

# Colgate Palmolive (India) Limited



# Agenda

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**CP India Overview**

**Global Support to India**

**Financial Performance**

**Let's Talk**



# Agenda

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 **CP India Overview**

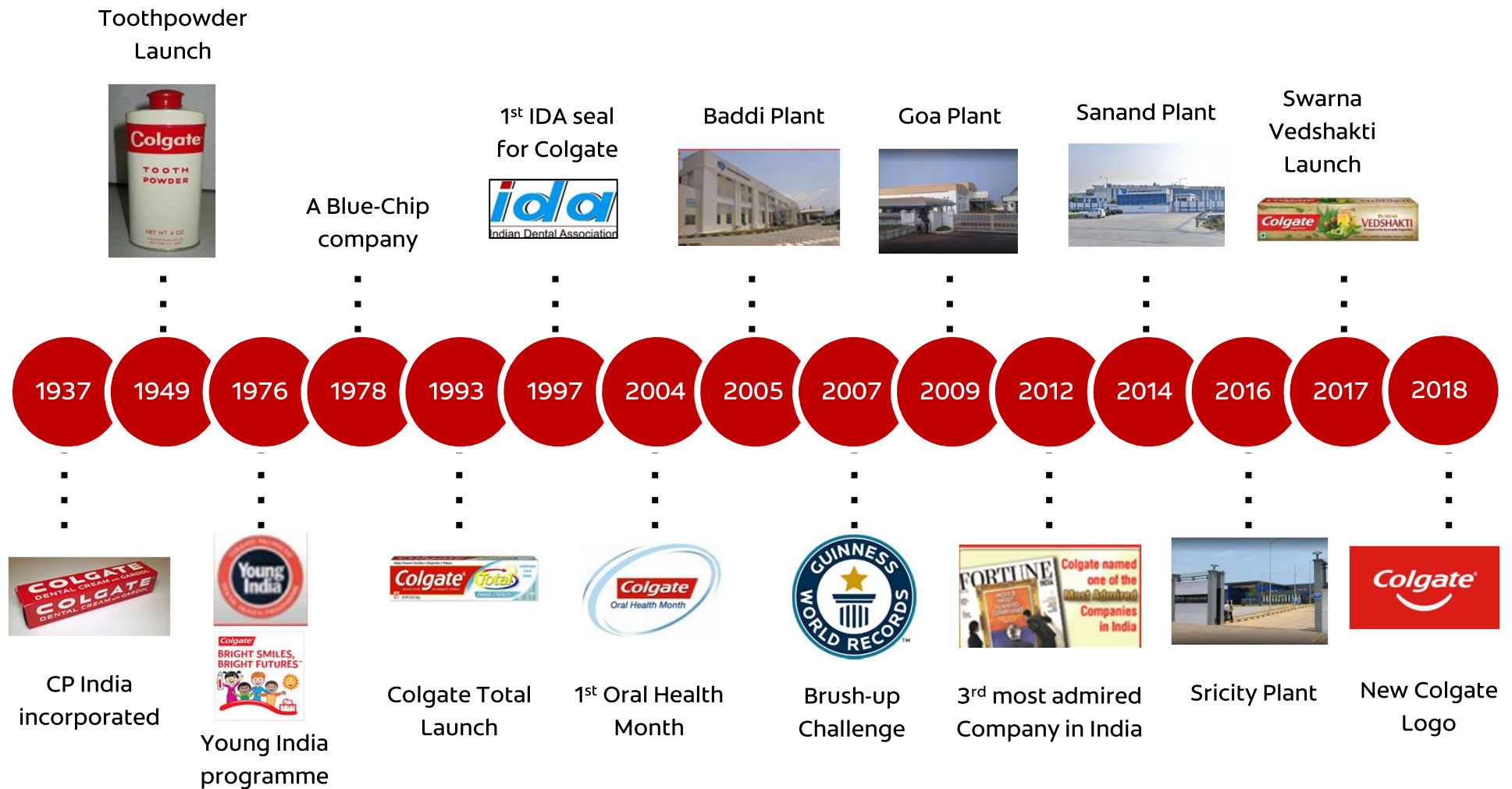
 **Global Support to India**

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# 80+ Yrs of spreading smiles





# #1 penetrated brand across categories

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**Colgate®**



**88%**

**HH Penetration**

**241  
MM**

**# Households  
Reached**



Source : HH Panel Data

# #1 Toothpaste Brand in 5/8 segments

|                 |   |  |   |
|-----------------|---|--|---|
| Whitening       |    |  |   |
| Multi Benefit   |    |    |   |
| Sensitivity     |    |    |   |
| Family          |    |    |   |
| Low Price Point |    |  |   |
| Freshness       |   |   |   |
| Naturals        |  |  |  |
| LUPs            |  |  |   |



Source : AC Nielsen (new panel data)

# #1 Toothbrush Brand in 4/5 segments

Value



Mid Tier



Kids



Premium

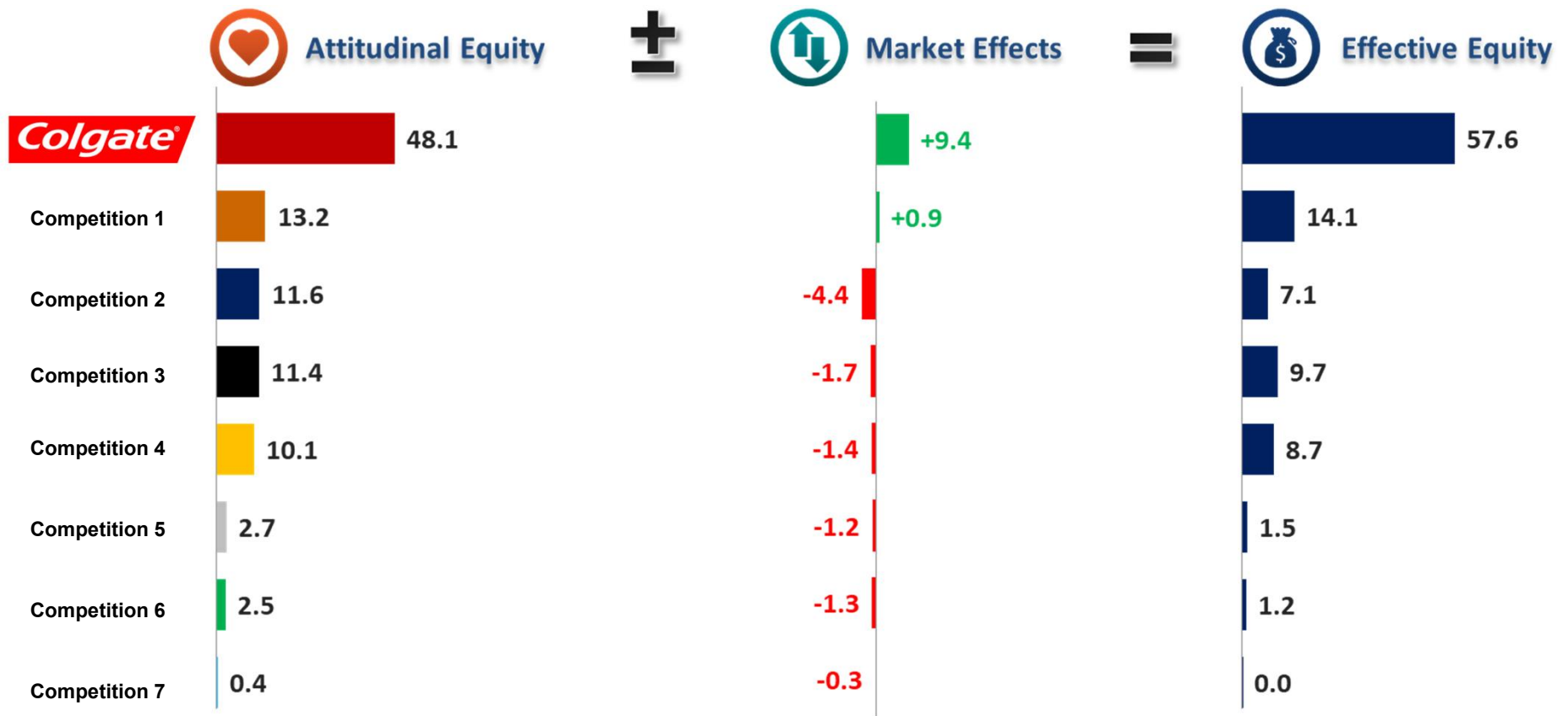


Sup Prem



Source : AC Nielsen (new panel data)

