



November 14, 2024

To,  
Listing Department  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051

To,  
Listing Department  
**BSE LIMITED**  
P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Symbol: HONASA**

**Scrip Code: 544014**

**Sub: Investor Presentation**

Dear Sir / Madam,

In compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Investors' Presentation on the Unaudited Financial Results for the quarter and the half year ended on September 30, 2024.

This is for your information and necessary records.

Thanking you,

Yours faithfully,  
For **Honasa Consumer Limited**

**Dhanraj Dagar**  
**Company Secretary & Compliance Officer**  
Encl: a/a

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**Honasa Consumer Limited**

**Registered Office:** Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075

**Corporate Office:** 10<sup>th</sup> & 11<sup>th</sup> Floor, Capital Cyberscape, Ullahwas, Sector-59, Gurugram, Haryana - 122102

Email: [info@mamaearth.in](mailto:info@mamaearth.in); Phone: 011 - 44123544 | Website: [www.honasa.in](http://www.honasa.in)

| CIN: L74999DL2016PLC306016 |

**mamaearth®**  
goodness inside

**700000+**  
Trees Planted

**9992+ tons**  
plastic recycled



Safe Drinking  
Water for  
**800+**  
Families



**4000+**  
Health Checkups  
Completed



**HONASA**  
**PERFORMANCE UPDATE**

Q2 & HIFY25



**12000+**  
Certified Women  
Hair Stylists



**24000+**  
Students  
Empowered



# Disclaimer

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This Presentation is prepared by Honasa Consumer Limited (“Company”) and contains certain forward-looking statements including those describing Company’s strategies, strategic direction, objectives, future prospects, estimates, events and course of action, etc. These forward-looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not in control of the Company. The forward-looking statements and financial projection are subject to a variety of risks and uncertainties that could lead the results to differ materially from those anticipated in the forward-looking statements and financial projections. There is no representation, guarantee or warranty, express or implied, as to their accuracy, fairness or completeness of any information or opinion contained therein. The information contained in this presentation is subject to change without any obligation on the Company to notify any person of such revisions or change. Past performance is not indicative of future results.

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# Table of Contents

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**1** Crystal-Gazing the Future of I-Beauty

**2** The landscape is evolving, and we need to evolve with it; Change is the only constant

**3** Financial Snapshot

**4** Business Highlights

# Crystal-Gazing the Future of i-Beauty

1

*“Sun” continues to shine on I-Beauty | Sun care expected to become an INR 5,000Cr category by 2028*

