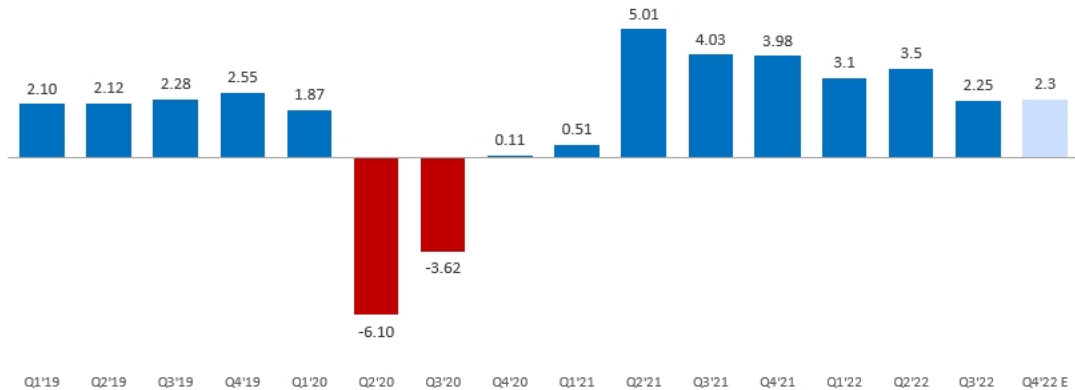


Actionable Agenda

- ❖ How is FMCG evolving in the face of inflation?
 - How are consumer prices going up across FMCG segment vs Dairy
 - What effect do price increases have on dairy performance?
 - What consumer behaviour is affected by increase in price?
- ❖ How is price increase affecting competing brands within each category –Evap and IMP
 - Are FCW price increase above market average? Are we taking un-equal price increase above competition?
 - How is the price increase affecting our performance vis-à-vis competition? Are we getting worst hit by the price increases above competing brand?
 - What Milk segment is more impacted, and how can we win despite the increases?
 - What pack size is more affected, and which should we focus to win?
 - What consumer profile can we leverage?

Despite unfavorable microeconomic indicators, Nigeria's GDP is showing some growth since Q4'20...

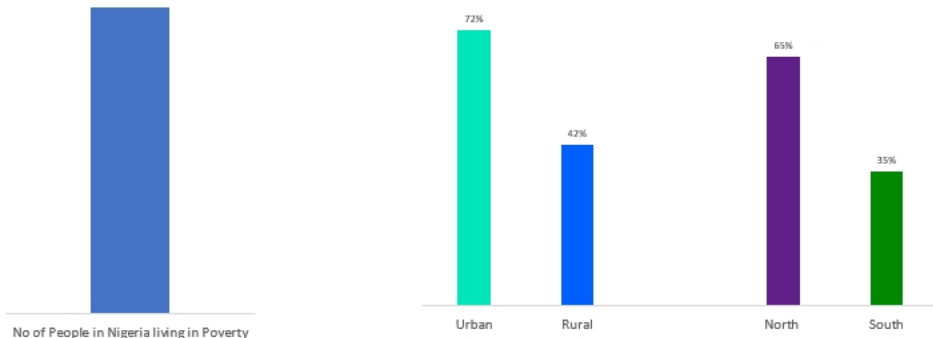
*GDP QUARTERLY GROWTH RATE %



Source: NBS. Q4'22 is estimated

Especially with NBS estimating that about 63% of Nigerians are now plunged into poverty.

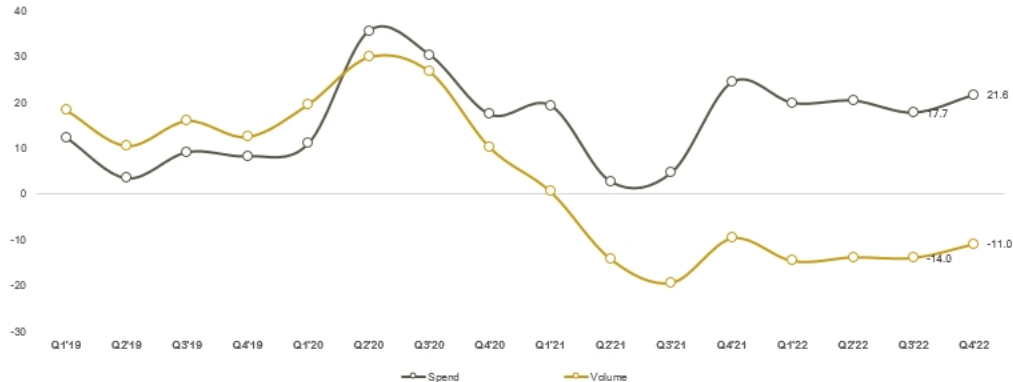
Proportion of Poor Citizen by Geographical Strata



...Furthermore, this trend is also evident in the Dairy sector, where consumption is declining at a rapid pace, with a double-digit decrease.

