



GCPL AFRICA

August 2016

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Overview

- Dry Hair Extensions
- Wet Hair Care
- Household Insecticides

GCPL Africa
Dry Hair Extensions

Types of dry hair extensions

Braids



Weaves



Dreads



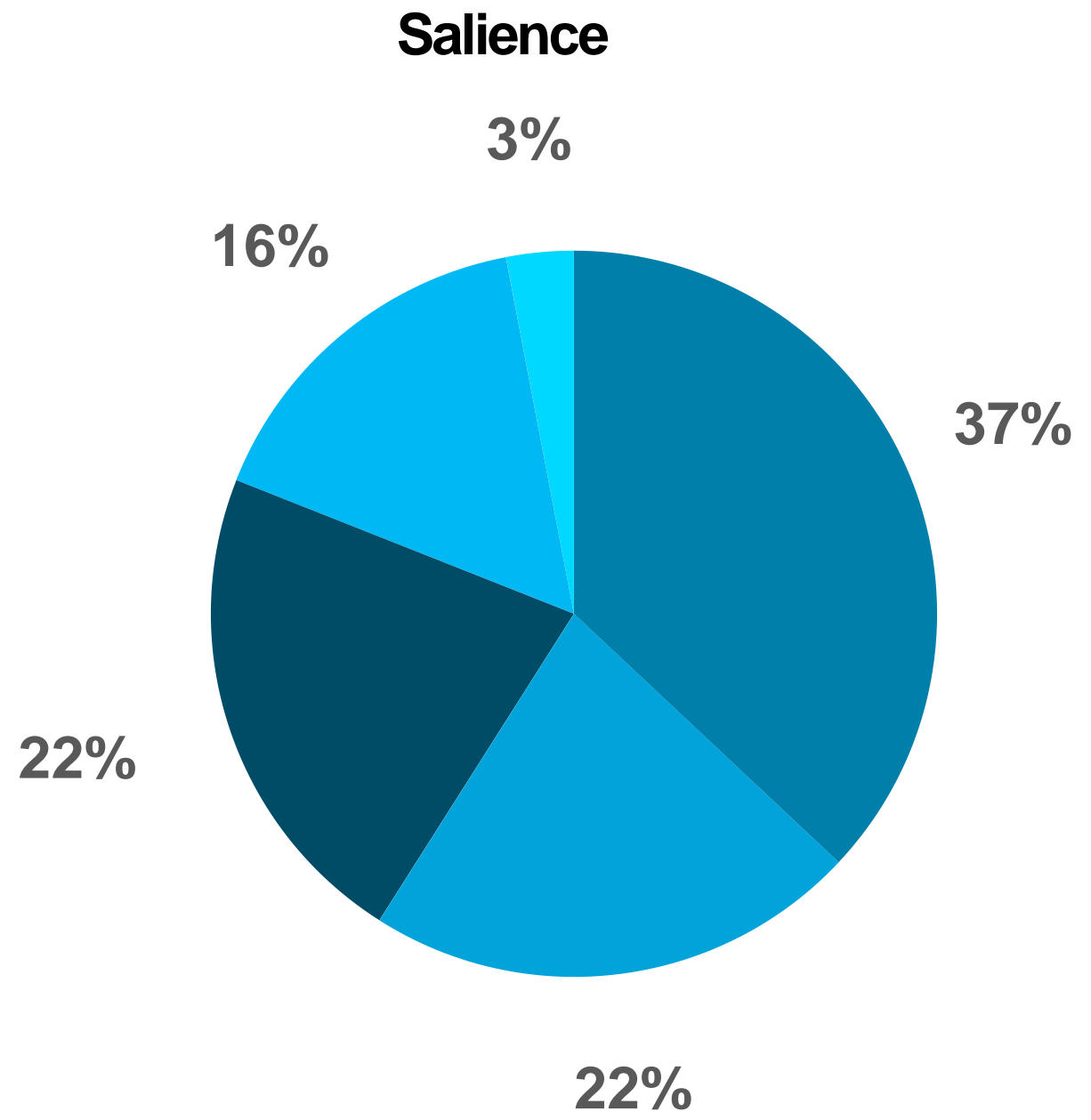
Wigs



**Ponytail
Drawstrings**



Dry Hair Extensions market overview



● Braids ● Weaves ● Curls ● Human Hair ● Wigs

*Source: Internal assumption based on size of female population, penetration and usage frequency