# #1 Brand in Consumer Equity





# India's Most Trusted Brand for 7 yrs in a row

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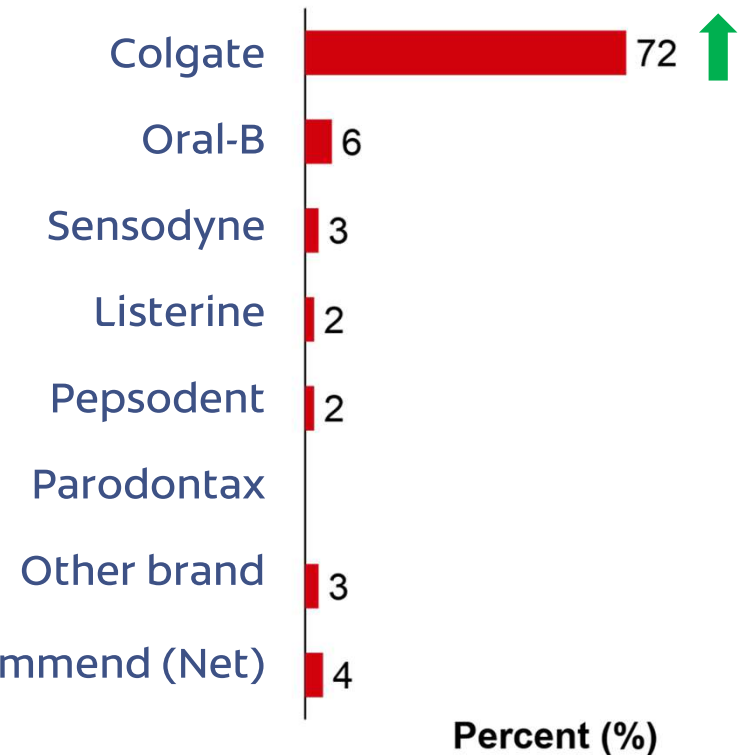
# Endorsed by biggest Celebrities



Colgate®




# #1 Recommended Equity by Dentists



# Consistently Reaching out to Millions

Colgate® + **ida**<sup>®</sup>  
Indian Dental Association  
ORAL HEALTH MONTH

Let's make India's smile  
strong from within.



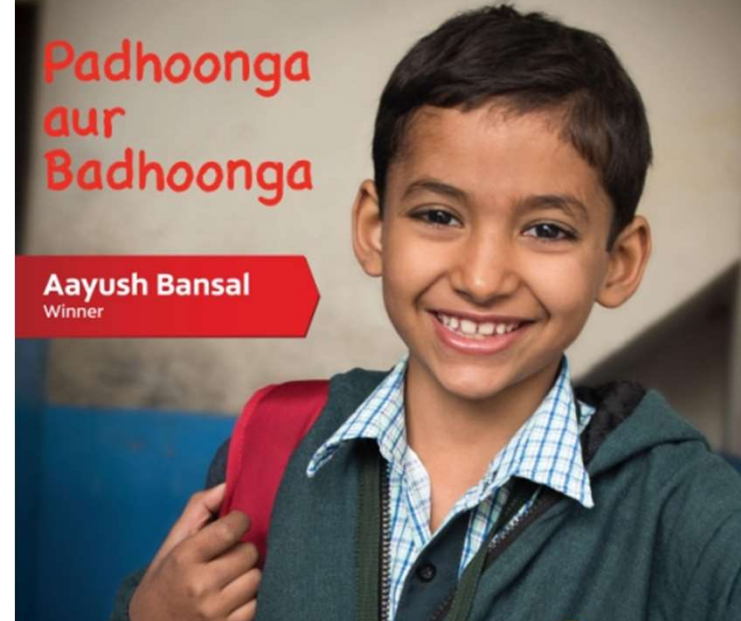
Colgate®

Free dental check-ups\*  
**Colgate® Strong Teeth**  
Strengthens from within

Colgate® SCHOLARSHIP OFFER\*

Padhoonga  
aur  
Badhoonga

Aayush Bansal  
Winner



WIN SCHOLARSHIPS WORTH ₹1 LAKH\*

**Colgate®** Strong Teeth  
with Cavity Protection

BYJU'S  
Free video/audio courses worth ₹999\*  
inside every pack of 100g and above.

\*T & C apply. For detailed terms and conditions on Scholarship offer and BYJU'S offer visit website [www.colgatecareers.in](http://www.colgatecareers.in).  
Purchase of the product not mandatory to participate in the Colgate Scholarship offer.

# Without losing focus on local preferences



Nusrat – West Bengal



Samantha – Tamil Nadu





# Making strong in-roads into Naturals



# And Finding new opportunities to grow



One of the most popular Kids character in India



Exciting New Launches!



1<sup>st</sup> time ever – TV Support





# Breaking Boundaries with new launches

**PALMOLIVE**  
FACIAL BAR

Glow naturally

**PALMOLIVE**  
SKIN THERAPY  
FACIAL BAR  
Vitamin C & E

**PALMOLIVE**  
SKIN THERAPY  
FACIAL BAR  
Charcoal Powder

**PALMOLIVE**  
SKIN THERAPY  
FACIAL BAR  
Turmeric & Tamarind

Colgate

The advertisement features a woman with dark, wavy hair and a soft smile, holding a white flower. She is positioned on the left side of the frame. The background is a lush, green, out-of-focus forest scene. In the center and right, three bars of Palmolive Facial Bar soap are displayed on a mossy surface. The top bar is orange, labeled 'Vitamin C & E', and is surrounded by orange slices. The middle bar is grey, labeled 'Charcoal Powder', and is surrounded by charcoal pieces. The bottom bar is beige, labeled 'Turmeric & Tamarind', and is surrounded by turmeric powder and tamarind pods. Each bar is shown next to its packaging box, which features a small image of the woman's face. The overall aesthetic is natural and fresh.



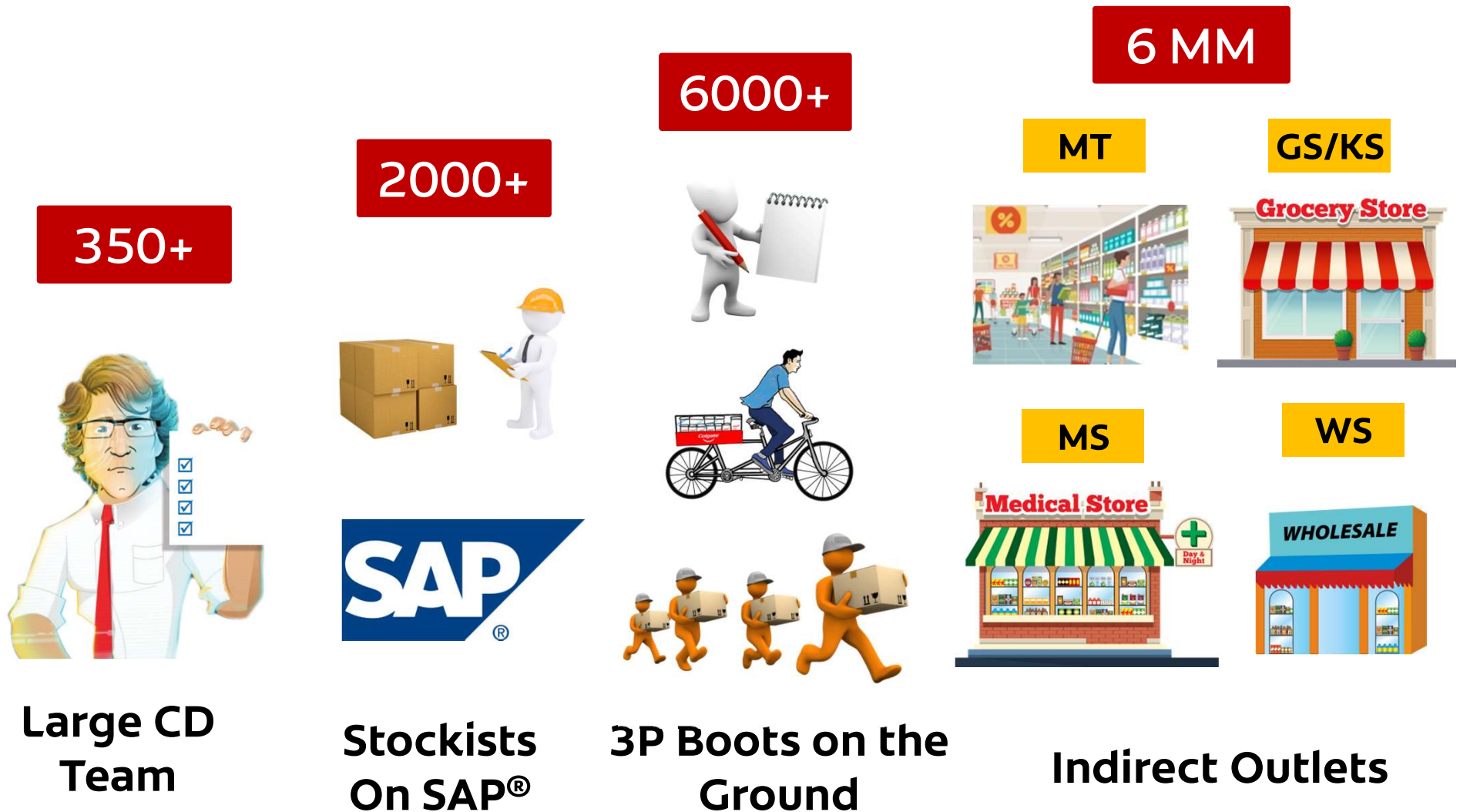
# Focusing on consumer centric innovations