2

*Premiumization in Face Wash category*

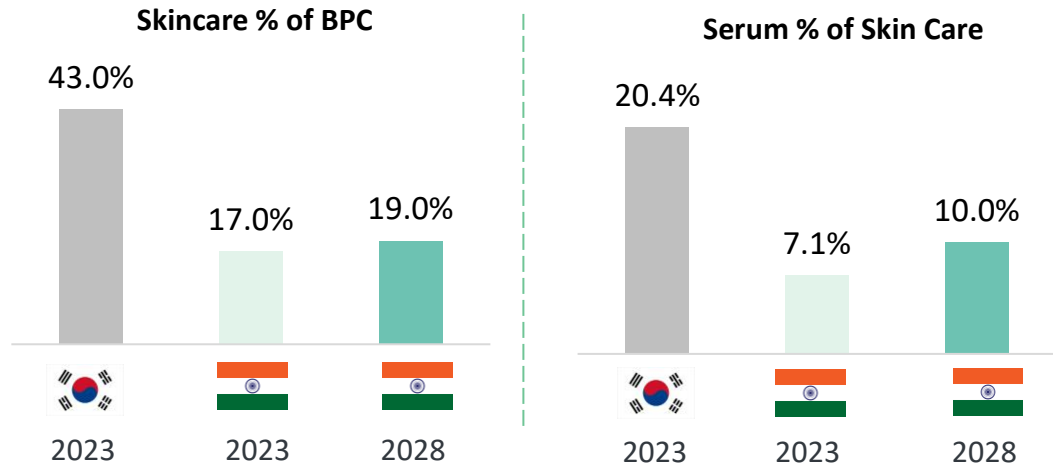
3

*Serumization of Skin care will make Face serums a 5000+ Cr Category*

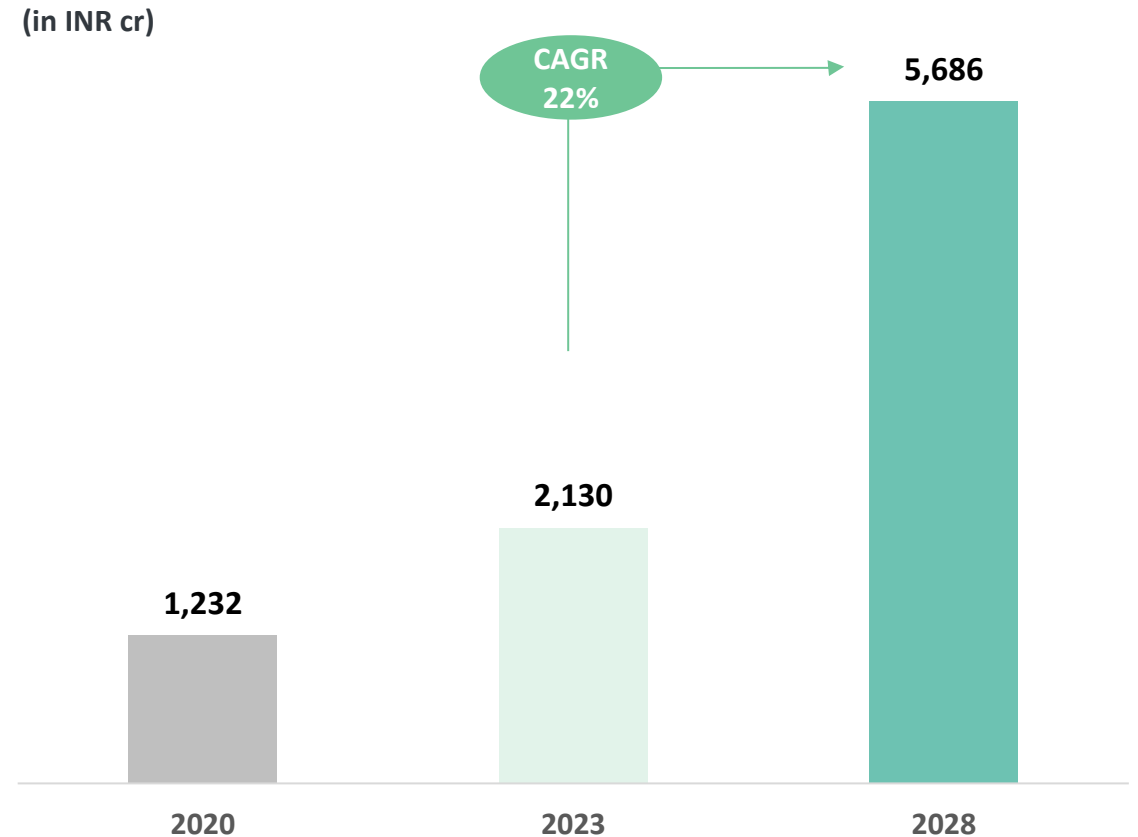


# Face Serum in India is expected to become an INR 5,600+ cr category by 2028

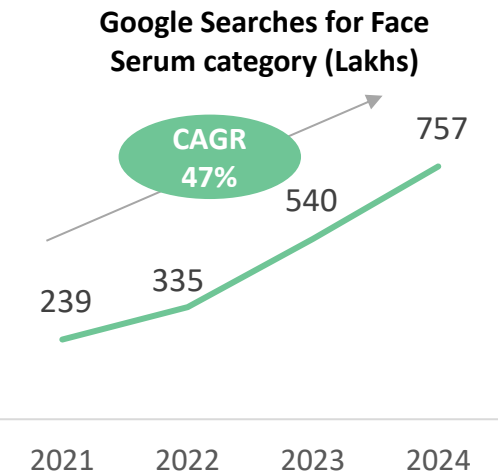
## 1 Increased penetration driven by rising consumer awareness...



## 2 ...set to make Serum a 5,600 cr category by 2028



### Growing consumer awareness



- Increased awareness among consumers around use and efficacy of ingredients
- Active propositions have done well as consumers look for solving specific problems

Specialist skin care brands / actives led brands are well poised to capture this growth

Source (Industry Size based on GMV): Company Estimates  
 Source (Searches): Google Adwords for Serums (For 2024: Actual data for YTD Sep 2024; Oct – Dec extrapolated)

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**The landscape is evolving and we need to evolve with it, change is the only constant**

HONASA

# Consumer buying behavior, distribution channels and media habits are evolving 1 2 3 4



Indian consumers are shifting from family-oriented to individual-centric consumption behavior



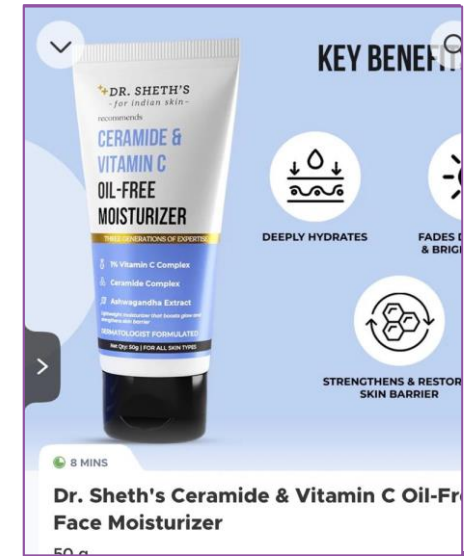
Enhanced consumer social connectivity is accelerating the spread of global trends



Content creators driving category education through a self-funded model, leading to new categories getting shaped quickly



Media habits and consumption are changing and old media models are getting challenged every year



Rise of Quick Commerce is not only changing distribution but also potentially impacting buyer behavior of pantry and shopping



## What got us here will not take us there

- Redefining playbooks for scale beyond INR 1000 cr especially to build brands in Offline
- Fine tuning investment allocation, media mix, product design, GTM design etc. to shape next phase of scale up