Deep Dive – GCPL Dry Hair Extensions



DARLING®

PASSION FOR HAIR

Trendsetting



NESCAFÉ



Culture

African beauty

Femininity

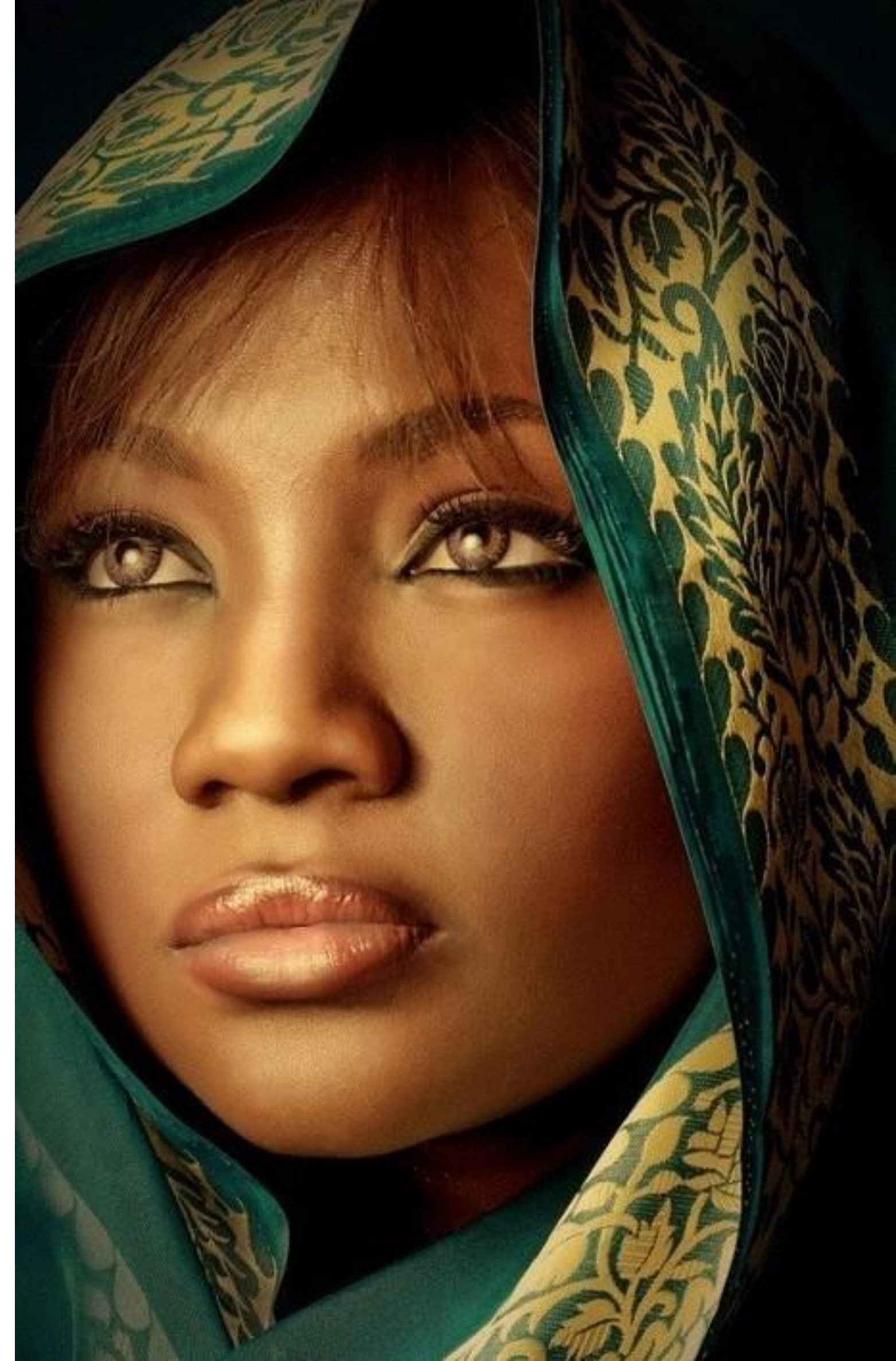
Fashion

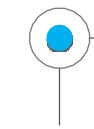


Leading pan-African brand with a **strong, trusted heritage**
and deep understanding of ethnic hairculture

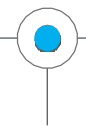
Used by over **100 million** African consumers

**How did we
do it?**





Upfront
investments and
strong
in-market execution



Focus on
innovation
led growth



Leveraging
digital



Operational
excellence
and **agility**

Upfront investments and strong in-market execution

Fashion inspiration



- Brand exposure to over 6 major media incl. influencers and consumers: +1000 people in 4 days
- R1.2m free media coverage (PR)

OBJECTIVE:
Build mega brand effect and credible fashion inspiration

Trade Support



- Quarterly promos in +200 traditional retailers nationwide
- Activations create hype to engage with consumers and stylists

OBJECTIVE:
Create brand awareness and drive sales

Salon Engagement



- 600+ stylists upskilled and empowered in workshops
- Branded salons

OBJECTIVE:
Build professional advocacy

Brand Building



- Branded 450 salons in Gauteng and KZN
- Branded taxis and delivery vehicles
- Media and digital initiatives

OBJECTIVE:
Build brand awareness

Upfront investments and strong in-market execution

Competitive investments in brand building

Soweto Fashion Week



Upfront investments and strong in-market execution

Competitive investments in brand building

FRIKA – fashion focussed

- Mercedes Benz Fashion Shows
- Ethnic Hair Shows
- Cape town Fashion Show
- Durban Fashion Show



Upfront investments and strong in-market execution

Innovative, cost effective mass communication and brand building

Branded truck and trailers create mobile billboards covering almost 200,000 km annually