Sensitive  
Toothbrush  
@  
25/-



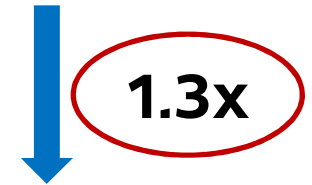
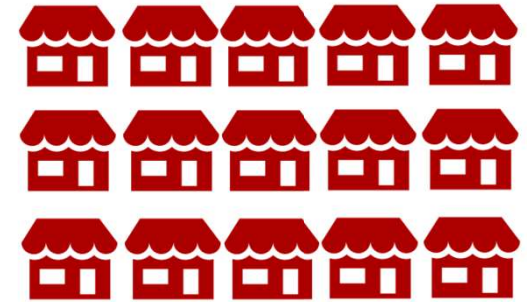
# Supported by Robust Customer Development



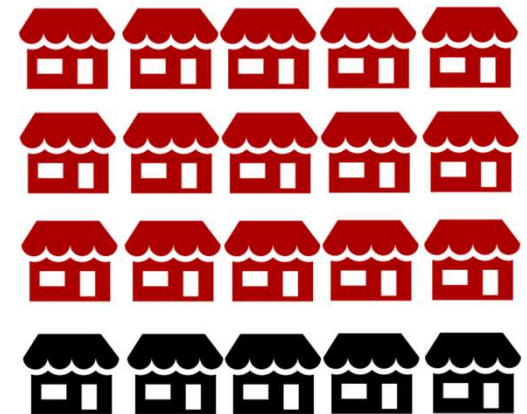
# With an even stronger Direct Distribution



Exit '17



Exit '18





# Continued Winning in Store





# Continued Winning in Store





# Continued Winning in Store





# Relentless focus on profession

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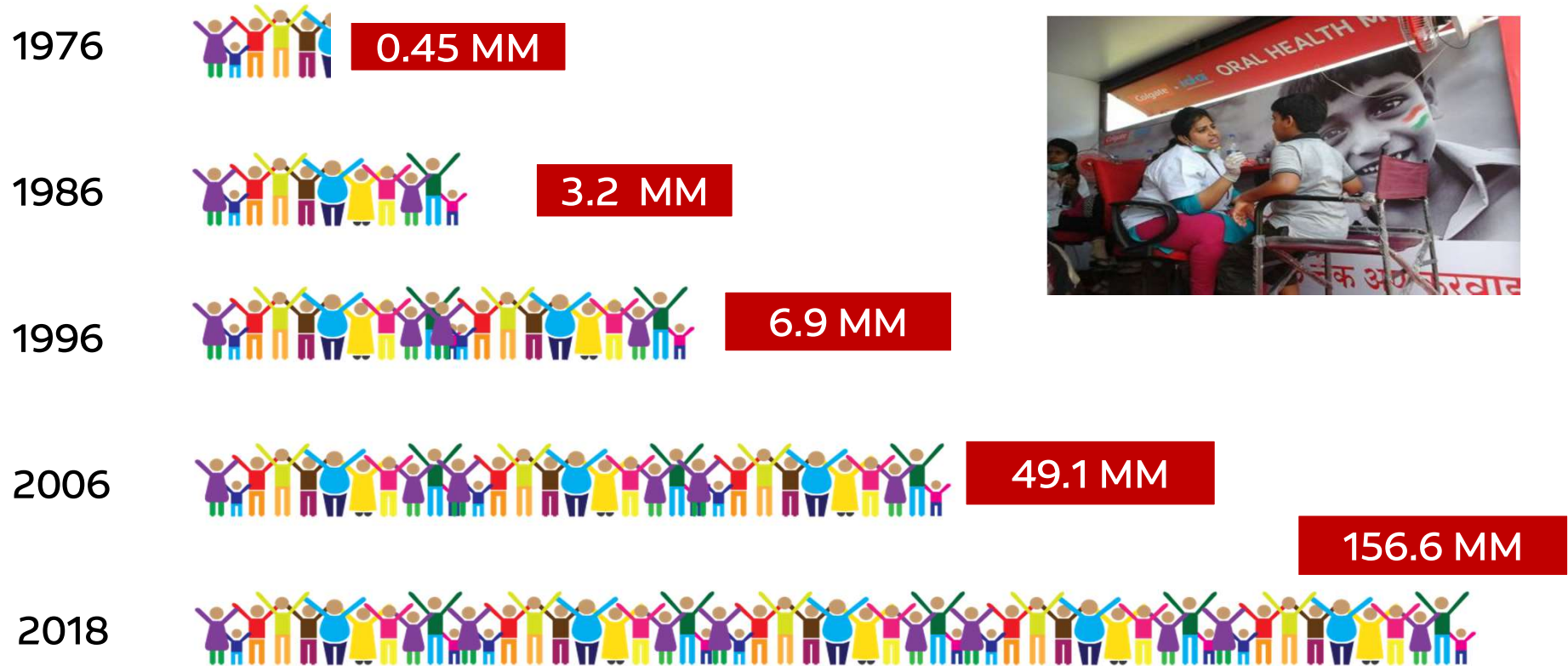


**Indian Dental Association  
Conference 2019**



**Collaboration with Dental Council of  
India**

# Winning with the community



**150 million+ school children contacted across 327,000 schools in the last 40 years (Oral Health Month)**

# Empowering Communities

Water Program for communities  
In villages of Amrawati , Maharashtra



Colgate - Seva Mandir *Education Scholarship program*

Women Empowerment through livelihoods,  
supported with *Water Augmentation*





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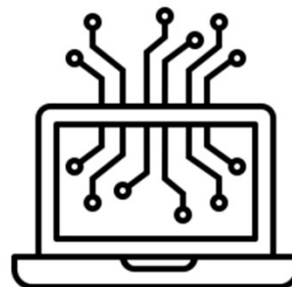




**Product  
Innovation**



**Brand  
Building**



**Digital & Ecom**



**Manufacturing &  
Packaging**

# World's #1 Multi benefit TP now with Zinc & Arginine

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India Launch - 2019





# Case Study: Colgate Total Toothpaste



## Formula development

- >700 unique formula iterations to get to launch bundles
- Development of flavors
- >3,000 stability studies
- Thousands of in-vitro tests

## Clinical and Consumer testing

- 38 clinical studies with >9,000 panelists
- Consumer tested with over 1,500 people
- Trained panel sensory evaluation

## Support for engagement with trade and dental professionals

- Kits for live demos
- Scientific publications
- 70 patents Granted globally and 93 patent applications filed



# Superior Occlusion technology vs numbing technology

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India Launch - 2011



# Longer Lasting Cooling than other freshness pastes



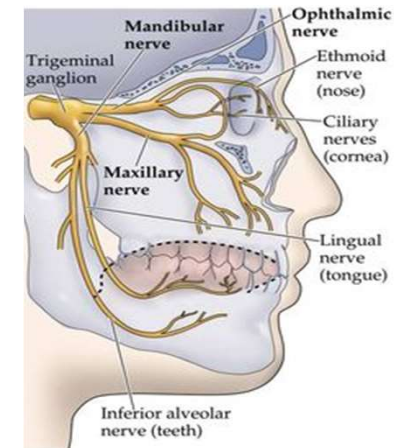
India Launch - 2018





# Case Study – Freezestorm Technology

- New Breakthrough Technology for Plax Mouthwash and Maxfresh Toothpaste
  - 5 Years of Research
  - Powerful long lasting cooling experience
- Formula optimization to Drive incremental sales
- Extensive Consumer validation conducted
- Validation of this technology through consumer tests
- Patents
  - Maxfresh - Globally 37 Granted and 3 applied.