## Offline GTM is muscle, not just a skill

- Reorganize the offline distribution to be future ready especially from a perspective of scaling house of brands
- Customer focused approach with data and high transparency



## Product superiority is the next big moat

- Investing in R&D capability through hiring, partnerships and acquisitions
- Our Hero product in core categories to beat key competes in blind testing

## Winning in BPC, One category at a time

- Allocate R&D resources and marketing investments more effectively towards focused categories of choice as well as fully utilize the power of House of Brands



## Play to position but position to win

- Build brands on sharp propositions yet play our investment strategy as per consumer proclivity, to gain maximum share of consumers wallet



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# Financial Snapshot

# Exceptional one-time GT inventory takeback (Distribution Transition) has impacted growth as well as profit margins for Q2FY25

## Reported Revenue from Operations

**INR 462 Cr**

**YoY Growth: (6.9%)**

## Adjusted Revenue from Operations

Adjusted for Inventory correction

**INR 525 Cr**

**Adjusted YoY Growth: 5.7%**

**Adjusted UVG<sup>1</sup>: 7.1%**

Adjusted for Inventory correction

## Reported EBITDA %

**(6.6)%**

**Adjusted EBITDA Margin: 4.1%**

Adjusted for Inventory correction

## Reported Gross Profit %

**68.8%**

**Adjusted Gross profit Margin: 71.1%**

Adjusted for Inventory correction

## Reported Profit After Tax

**INR (19) Cr**

**Profit After Tax Margin: (4.0) %**

## Working Capital Days

**(15)**

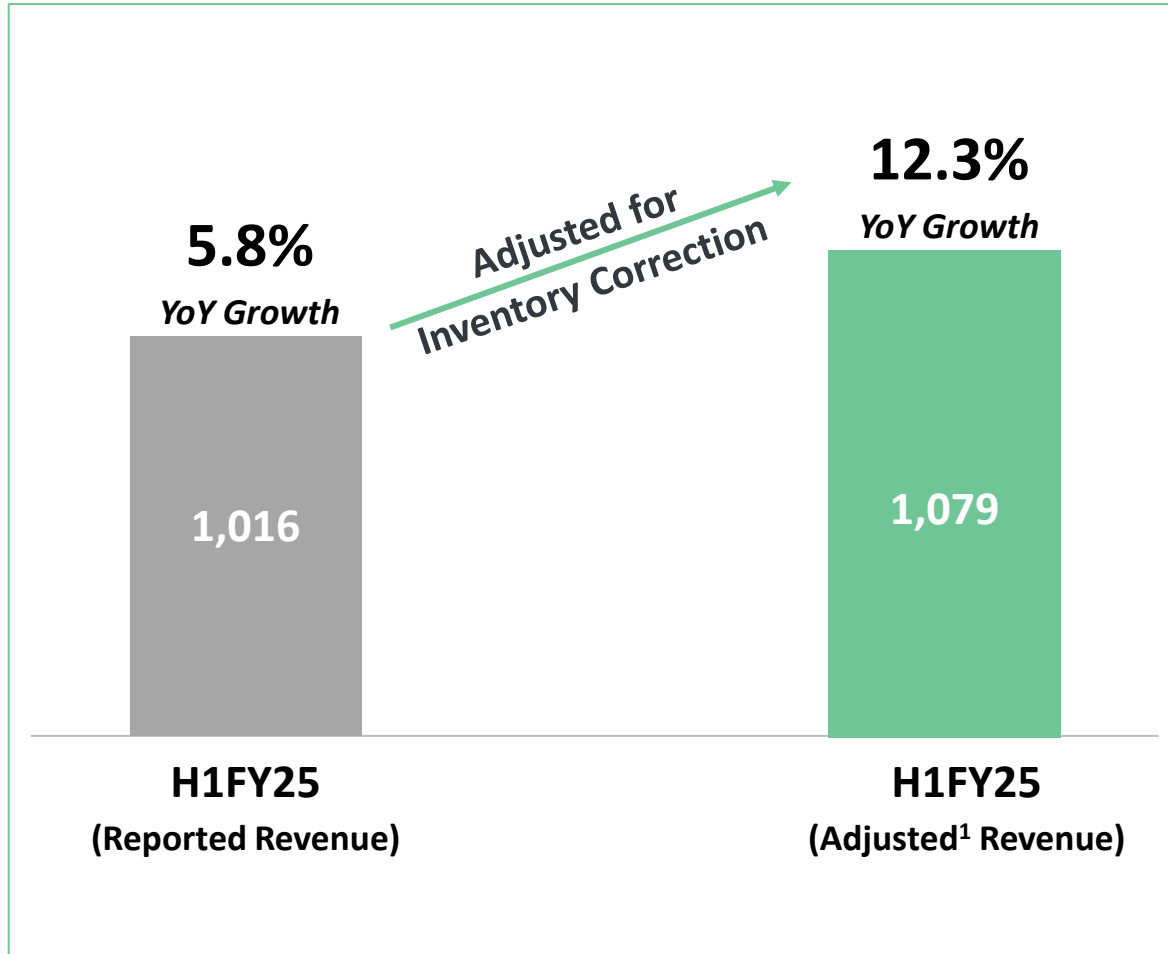
**Continues to be negative working capital cycle**

