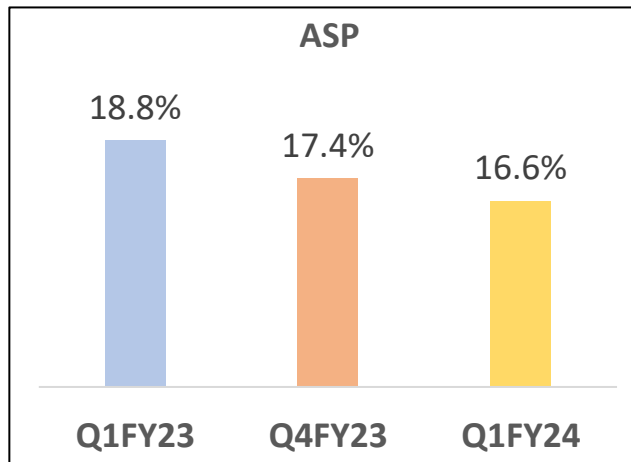
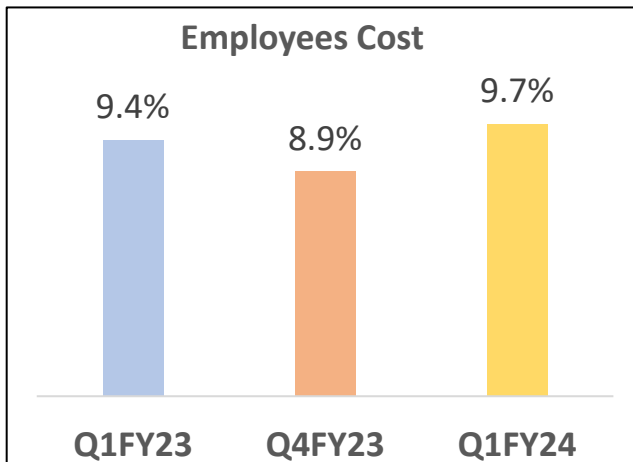
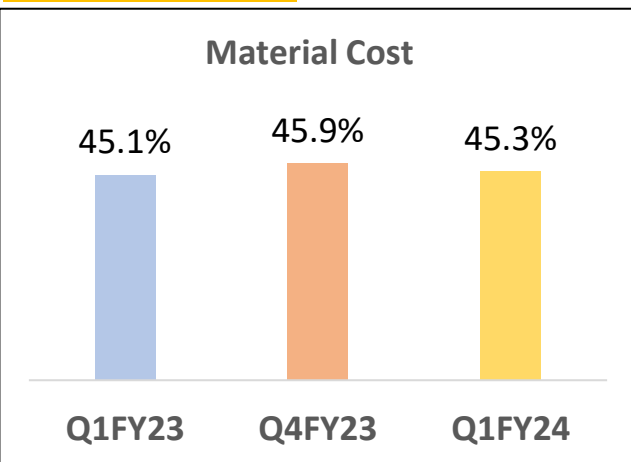
Financials

Expenses To Sales Trend

Standalone



Consolidated



Financial Performance – Standalone

In INR Crores

Particulars	Q1 FY23	Q4 FY23	Q1 FY24	YoY%	QoQ%
Net Sales Value	243.8	241.3	259.7	6.5%	7.6%
Other Operating Income	2.9	3.2	4.5	53.3%	39.6%
Total Operating Income	246.7	244.5	264.2	7.1%	8.0%
Cost of Goods Sold	110.7	110.9	117.9	6.4%	6.3%
Contribution	133.1	130.4	141.8	6.6%	8.7%
<i>% of Sales</i>	54.6%	54.1%	54.6%		
Employee Cost	22.7	21.0	24.8	9.5%	18.1%
Advertisement & Sales Promotion	45.5	41.4	42.5	-6.5%	2.7%
Other Expenses	30.8	27.9	30.9	0.1%	10.5%
EBITDA	37.0	43.3	48.1	29.8%	11.1%
<i>% of Sales</i>	15.2%	17.9%	18.5%		
Other Income	6.7	10.1	10.6		
Finance Cost	0.1	0.2	0.3		
Depreciation and Amortisation	2.0	2.3	2.2		
Corporate Social Responsibility	1.2	1.2	1.1		
Profit Before Tax (PBT)	40.4	49.7	55.0	36.1%	10.7%
Tax Expenses	7.1	8.7	9.6		
Profit After Tax (PAT)	33.4	41.0	45.4	36.1%	10.8%
<i>% of Sales</i>	13.7%	17.0%	17.5%		

Financial Performance – Consolidated

In INR Crores

Particulars	Q1 FY23	Q4 FY23	Q1 FY24	YoY%	QoQ%
Net Sales Value	246.5	246.2	265.7	7.8%	7.9%
Other Operating Income	2.9	3.2	4.5	53.3%	40.4%
Total Operating Income	249.4	249.4	270.2	8.3%	8.3%
Cost of Goods Sold	111.1	113.0	120.4	8.4%	6.6%
Contribution	135.4	133.2	145.3	7.3%	9.0%
<i>% of Sales</i>	54.9%	54.1%	54.7%		
Employee Cost	23.1	21.8	25.7	10.9%	17.7%
Advertisement & Sales Promotion	46.3	42.9	44.2	-4.6%	3.0%
Other Expenses	31.3	28.8	31.0	-1.0%	7.4%
EBITDA	37.6	42.9	49.0	30.1%	14.2%
<i>% of Sales</i>	15.3%	17.4%	18.4%		
Other Income	6.7	10.1	10.6		
Finance Cost	0.1	0.2	0.3		
Depreciation and Amortisation	2.1	2.4	2.3		
Corporate Social Responsibility	1.2	1.2	1.1		
Profit Before Tax (PBT)	40.9	49.2	55.8	36.3%	13.5%
Tax Expenses	7.0	8.7	9.6		
Profit After Tax (PAT)	33.9	40.4	46.2	36.4%	14.2%
<i>% of Sales</i>	13.7%	16.4%	17.4%		

Thank You