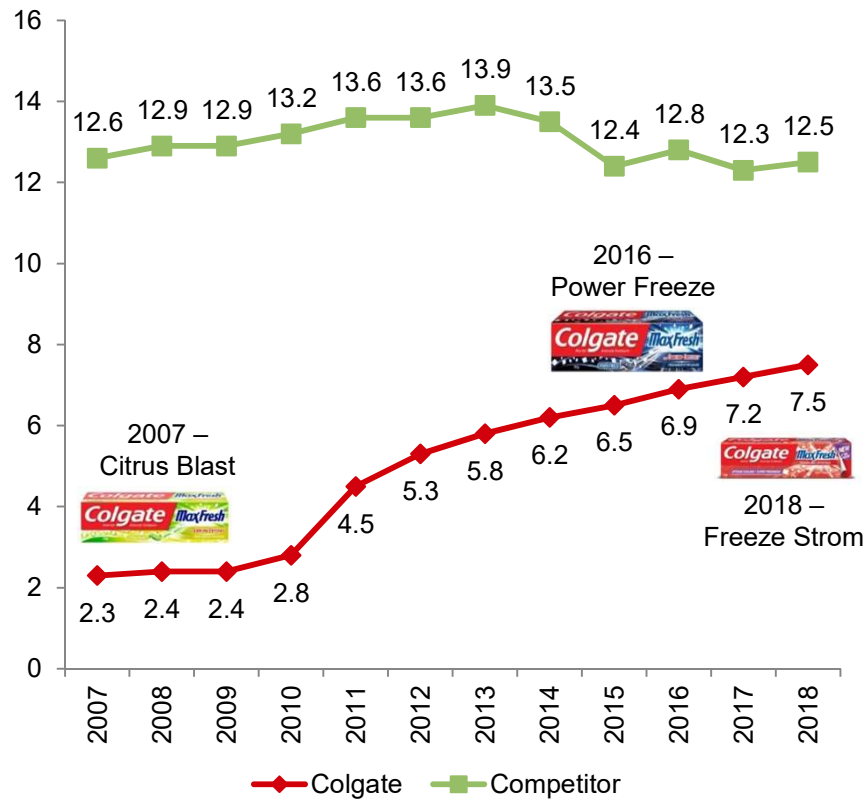


Understanding Science of Cooling sensation

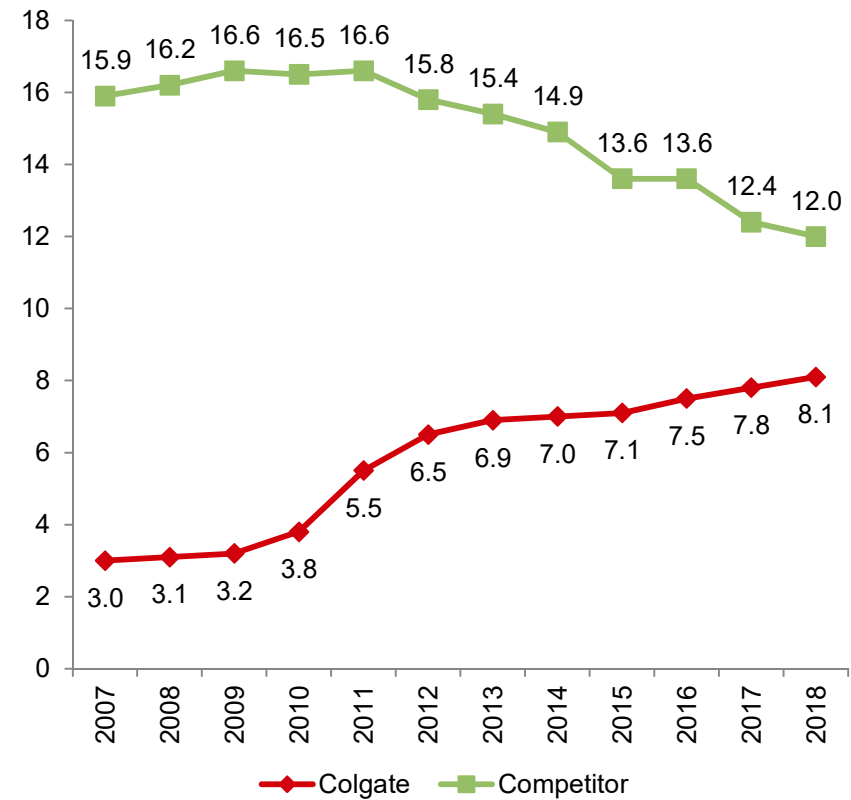
**MaxFresh**

# Impact of Innovation – Colgate Max Fresh

Volume share



Value share



**Continuous product upgrade ensured Max fresh gained volume share inspite of premium pricing**

# 1<sup>st</sup> to launch Tapered Bristles in India

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**17x**  
**SLIMMER**  
**TIP BRISTLES**

**INFUSED WITH**  
**CHARCOAL**



**India Launch - 2015**





# Strong Innovations in Power Segment

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**India Launch - 2019**



# No Alcohol formula with Longer Lasting Freshness



India Launch - 2018



# Rapid adoption of Global Innovation pipeline





# Global Technology Team and priorities

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**Innovation**

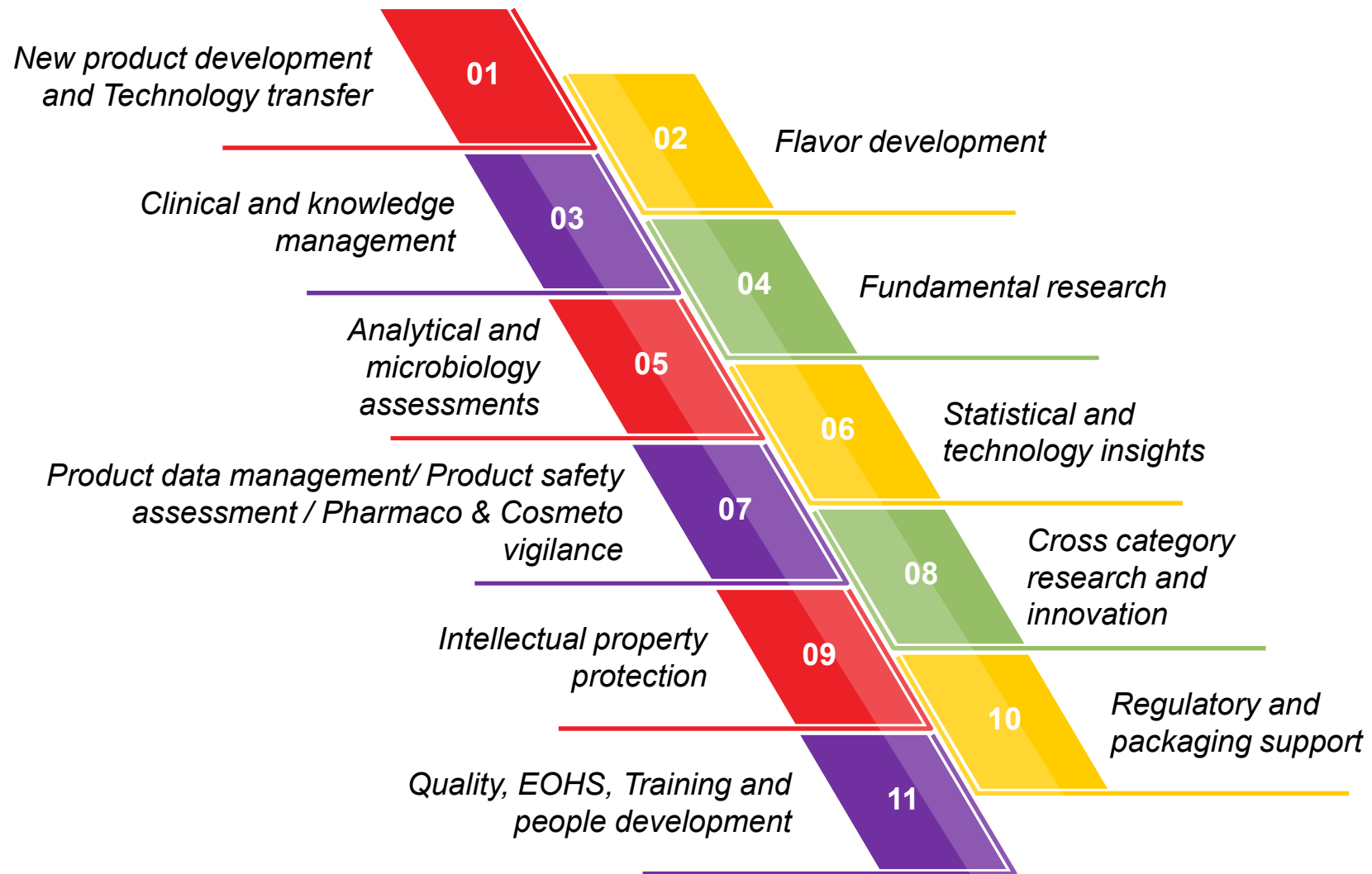
**Product  
Stewardship**

**Speed to  
Market**

**Drive  
Profitability**

- ☐ State of the art facility in Piscataway Technology Campus in US works on advanced research programs to meet evolving consumer needs with over 600 scientists focused on innovation
  - Customer insight driven innovation to develop value added products
  - Investment to create necessary infrastructure and generate resources with required expertise in diverse technology fields of interest
  - Creating similar facilities at different location with same level of investment would be very expensive
- ☐ Colgate Palmolive has 7 Strategic global technology centers
  - USA, Mexico, Brazil, Switzerland, China, Australia & India
- ☐ In Oral Care, approx 1,780 patents were granted in 2017 to Colgate with the five year average ~4x of the nearest competitor