1: Underlying Volume Growth (UVG) is volume growth excluding the price impact for the period by computing the constant turnover on the base period realization

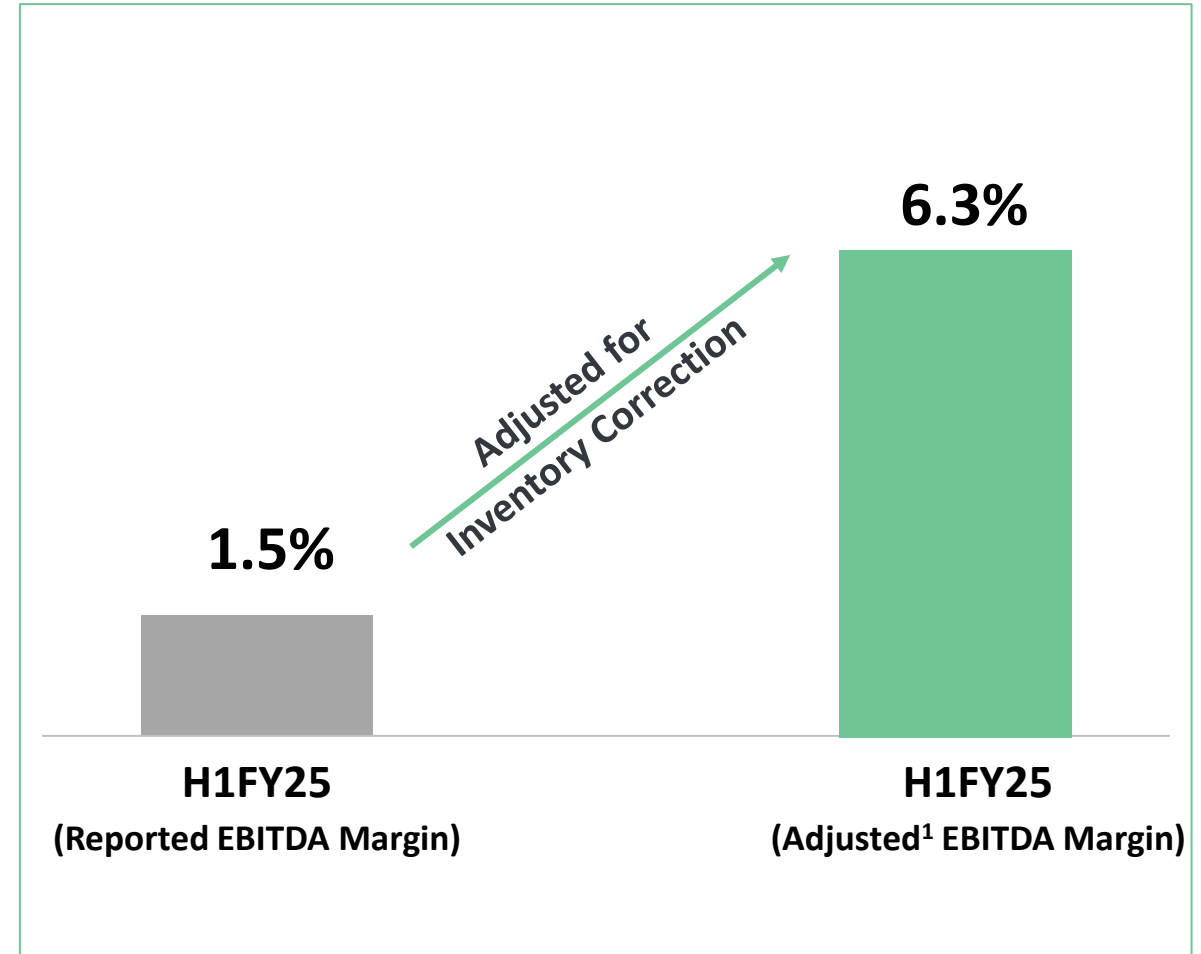
Margin% computed on Revenue from Operations

