Acquisition of D & A Cosmetics and Atlanta Body & Health Products

DABUR INDIA LTD
Company Overview

• Dabur announced the acquisition of D&A Cosmetics Proprietary Ltd and Atlanta Body and Health Products Proprietary Ltd. on 17th May 2017

• Dabur South Africa (Pty) Ltd. has entered into Share Purchase Agreement to acquire 100% shareholding of both entities on or before 1st June 2018

• Both companies are owned by Bodenstein Family of South Africa

• The Companies operate the brand ‘Long & Lasting’ which offers a range of hair care products to African consumers

• Total consideration for the acquisition is ZAR 50 million (USD 3.7 million)
Company Overview

D&A Cosmetics

- Owns the brand ‘Long & Lasting’
- In the business of manufacturing and sale of African hair care products
- Owns a manufacturing unit in East London, South Africa
- Sales in South Africa, Namibia, Swaziland, Botswana and Lesotho

Atlanta Body and Health Products

- Distribution and sale of Long & Lasting products to the Salon Channel
- Reaches around 3000 salons
- Products manufactured by D&A Cosmetics
Product Range

Long & Lasting is a range of quality African hair care products created by a qualified pharmacist and launched more than 18 years ago

- Aftercare
- Weaves
- Relaxers
- Braids
- Dreads
- Treatments
- Serums

For more details pls visit www.longandlasting.co.za
Financials

<table>
<thead>
<tr>
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<th>Sales (FY16)</th>
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<tbody>
<tr>
<td>D&amp;A Cosmetics</td>
<td>ZAR 24.0 mn</td>
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<tr>
<td>Atlanta Body and Health</td>
<td>ZAR 2.9 mn</td>
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- D&A Cosmetics has a strong financial profile with EBITDA margin of 14%
- Purchase Consideration of ZAR 50 million is approx. 2x Sales and 13x EBITDA
Rationale for Acquisition

Acquisition to help expand Dabur’s hair care business in Africa

- **Distribution synergies**
  - Long & Lasting has a strong presence in Salon Channel, which will be leveraged for ORS products
  - ORS has a strong presence in Modern Trade in South Africa which will be leveraged to scale up Long & Lasting range

- **Expand customer base**
  - Target new consumer base in the mid-tier segment, since Long & Lasting’s product are priced in the mid-tier segment
  - Additional products such as serums and sprays to supplement portfolio

- **Opportunity in other markets**
  - Brand has the potential to tap other regions viz. West and East Africa where we are building localized infrastructure

- **Manufacturing**
  - The company has manufacturing capabilities that will strengthen localized manufacturing for South Africa region
Thank You