# Scope of R&D Support to CP India business

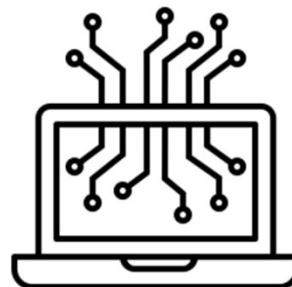




**Product  
Innovation**



**Brand  
Building**



**Digital & Ecom**



**Manufacturing &  
Packaging**



# Learning Brand Building Models

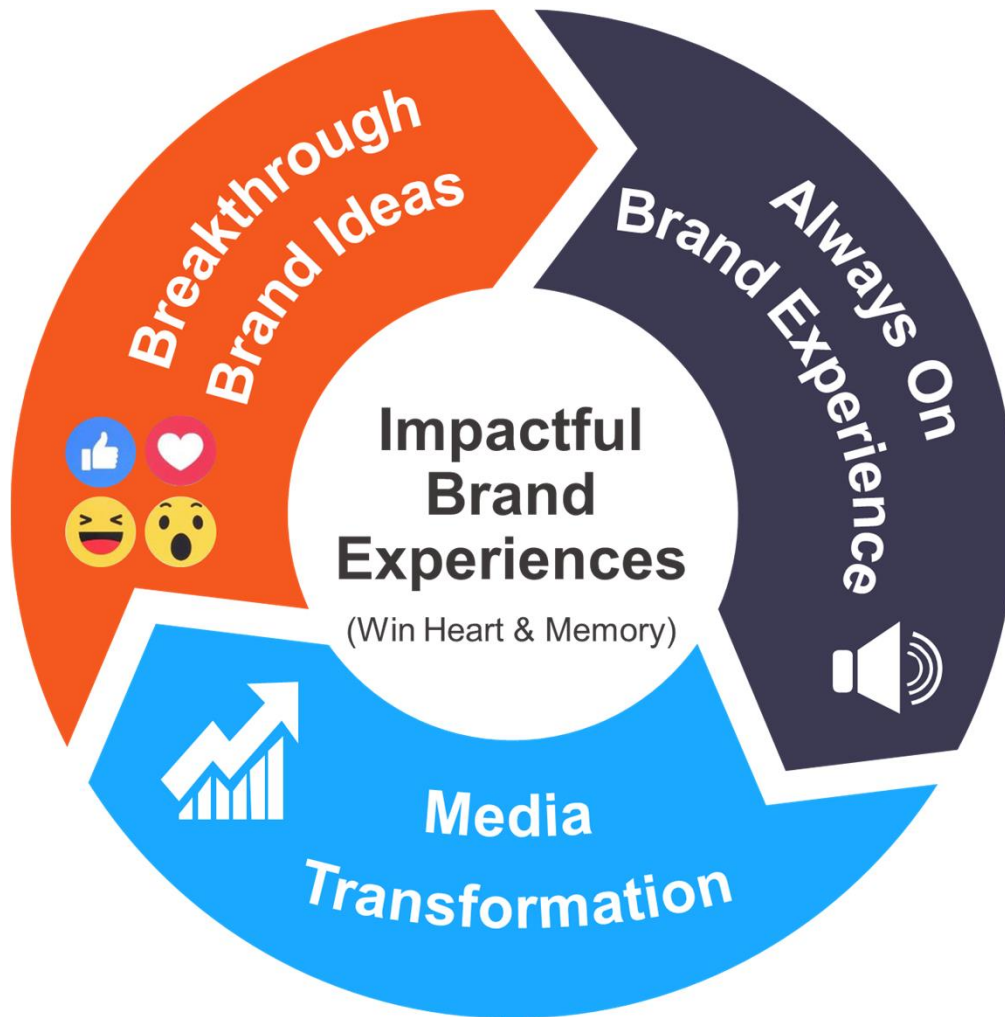


# Integrating Colgate Smile across platforms



# Leveraging Global Training Experts

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**Training by Colgate Global Team**



Supported by global processes for profitable growth

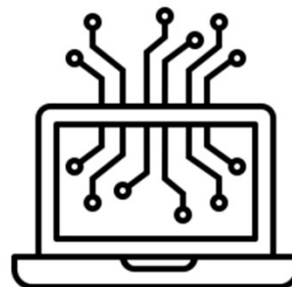




**Product  
Innovation**



**Brand  
Building**



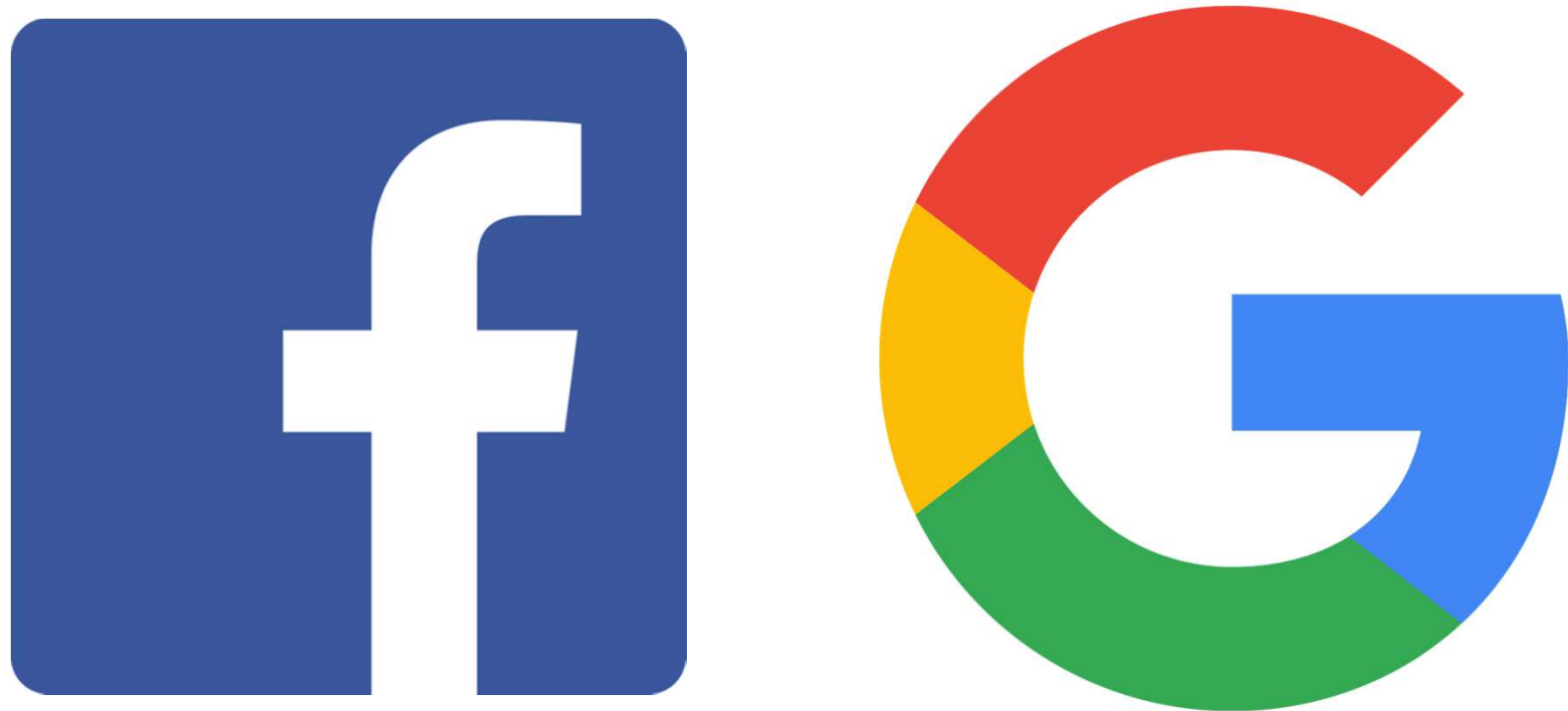
**Digital & Ecom**



**Manufacturing &  
Packaging**

## Efficiency benefits with large global deals

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# Efficient Online Transactions & Security

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Sizmek™

IDV

**Speed & efficiency in Ecom | 18x Gr in 3 yrs.**

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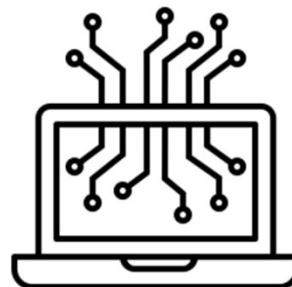
CLAVIS  
INSIGHT



**Product  
Innovation**



**Brand  
Building**



**Digital & Ecom**



**Manufacturing &  
Packaging**



# High End Manufacturing Facilities



Sanand Toothpaste



Baddi Toothpaste



Goa Toothpaste



Sricity Toothbrush

# State of Art Manufacturing –Toothpaste Plant

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# Next Gen High Speed Automatic TB machine (Sricity)