Upfront investments and strong in-market execution

Excellence in in-store execution

In-store programmes



Upfront investments and strong in-market execution

Leading on ground consumer engagement

On ground activations – workshops, product demos



Upfront investments and strong in-market execution

Strengthening salon engagement

Academy programmes



Upfront investments and strong in-market execution

Strengthening salon engagement

Workshops and product demos



Upfront investments and strong in-market execution

Effective communication



Focus on innovation led growth

Focus on NPD



Michelle O



Mpume Galaxy

FRIKA Ombre



FRIKA Grey Braids



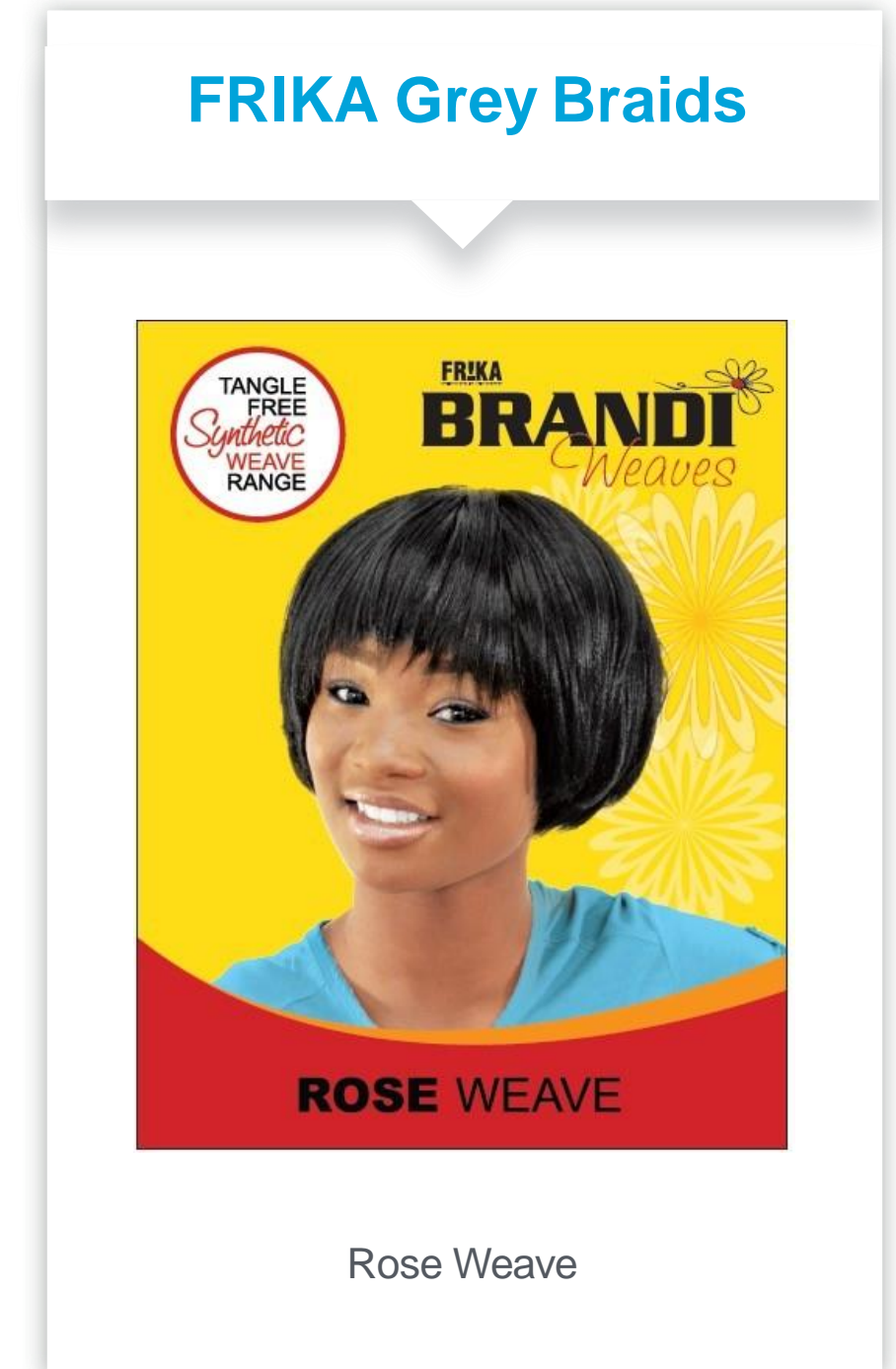
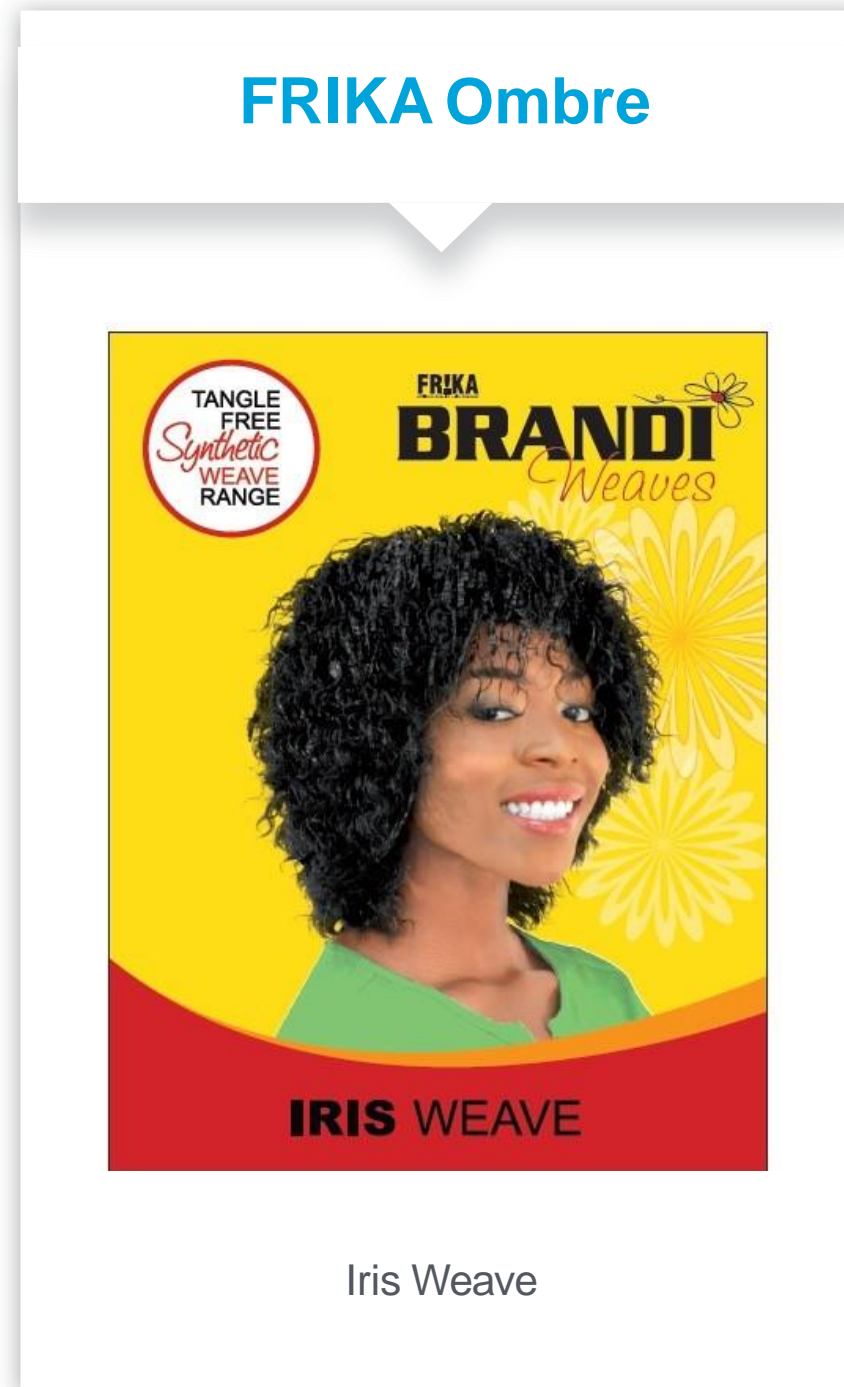
Focus on innovation led growth

Human Hair Blend



Focus on innovation led growth

Yaki Ombre Styles



Leveraging digital

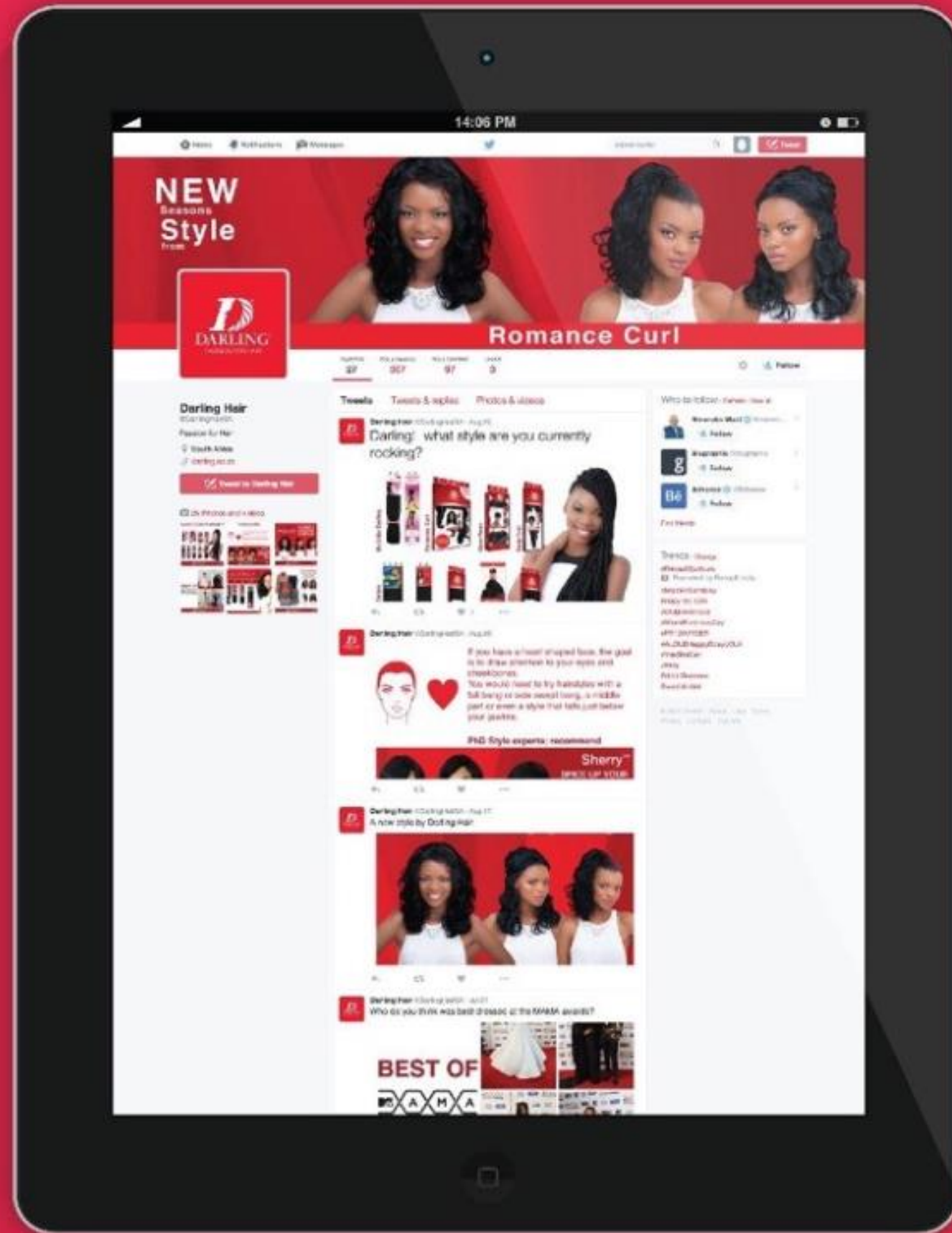
Planning your hairstyle
was never this easy.