Based on consolidated financials

## Revenue (INR Cr)



## EBITDA Margin



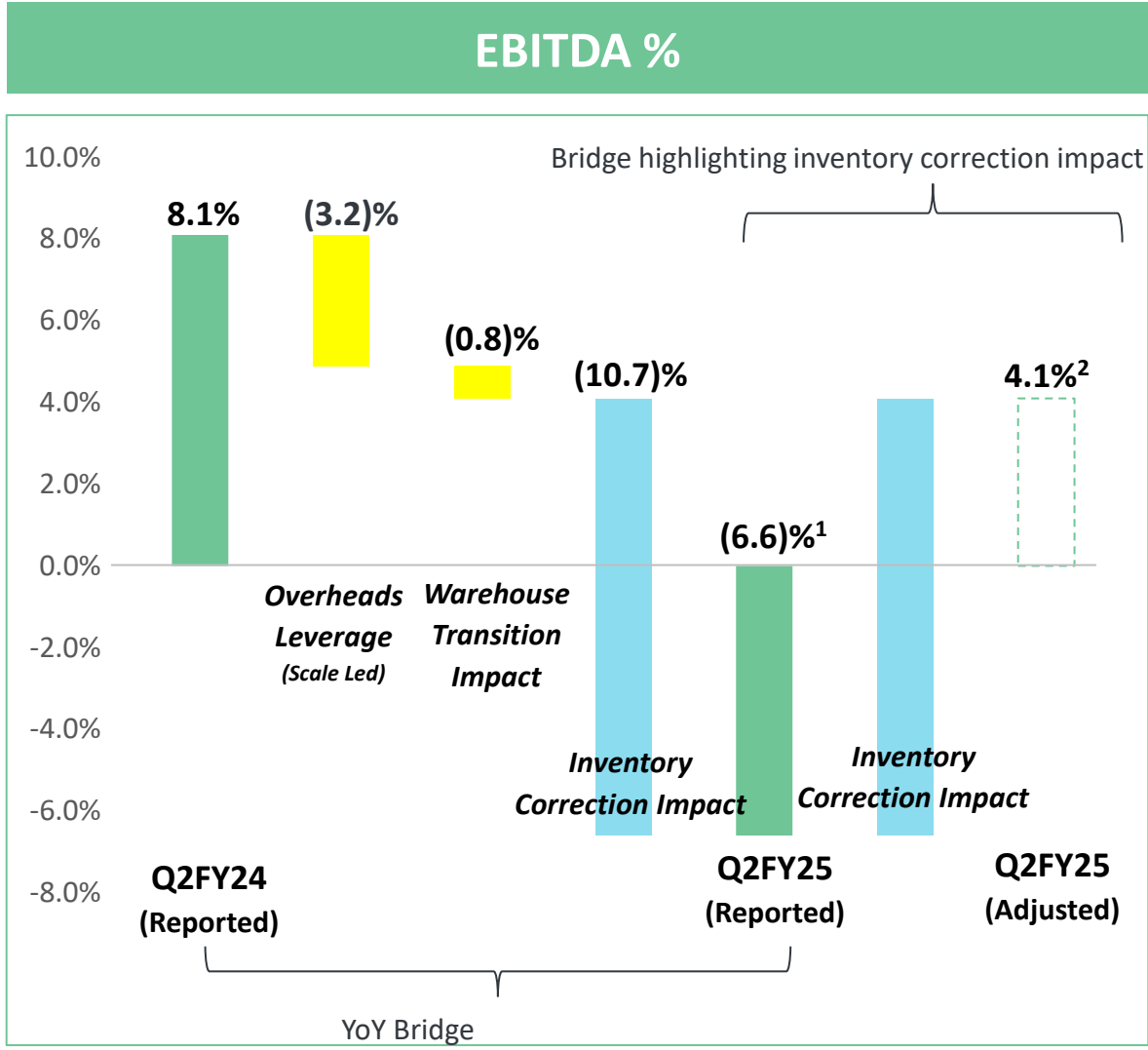
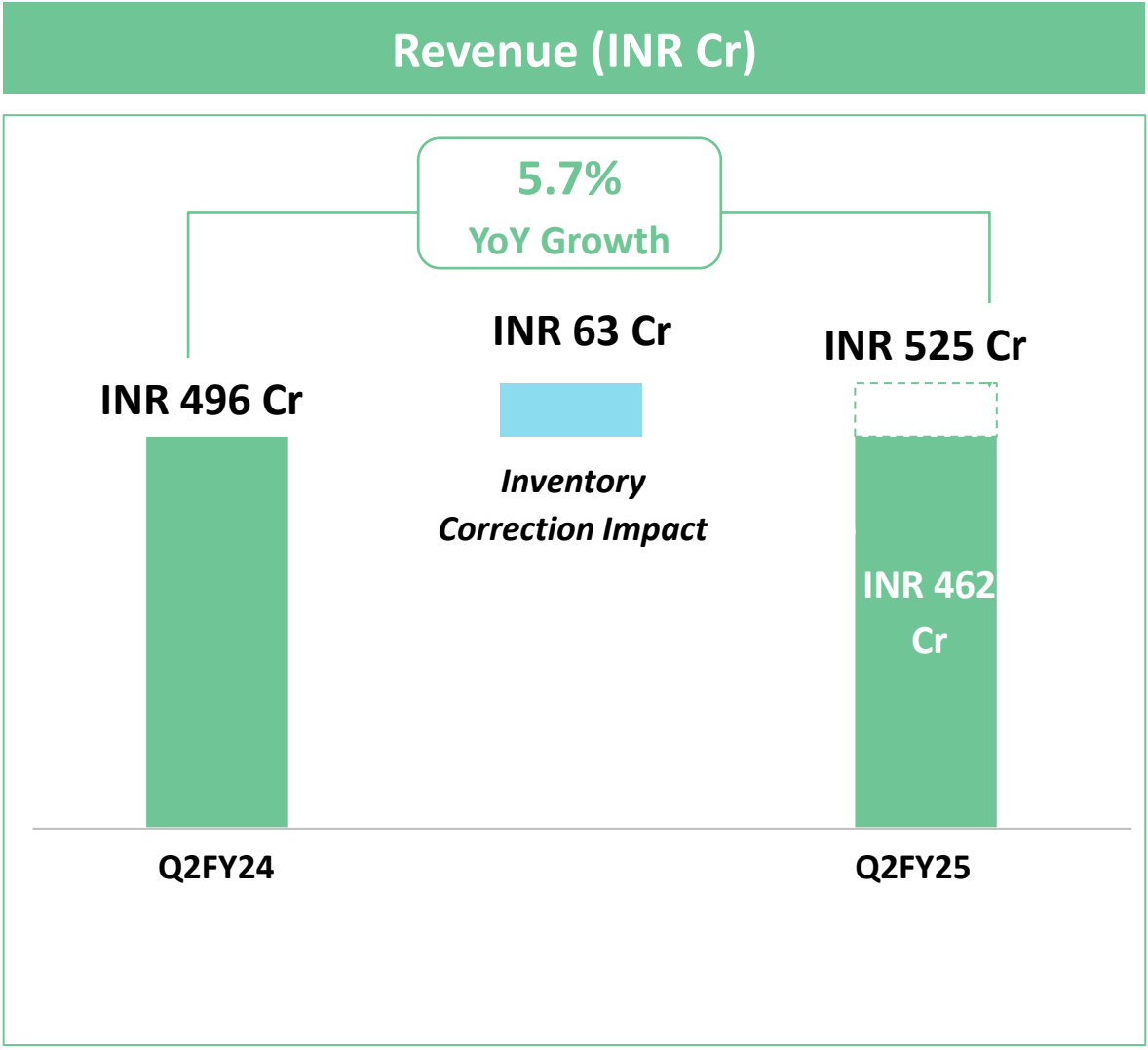
1. Adjusted for inventory correction