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# Expertise Sharing for new age packaging

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**Innovative Texture Finish Carton**



**Recyclable Tube**

# Setting the right process for Global Artworks

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beat

brand experience to artwork transition

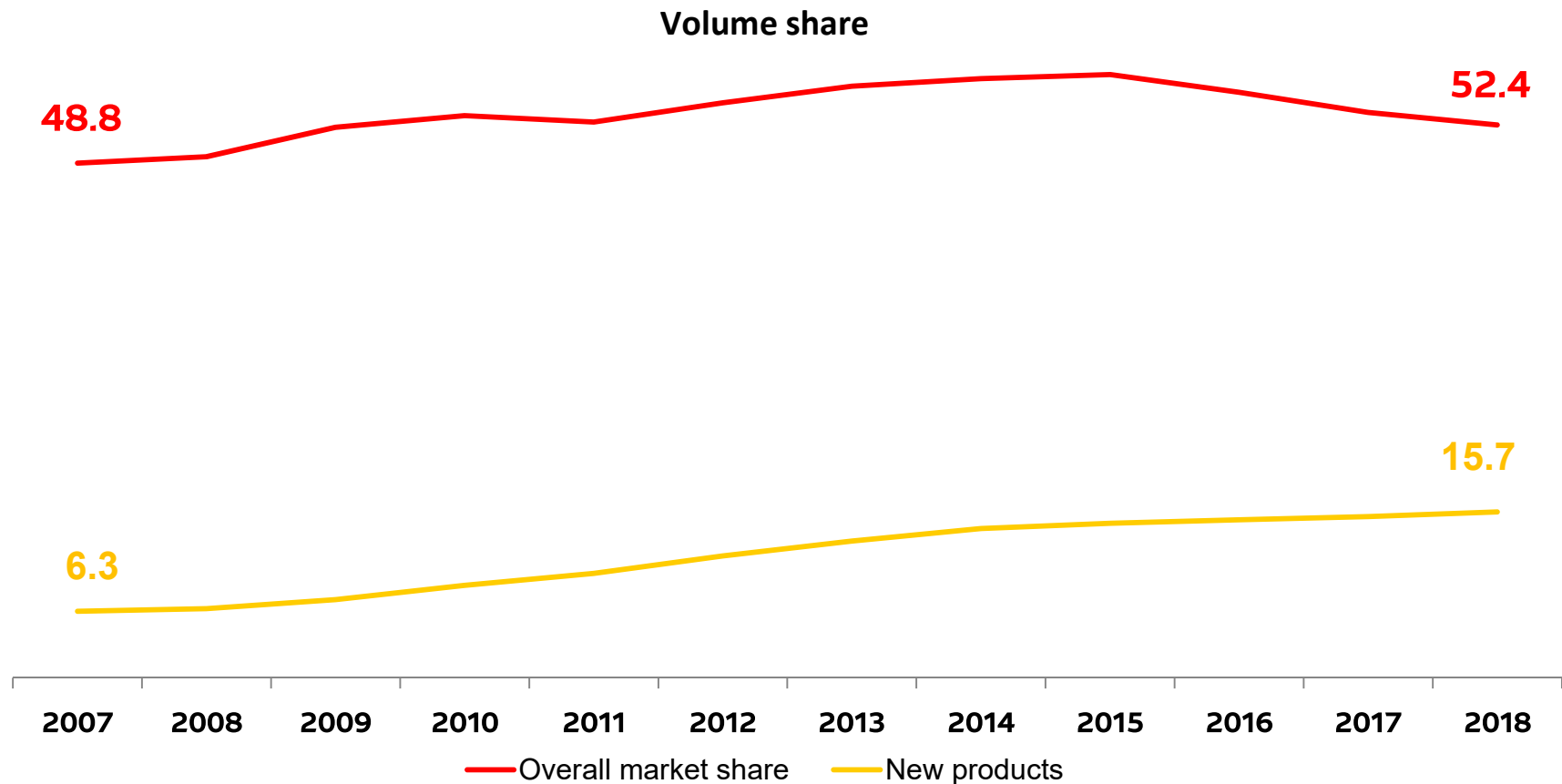
# Support for CPIL from Colgate Palmolive

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- Access to World's Leading Brand in Oral Care & Personal Care
- Wide product portfolio across categories
- Global R&D base developing customer insight driven value added products
- Clinical testing of the developed products
- Learnings from experiences across 200 countries
- Support across multiple functions like marketing, manufacturing, supply chain management amongst others

Royalty% has been consistently maintained @5%

# Market Share Gains of Colgate Powered by New Product Development



Existing products are Colgate dental cream and Cibaca

Key new products: Max Fresh, Active salt, Total, Sensitive, Visible White and SAN

**Market Shares have been strong despite competitive action, due to innovation pipeline.  
New product development has been the key driving force**

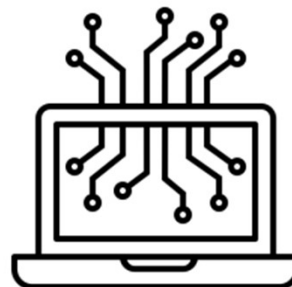




**Product  
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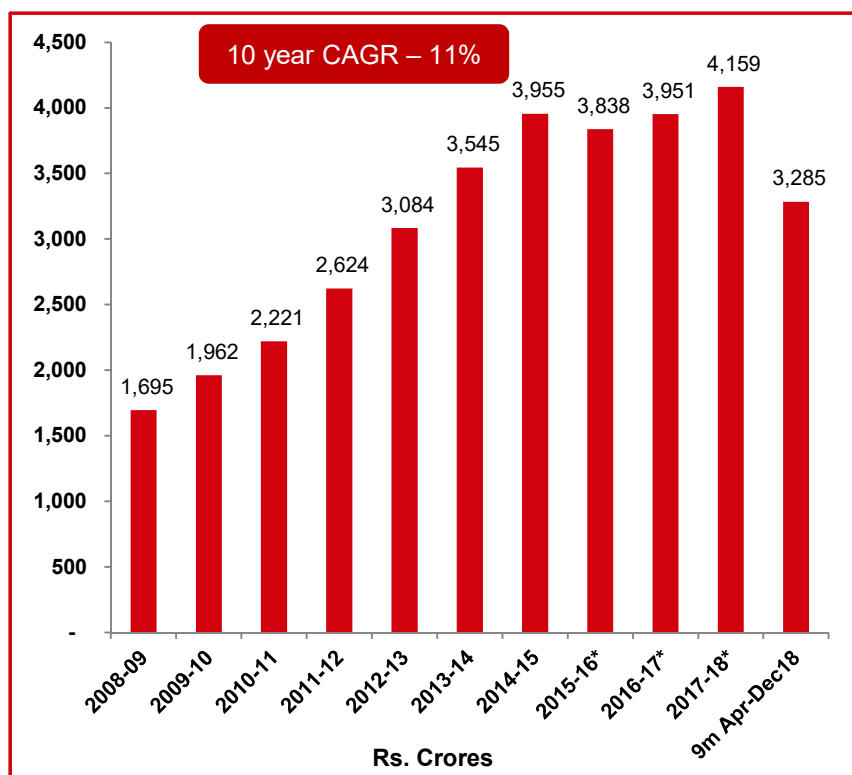
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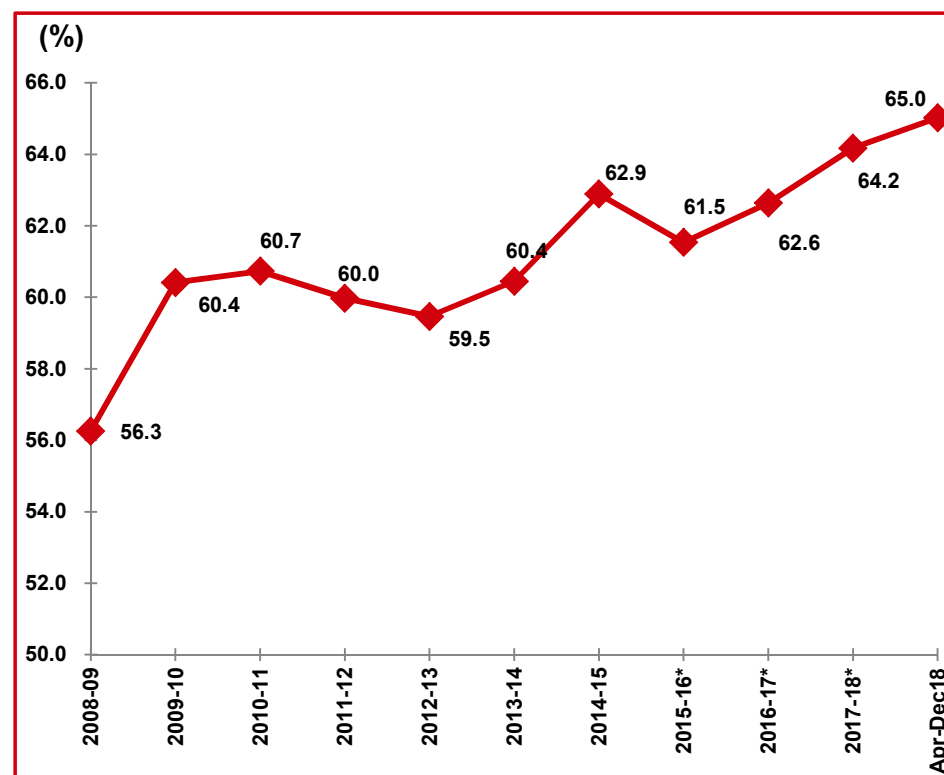
 **Let's Talk**