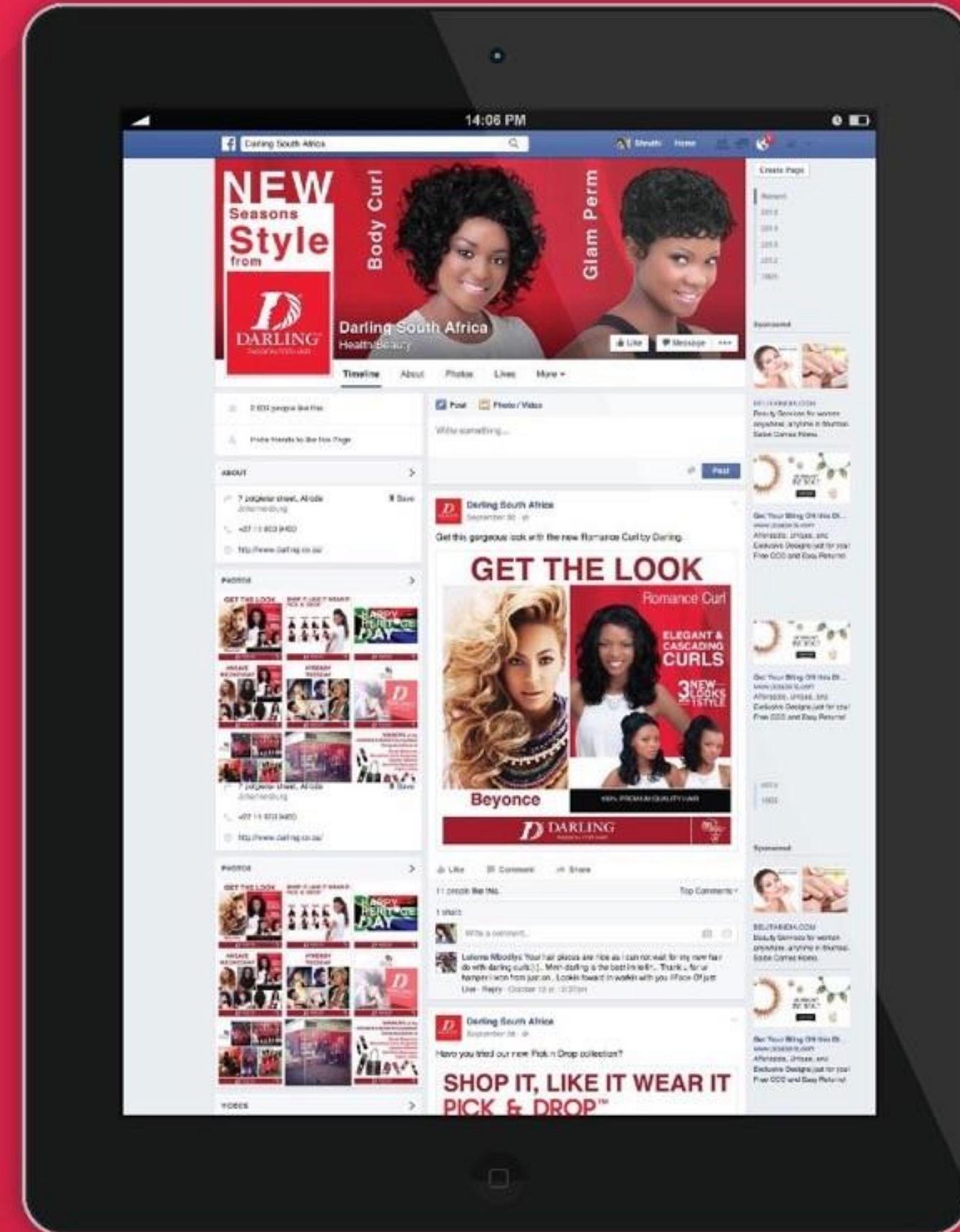
Get the app & be your own stylist!