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# Business Highlights

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# Project Neev transition has impacted both topline and bottom line for Q2FY25

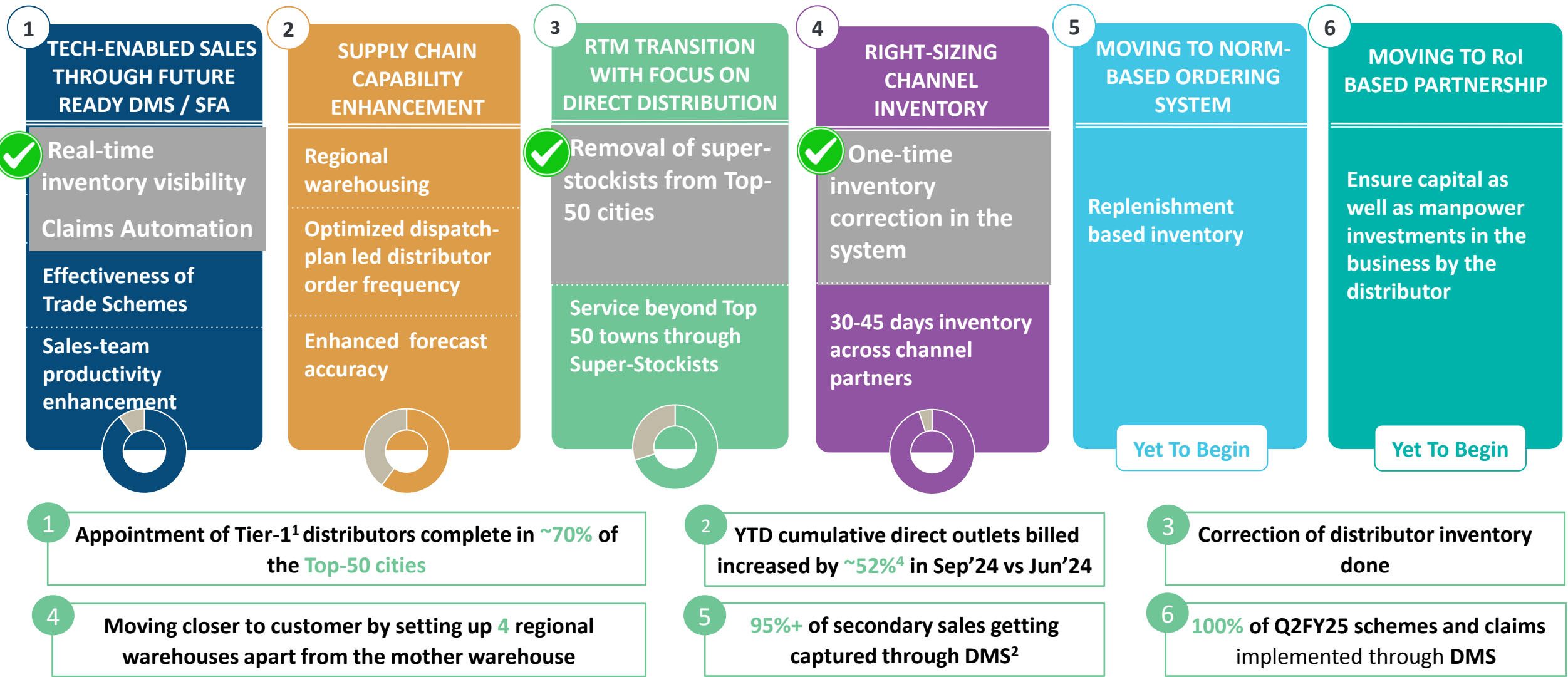


1: As a % of Reported revenue  
 2: As a % of Adjusted<sup>1</sup> revenue

Adjusted for inventory correction  
 Reported Figure



# Project Neev has progressed, with one-time inventory correction done and super-stockist layer removed in top 50 cities

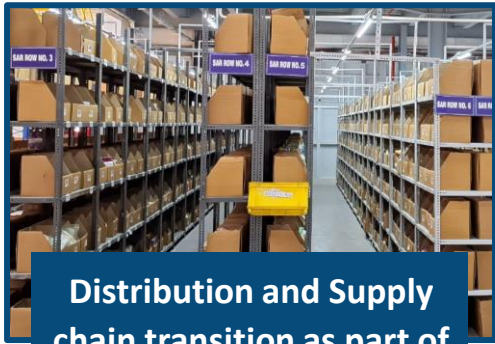


Offtake scale up of new distributors to desired level of direct distribution to take 2-3 more quarters

1. Tier-1 Distributors: Working with mature FMCG/BPC Players  
 2. For Q2FY25  
 3. Indicates phase completion status  
 4. Number of unique outlets billed through DMS in H1FY25 vs Q1FY25

# Mamaearth is growing slower than our expectations and we are making identified structural changes to bring it back to its growth trajectory in a few quarters

## Factors impacting growth for Mamaearth



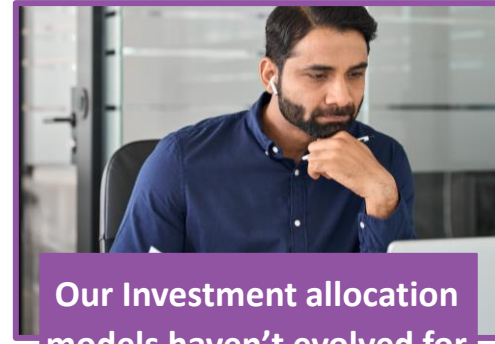
Distribution and Supply chain transition as part of *Project Neev*

1



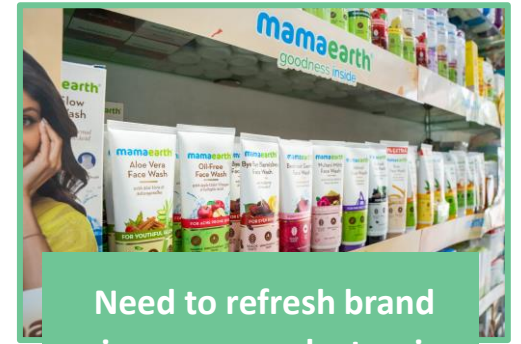
'Wave' of consumer preference towards Active ingredient-based products in online channel

2



Our Investment allocation models haven't evolved for offline based brand

3



Need to refresh brand mix across product, price and communication

4

Bringing Mamaearth back to growth path is our highest priority and we are running pilots across identified structural levels.

Post feedback from the pilots, the initiatives will be scaled up

1

Building category leadership through category focused innovation & marketing investments

2