## Net Sales & Margin %

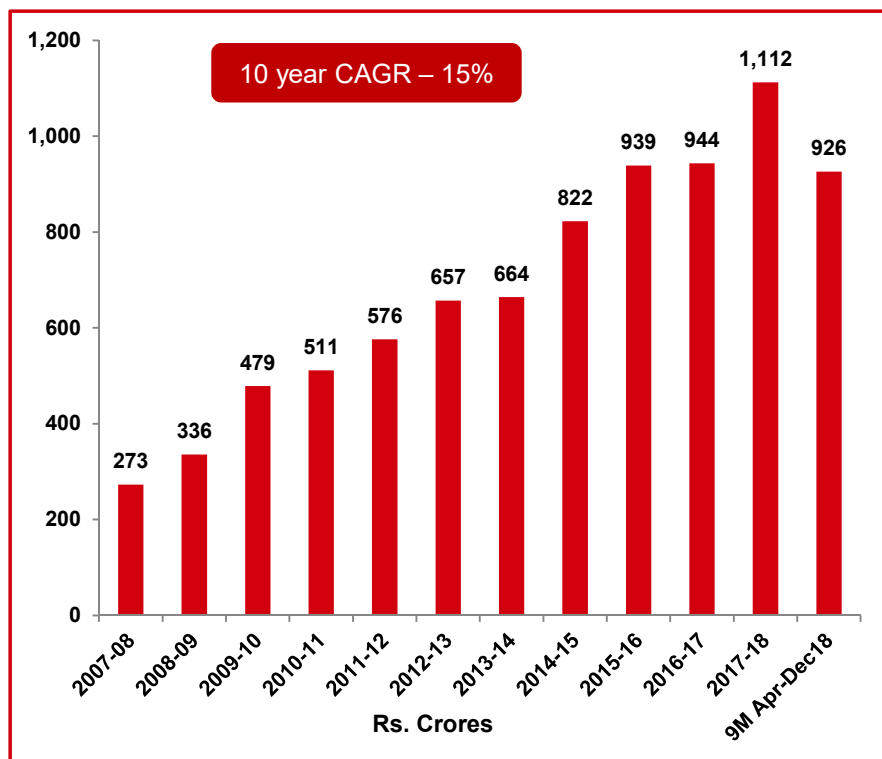


Net Sales

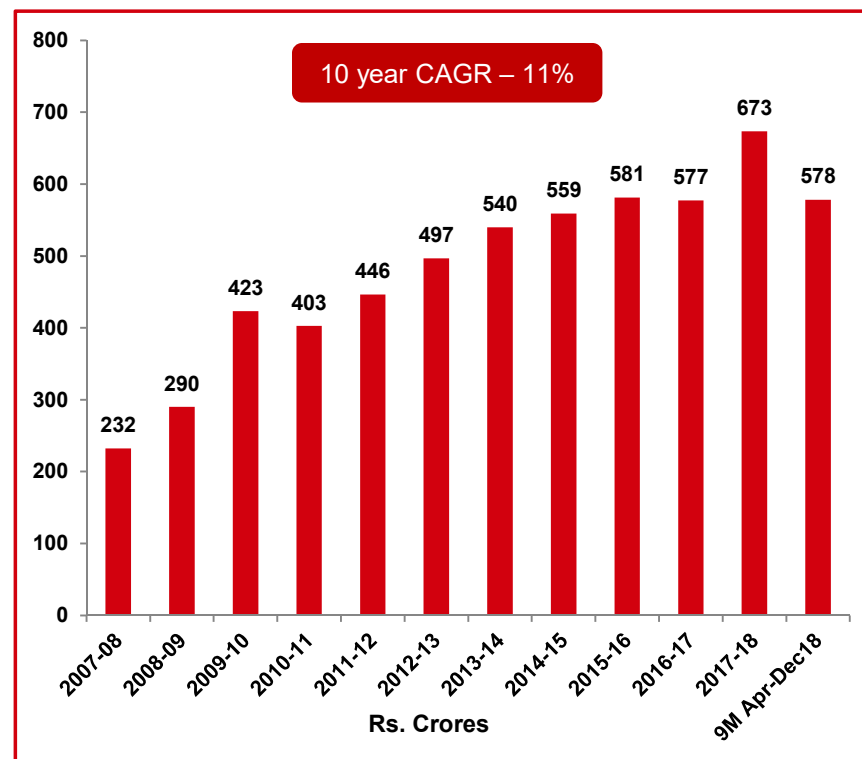


Gross Margin %

# EBITDA & PAT



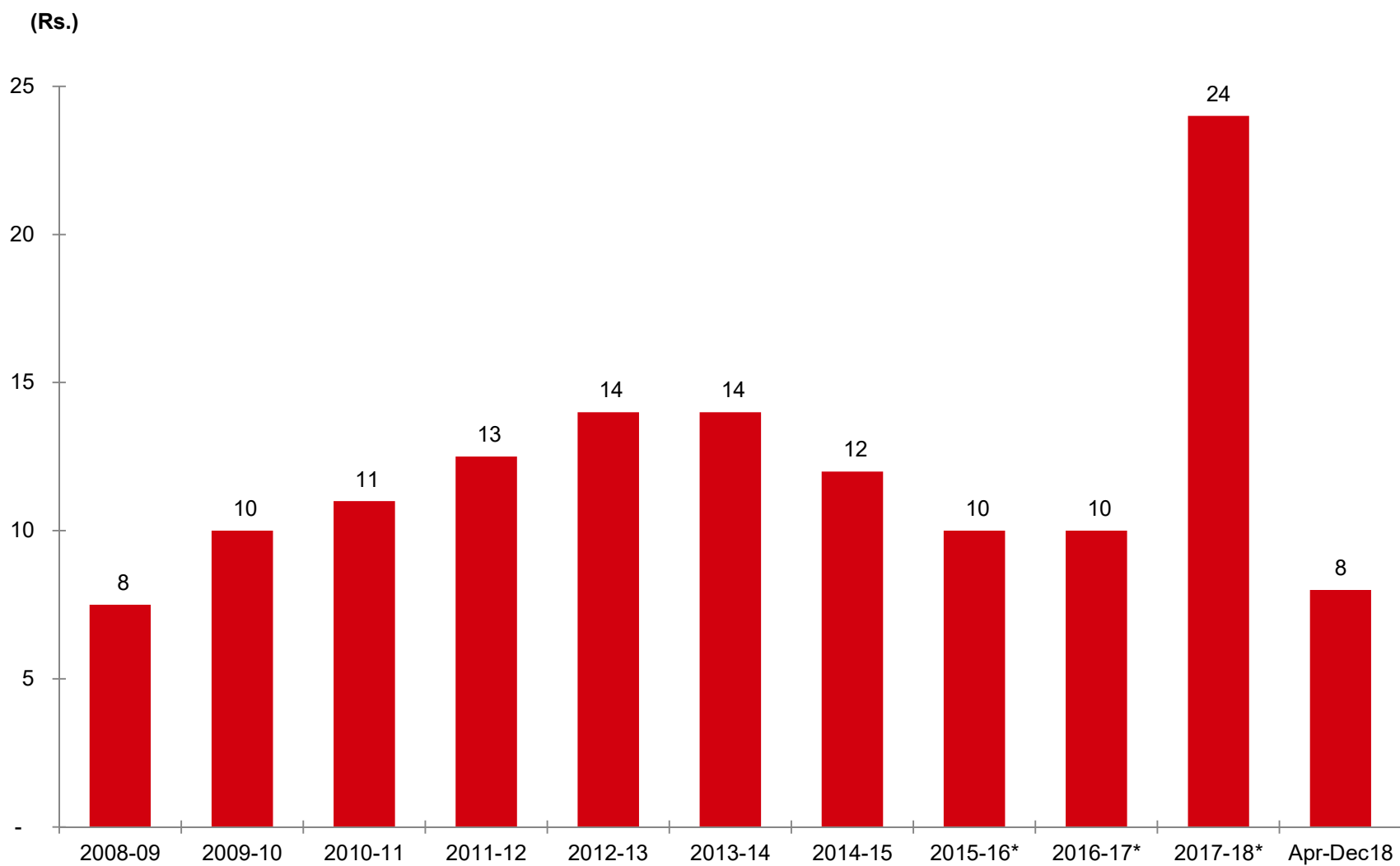
EBITDA



PAT



## DPS



*\* Numbers from FY 15-16 onwards are as per IND AS*

## Delivering Shareholder Returns

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| Year                       | Shares            | Value      |
|----------------------------|-------------------|------------|
| 1978                       | IPO - 250         | 6,250      |
| 1994                       | Rights - 1,280    | 25,600     |
| 2019*                      | Holdings – 28,160 | 35,078,912 |
| <i>*As on Feb 14, 2019</i> |                   |            |