Leveraging digital



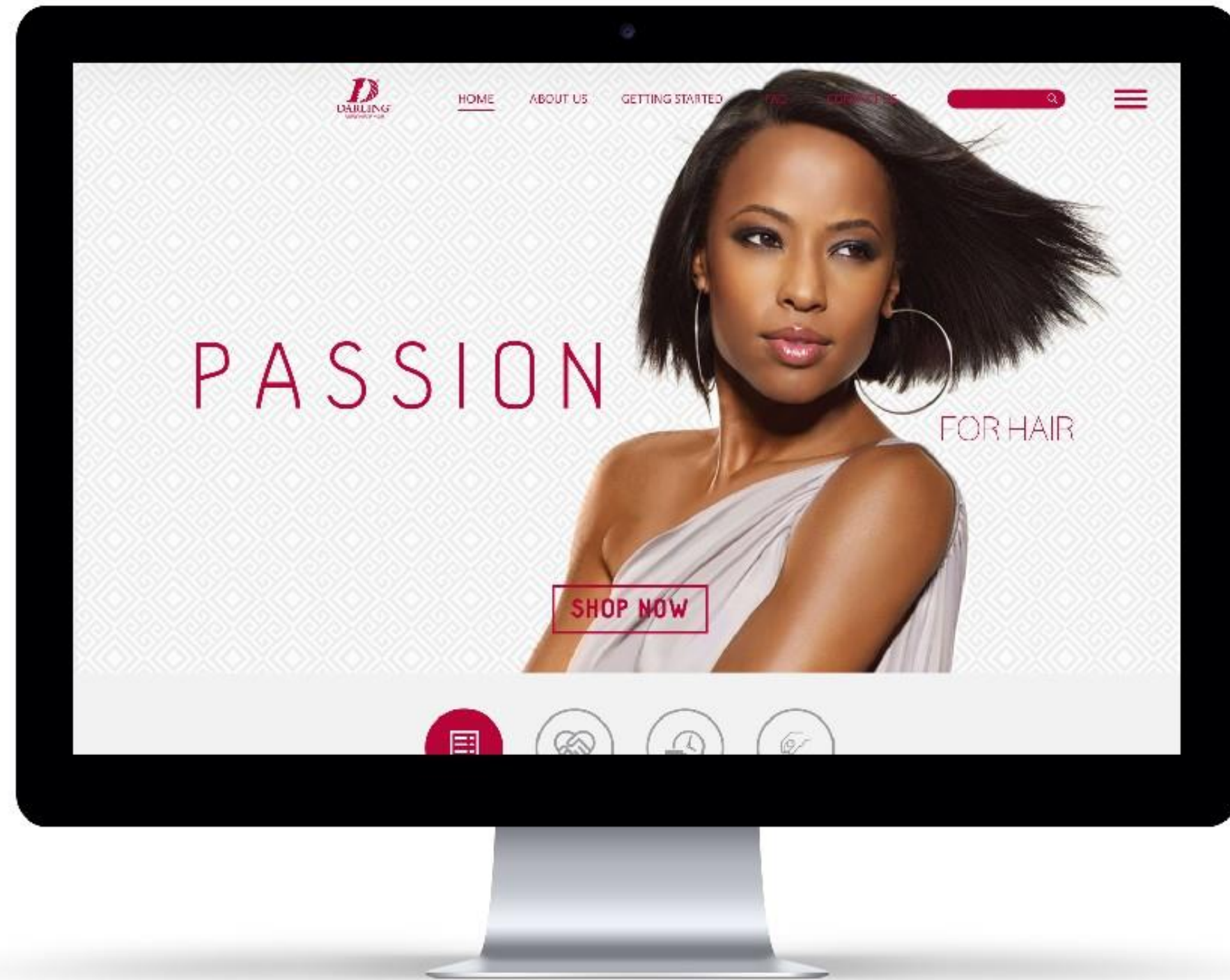
Social strategy - Twitter



Social strategy - Facebook

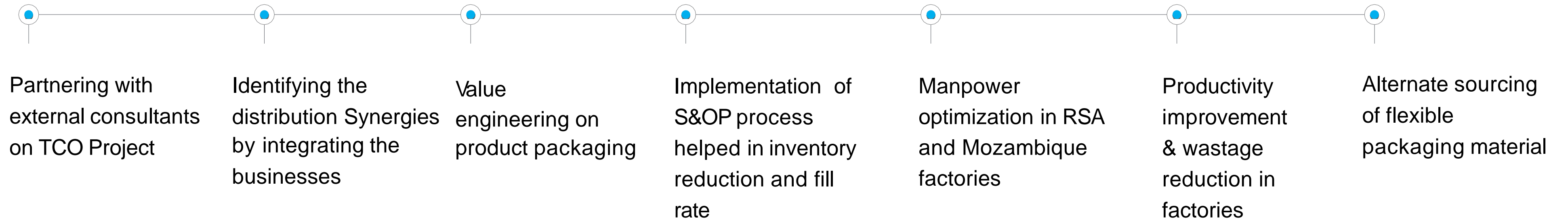
Leveraging digital

New look sneak preview

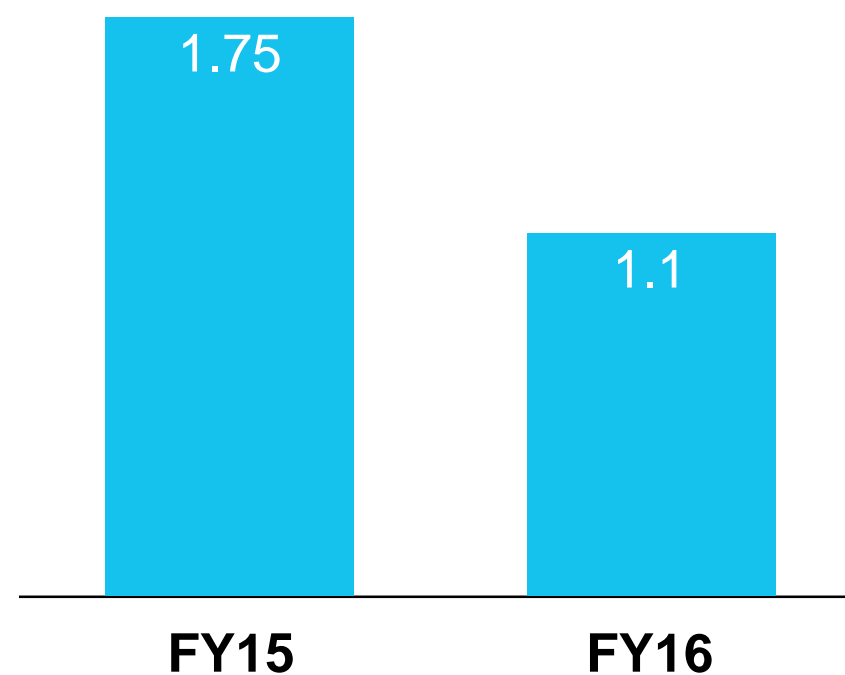


Operational excellence and agility

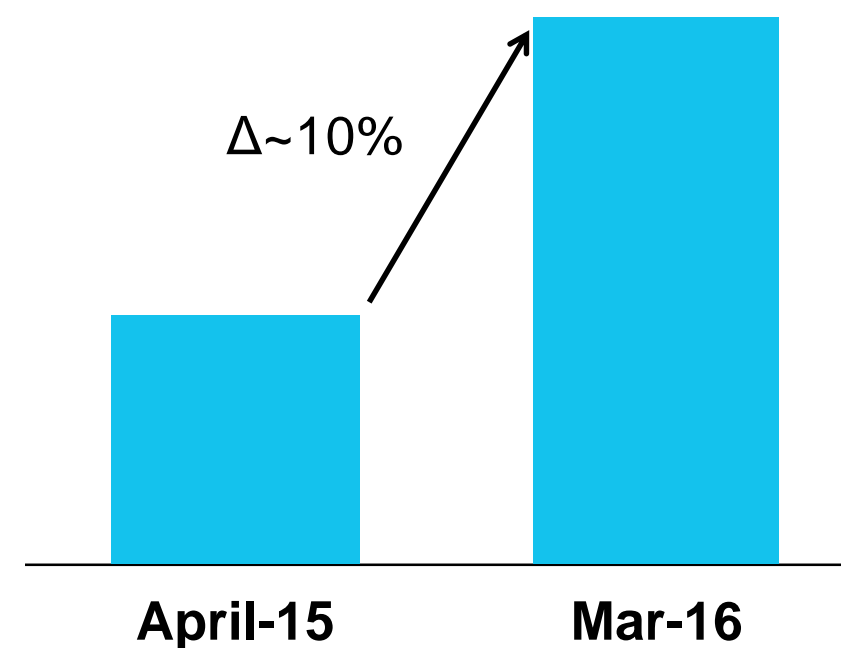
Making our global supply chain best-in-class



Cost savings (USD m)