Playing in identified consumer partitions with the right products

3

Addressing gaps in portfolio and pack-price architecture

4

Strengthening offline distribution capability

5

R&D to improve product superiority and performance



# ...however, retail offtake continues to be ahead of competition

Value market share<sup>1</sup> gain by +125 bps YoY in face wash and shampoo

Growing presence in Modern Trade

## FACEWASH



**+125 bps**

Value Market Share<sup>1</sup>  
YoY improvement  
as of Sep'24

**+138 bps**

Share Among Handlers<sup>3</sup>  
YoY improvement  
as of Sep'24

## SHAMPOO



**+125 bps**

Value Market Share<sup>1</sup>  
YoY improvement  
as of Sep'24

**+17 bps**

Share Among Handlers<sup>3</sup>  
YoY improvement  
as of Sep'24

**10,000+**

Mamaearth's Presence in MT Stores



Reached to **2,07,639** FMCG retail outlets in India as of Sep'24, increasing distribution by **25%** YoY<sup>2</sup>

Mamaearth is the 3<sup>rd</sup> largest<sup>4</sup> skincare brand in the country

1. Source: NielsenIQ, for All India Urban  
2. Source: NielsenIQ, Number of FMCG retail outlets with Mamaearth's presence (All India Urban + Rural)  
3. Share Amongst Handlers denotes counter share of a brand in stores where it is present. It can be used as a proxy indicator of same store share  
4. As per Euromonitor for CY23 based on Retail Selling Price

# Younger brands, continue to grow at 30%+<sup>1</sup> YoY while improving their margin profile



Continues to become more efficient vis-à-vis last year. We expect to deliver **double-digit EBITDA in FY26**



health & glow



Scaling The Derma Co. in offline channels with presence in **1,600+** stores across key Modern Trade chains and **2,500+** GT stores focusing on premium beauty and premium chemist counters