Dividend Received  
(includes Capital reduction)

5,228,459

**Compounded return of 25% since the IPO**

# Finance Strategy

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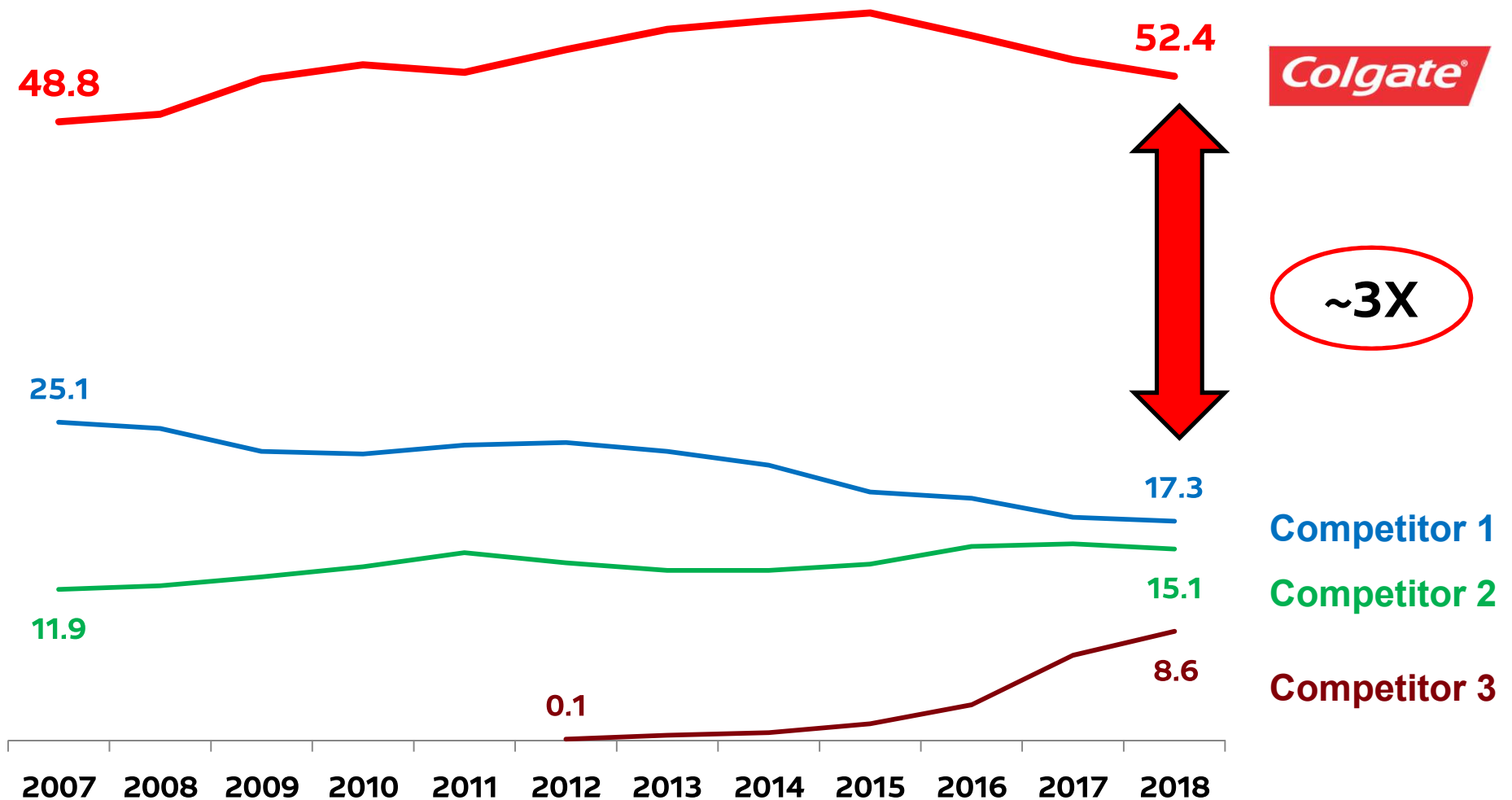
## Financials Summary – Q3 2018-19

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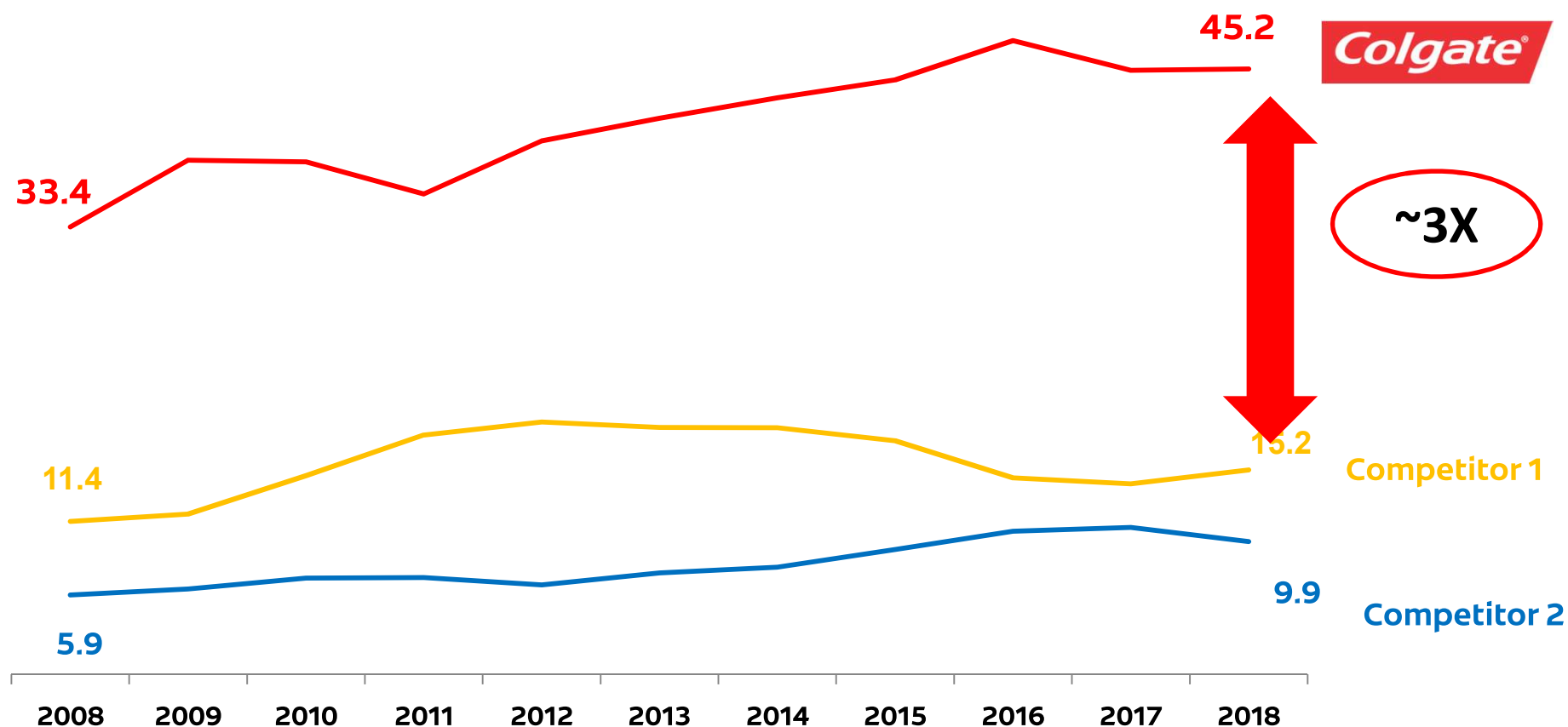
|              |              |
|--------------|--------------|
| Net Sales    | +6.3% growth |
| Gross Margin | 64.9% to NS  |
| Advertising  | 12%          |
| EBITDA       | +130 bps     |
| PAT          | +13%         |



# Strong Toothpaste Volume Share



## Toothbrush Volume Share: Nearly 3x of the Nearest Competitor



Consistently gaining market share

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