Improvement in customer fill rates



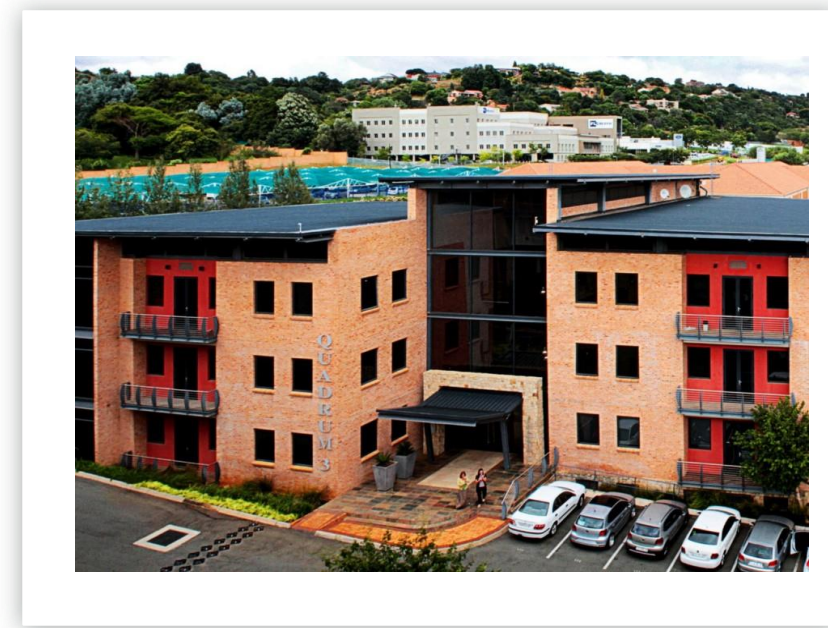
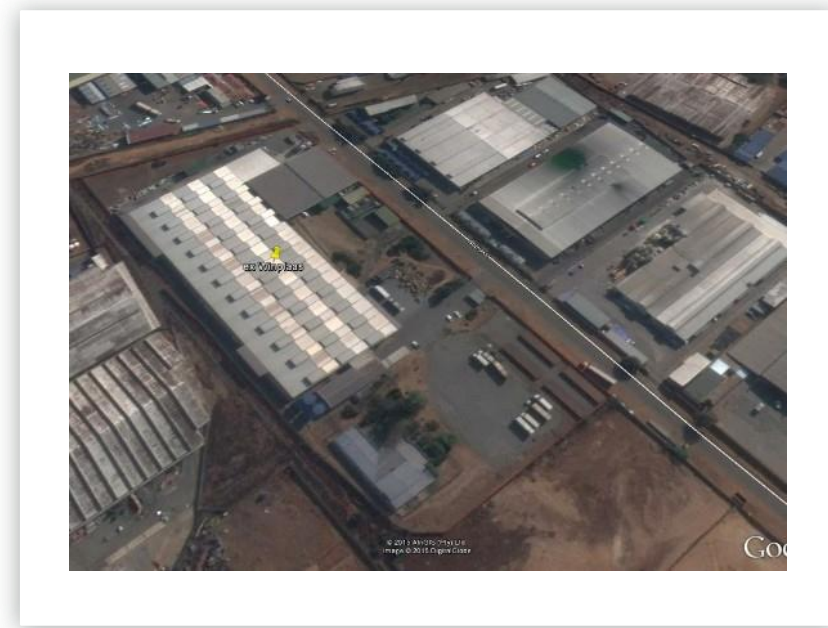
Operational excellence and agility

Backward integration

- **PP fibre manufacturing facility with best in class productivity and yield per kg of PP resin**
- **Good infrastructure for road transport and sea ports**
- **Well connected to Sub Saharan African countries by sea**
- **Stable source and availability of PP resin**

Operational excellence and agility

Plans to further expand capacities



GCPL Africa
Wet Hair Care

The world has about 1 billion people of African origin, predominantly located in Sub Saharan Africa, US and the Caribbean



The hair care category for women of African descent can be divided into two broad segments - Dry Hair Care and Wet Hair Care



Solution Desired

- Transform looks
- Prevent damage to hair
- Nourishment for scalp and hair



Dry Hair Care

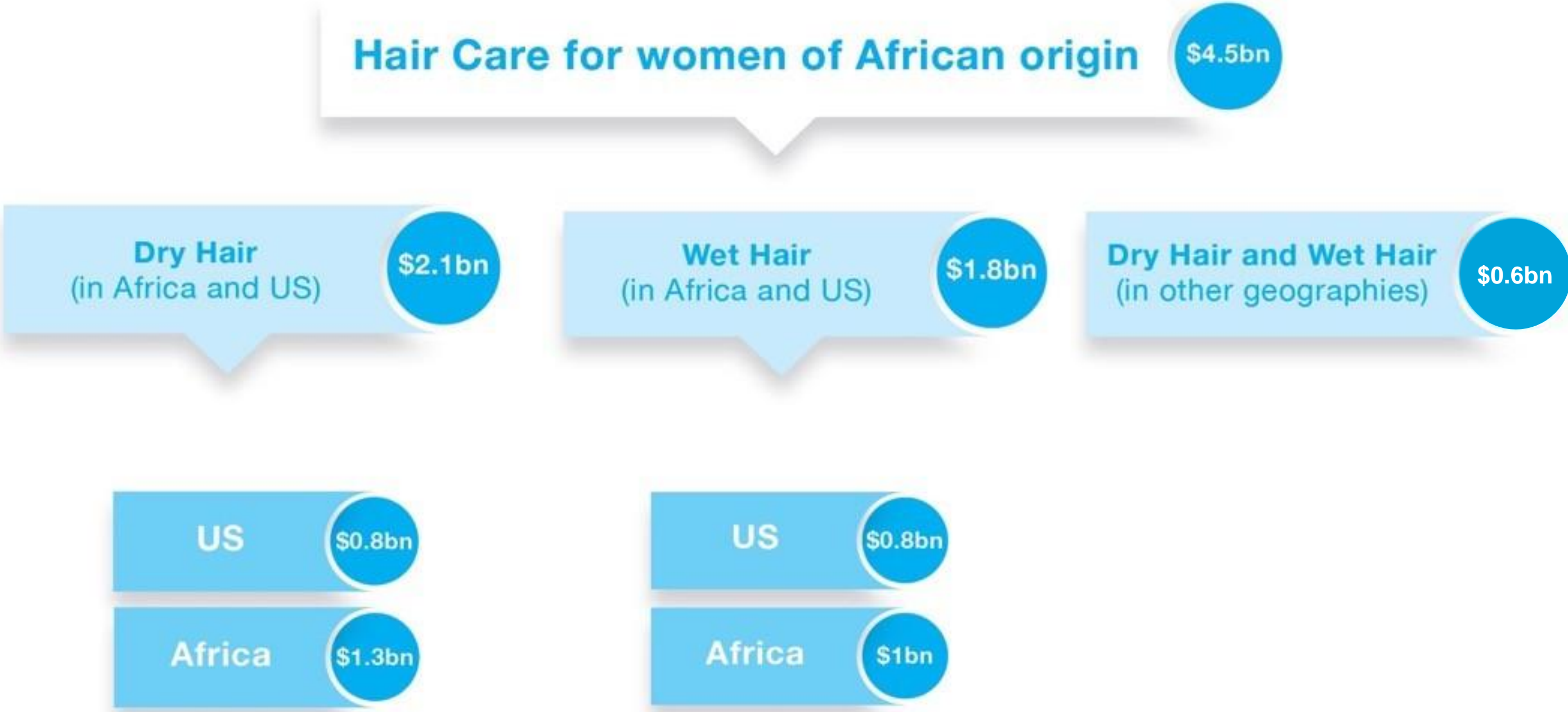
Braids	Weaves
Value Added Categories	

Wet Hair Care

Relaxers	Styling
Maintenance	Shampoos*

Note: *Shampoos includes only brands specifically targeted to ethnic hair

The Hair Care category for women of African origin holds significant potential - unique, fragmented, but estimated to be \$ 4.5 billion, globally