1. Growth for H1FY25 over H1FY24

# With our House of Brands strategy, the focus categories, contributing ~50% business, grew at 28%+<sup>2</sup> and gained market share



## Face Cleanser



## Sunscreen



## Face Serum

**2023 Industry Size  
CAGR (2023-2028)<sup>1</sup>**

INR 8,000 -10,000 cr  
6% - 8%

INR 1,800 – 2,000 Cr  
15%+

INR 2,000 – 2,200cr  
20%+

**Hero Products**



Mamaearth Ubtan Face Wash



The Derma Co Sali-Cinamide Face Wash



The Derma Co 1% Hyaluronic Sunscreen Aqua Gel



Aqulaogica Glow+ Dewy Sunscreen



Dr. Sheth's Kesar & Kojic Acid Serum



The Derma Co 2% Kojic Acid face Serum

**Estimated Current National Market Share**

**Online<sup>3</sup>** – 12-15%  
**Offline<sup>4</sup>** – ~5%<sup>2</sup>

**Online<sup>3</sup>** - 30%+  
**Offline** –Building presence

**Online<sup>3</sup>** - 14-16%  
**Offline** –Building presence

**Honasa's Ambitions in 3-5 Years**

Top 3 Nationally

#1 Player

#1 Player

1. Industry Estimates based on GMV

3. As per internal estimates

2. H1FY25 YoY growth adjusted for inventory Returns

4. Source - NielsenIQ

# Honasa is leveraging Innovation to win in Moisturization as a category through its House of Brands

**mamaearth**<sup>®</sup>  
Natural, toxin-free and  
made-safe certified

**THE derma co**<sup>™</sup>  
DESIGNED BY DERMATOLOGISTS  
Combining science-  
backed active ingredients



**DR. SHETH'S**  
Balance of Actives +  
Naturals

**Aqualogica**<sup>®</sup>  
Hydration through  
lightweight textures

**mamaearth®**



## PLANT GOODNESS

7,00,000+

Trees planted till date tackling deforestation & bringing income opportunities to farmers

THE **derma**co™  
DESIGNED BY DERMATOLOGISTS



## YOUNG SCIENTISTS

24,000+

Students empowered by providing them with high-quality practical science education

**Aqualogica®**



## FRESH WATER FOR ALL

800+

Rural households impacted with provision of clean, safe drinking water for them

**BBLUNT**



## SHINE ACADEMY

12,000+

Women certified with skills in hair care and hair styling

**DR. SHETH'S**



## HEALTHY INDIA, HEALTHY YOU

4,000+

Health checkups completed

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# Financials Summary

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# P&L Summary

All figures in INR Cr

Particulars	Quarter Ended			Half year Ended		
	Q2 FY25	Q2 FY24	YoY Growth	H1FY25	H1FY24	YoY Growth
Revenue from operations	462	496	(6.9%)	1,016	961	5.8%
Cost of Goods Sold	144	151		301	286	
<b>GROSS PROFIT</b>	<b>318</b>	<b>345</b>	<b>(7.8%)</b>	<b>715</b>	<b>675</b>	<b>5.9%</b>
<b>GROSS PROFIT Margin %</b>	<b>68.8%</b>	<b>69.5%</b>		<b>70.3%</b>	<b>70.2%</b>	
Employee benefit expense	52	37		101	82	
<i>% of Revenue</i>	<i>11.1%</i>	<i>7.5%</i>		<i>9.9%</i>	<i>8.5%</i>	
Advertisement expense	183	174		383	336	
<i>% of Revenue</i>	<i>39.7%</i>	<i>35.0%</i>		<i>37.7%</i>	<i>35.0%</i>	
Other expense	114	94		216	187	
<i>% of Revenue</i>	<i>24.6%</i>	<i>18.9%</i>		<i>21.2%</i>	<i>19.5%</i>	
<b>EBITDA</b>	<b>(31)</b>	<b>40</b>	<b>(176.4%)</b>	<b>15</b>	<b>70</b>	<b>(77.8%)</b>
<b>EBITDA Margin %</b>	<b>(6.6%)</b>	<b>8.1%</b>		<b>1.5%</b>	<b>7.2%</b>	
Depreciation and Amortization	11	6		20	13	
Finance costs	3	2		6	3	
Other Income	20	7		39	20	
<b>Profit Before Tax</b>	<b>(24)</b>	<b>39</b>	<b>(162.2%)</b>	<b>28</b>	<b>73</b>	<b>(61.7%)</b>
<b>PBT Margin %</b>	<b>(5.3%)</b>	<b>7.9%</b>		<b>2.8%</b>	<b>7.6%</b>	
Tax expenses	(6)	10		6	19	
<b>Profit After Tax</b>	<b>(19)</b>	<b>29</b>	<b>(163.1%)</b>	<b>22</b>	<b>54</b>	<b>(60.0%)</b>
<b>PAT Margin %</b>	<b>(4.0%)</b>	<b>5.9%</b>		<b>2.1%</b>	<b>5.6%</b>	



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