This raises the question of how shoppers are adapting their behavior in response to the increasing prices?

Quarterly Dairy | Growth Rates % | 3 Months Ending



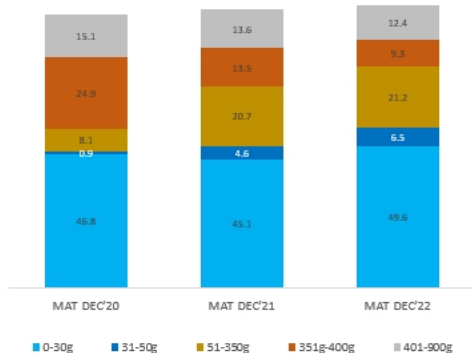
With consumers prioritize purchasing items they can easily afford with the funds available, there has been an increase in the number of buyers choosing the portion pack over the 150g, influenced by the popularity of Hollandia in a carton packaging.



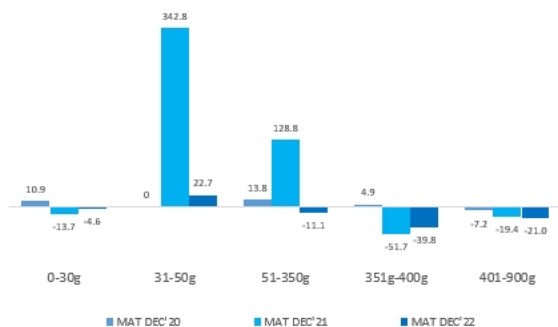
	MAT DEC'21	MAT DEC'22
Penetration %		
Total Evap<=50	10.9	19.5
Hollandia Full Cream Triangular Pack 50g	7.8	17.6
Hollandia Slim Partially Skimmed Carton 50g	0.5	5.6
Vol (000 Lt)		
Hollandia Full Cream Triangular Pack 50g	487	3903
Hollandia Slim Partially Skimmed Carton 50g	20	345

As inflation continue to be on a rise, affordable pack-sizes are gaining market share at the expense of larger pack-sizes

Volume Share by Pack size

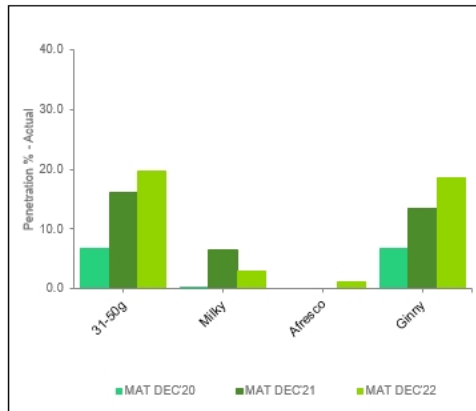
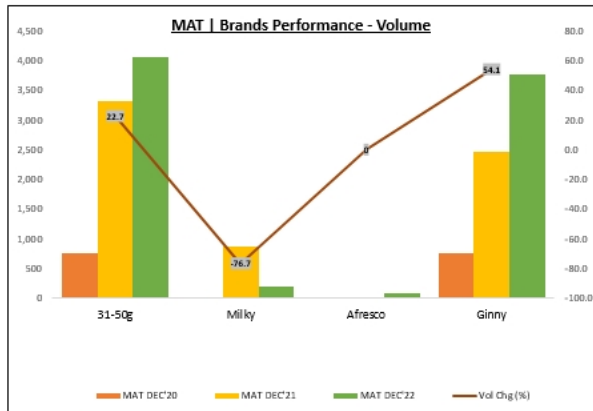


YoY Volume Change (%)



31-50g growth is mainly driven by Ginny.

Lets keep eye on Ginny as it continue expand and penetrate new homes.



Leverage Consumer Changing Behaviour

Consumers are changing their shopping behaviours, looking for affordable (smaller) pack-size and cheaper alternatives.

Be the alternative.
Give your consumers OPTIONS.

Evaporated Milk

Pack-size alternative: With shoppers buying in bits to ration spend, we are seeing growth for (both Full-cream and Filled) in 50g Packs.

Powdered Milk

Be available: It is key to be available when consumers look for options. Competition are exploring the Creamer sub-segment – Dano with Dano Sabi and Promasidor with Kremela

Call to action

Consider repacking in Carton to give us the flexibility to offer smaller pack-sizes. Keeping in mind affordability for consumers does not necessarily mean cheap.