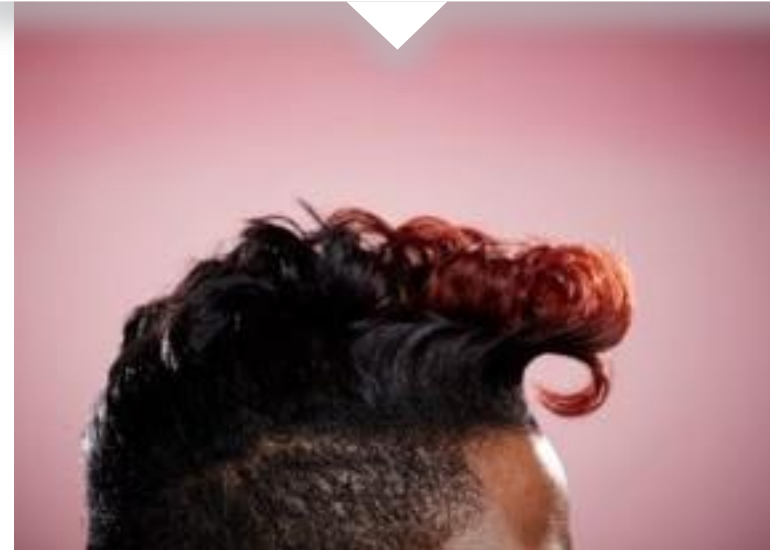
The Wet Hair Care category

Relaxers



Relaxers are used to make curly hair more manageable through chemically straightening

Styling



Styling products nurture hair and create new textures, construct shapes and provide flexible hold and shine

Maintenance



African hair, which is fragile by nature, requires extensive maintenance; maintenance products (including conditioners and special treatment) keep hair hydrated and the scalp well nourished

Shampoos

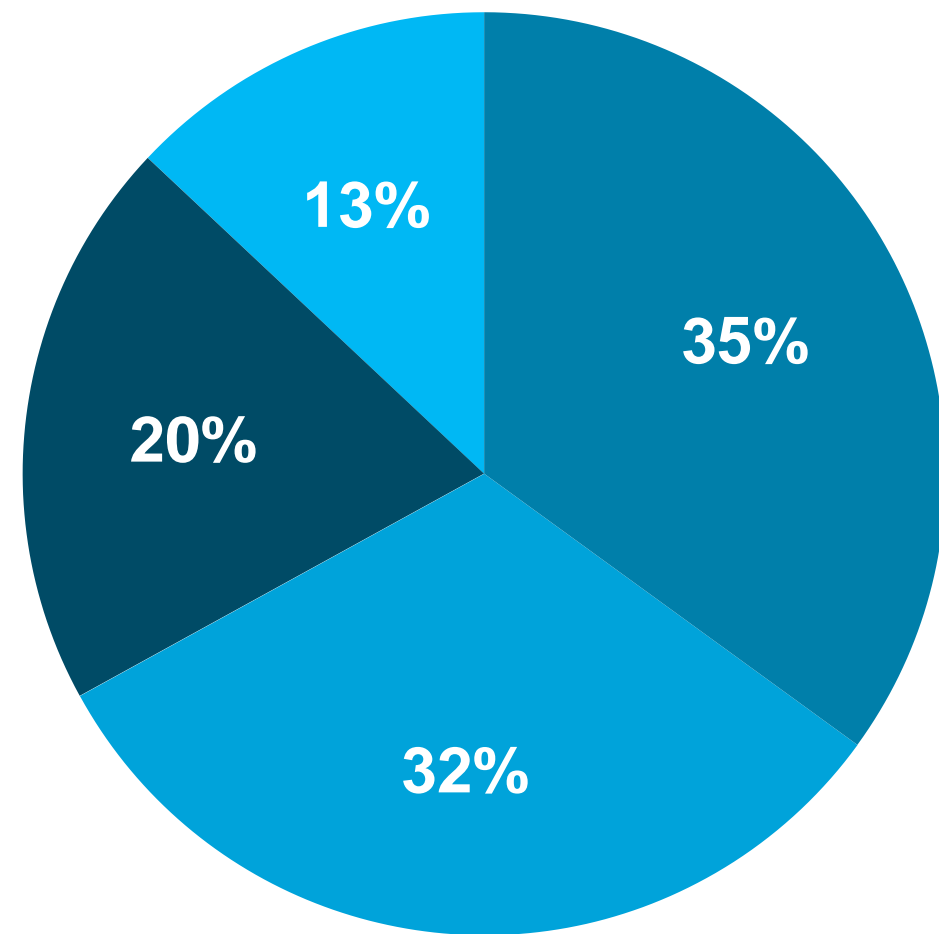


African women use both mainstream shampoos, as well products specifically designed for their hair

Image Source: Google Images

Relaxers and maintenance are the biggest sub categories

Africa



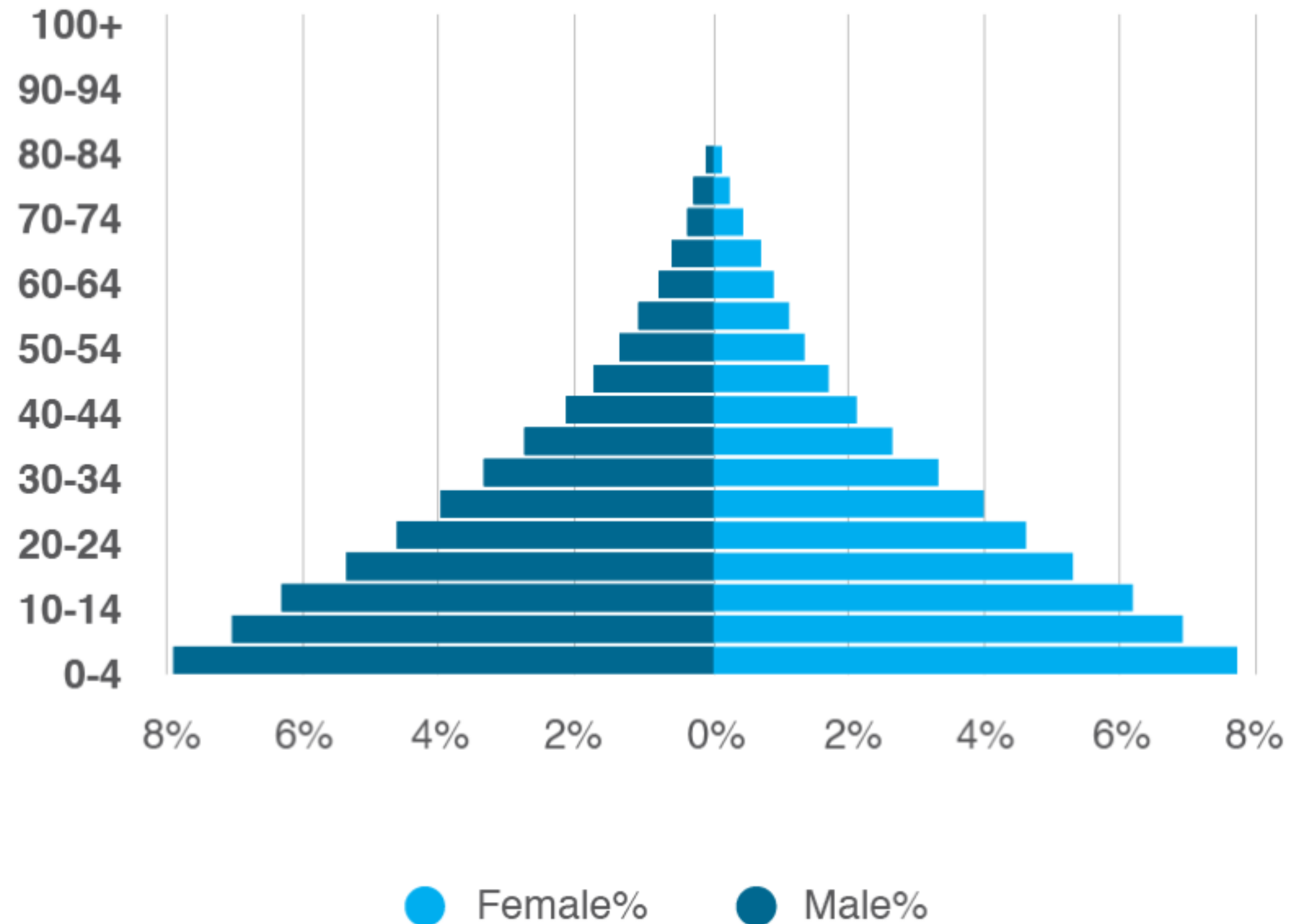
● Relaxers ● Maintenance ● Shampoo ● Styling

Key markets (Nigeria, Kenya, SA) contribute to ~40% of the total category

Value/Mass segment is dominated by local players

Premium space is dominated by imported players

African consumer in getting younger and growing in size



The average age of consumer using wet hair products is steadily coming down

More consumers are coming into the category than exiting fuelling organic growth

SON portfolio gives us a wide variety of choices to adapt to African consumer



Salon brand



Premium brands



Kids brands



Value brand

GCPL Africa
Household Insecticides

The problem of pests is more serious in Sub-Saharan Africa

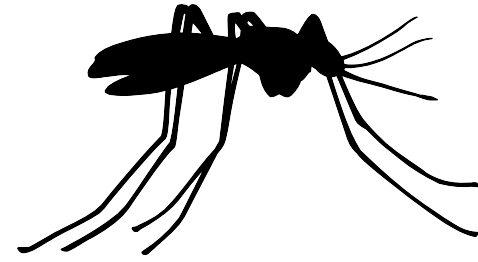
Diarrhoeal diseases & Malaria
are among top 5 killers in Africa

644,000 deaths due to Diarrhoea
568,000 deaths due to Malaria (2012)

Vs.

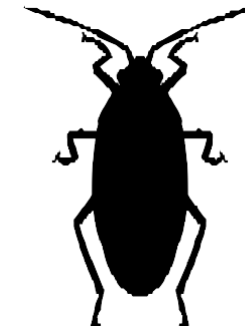
28,575 reported cases
11,313 deaths due Ebola (Oct 2015)

And their impact beyond just spreading diseases...



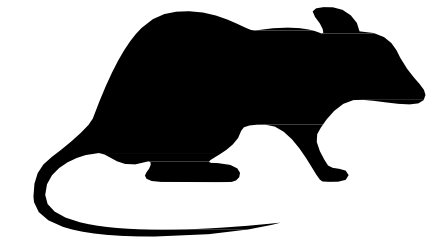
Mosquitoes

- Causes malaria and even death
- Disturb sleep & peace of mind
- Bites causes itch & allergies



Roaches

- Filthy, leave faeces everywhere, causes diseases
- Indiciate unclean house and surroundings, causes social embarrassment
- Considered most difficult to get rid off



Rats

- Causes diseases
- Destroy food, clothes & furniture
- Indicate poor living conditions leading to social embarrassment

Source : U&A study, Nigeria (quantitative research)

None of existing formats solve consumers' concerns of safety and convenience

Format

Positives

Limitations

How is it used



Instant Action

Toxic smell forcing people to stay out
Cause cough, irritation
Inconvenient regimen
Expensive

1-2 times a week
Stay out for at least 30 mins post spraying
Supplemented with nets/coils



Affordable
Lasts for 8 hrs
Mostly sold loose

Smoke, ash
Work only against mosquitoes

In evenings – daily or once in 2 days
May leave room for some time
Supplemented with nets



Distributes free/
at very low cost

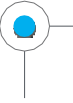
Suffocating
Limited coverage

OUR HI PLANS

Drive mosquito category consumption develop and own the non mosquito market



Innovation
– products developed
for African markets



Distribution
– build on our existing,
strong infrastructure



Supply Chain
– enable competitive
cost structure

Innovation – products developed for African markets



Affordable

– lower cost per night relief

Effective yet safe

– new gen actives

Easy to use

– innovative formats

Profitability

– differentiated high margin formats
– innovative formats

Distribution – build on our existing, strong infrastructure



Leverage our salon reach program for low-cost sampling and cross-sell

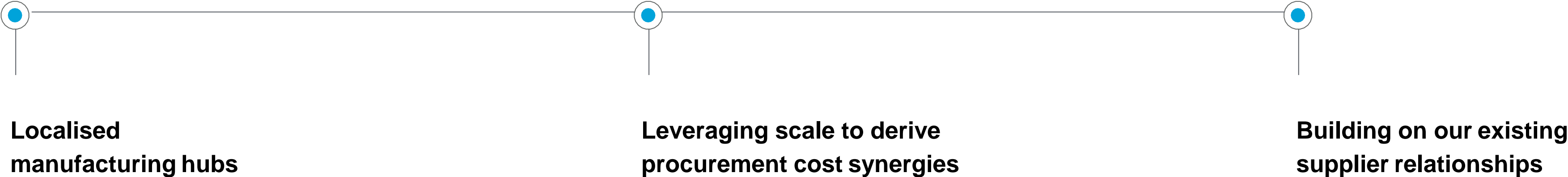


Strong in market execution



Build distribution & penetration beyond port cities
Drive direct coverage of key trade channels : groceries, OTC

Supply chain – enable competitive cost structure





Thank You
