Church & Dwight Wins Southeast Asia Through Partners, Not Acquisitions

A distribution-partnered, physical-retail-first entry moves CHD from 18% to 25% international revenue by 2028 — without violating the no-acquisitions constraint.

Company

Church & Dwight Co., Inc. (NYSE: CHD) — ~$5.9B annual revenue

Segments

OxiClean VN · A&H Baking Soda PH · A&H Laundry PH · Vitafusion PH

Team

CHD International Strategy | Percision Research | August 4, 2026

Portfolio Selection Report · Confidential

Philippines Leads With Baking Soda; Vietnam Follows With OxiClean

Sequence Philippines-first (cheap, high-velocity shelf beachhead), Vietnam-second (premium flank) — exclusive distribution beats joint venture on the CEO's own IRR floor.

Segment	Priority	Strategy	Rev Impact
A&H Baking Soda PH	High	PARTNER-URC	$40–80M
OxiClean VN	High	PARTNER-Masan	$32–68M
Vitafusion PH	Medium	BUILD-registration	$30–60M

Source: Percision Research | Slide 2/26 | Public example — Percision | PARTNER: distribution partner mode | JV: Joint Venture | IRR: Internal Rate of Return

Portfolio Matrix → Segment Classification

One Star, Two Question Marks, No Cash Cows — Yet

Every SE Asia segment is early-stage. CHD funds the ramp from its $5.9B US cash-cow base, not from local cash flow. EBITDA bands are directional and lower-confidence — CHD does not disclose SE Asia segment P&L.

Segment	Quadrant	Mkt Growth	Rev Yr-5	EBITDA %
OxiClean VN Premium	⭐ Star	8–12%	$32–68M	15–28%
A&H Baking Soda PH	❓ Q-Mark	6–9%	$40–80M	8–18%
A&H Laundry PH	❓ Q-Mark	4–6%	$30–50M	8–16%
Vitafusion PH	❓ Q-Mark	15–18%	$30–60M	UNKNOWN

OxiClean's Star position is the fastest-monetizing flank — but it depends on the beachhead channel that baking soda unlocks first.

Source: Percision Research | Slide 3/26 | Public example — Percision | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation | TBBP: Target, Build, Buy, Partner framework

Portfolio Matrix → Quadrant Conclusions

Distribution Beachhead, Not Margin, Drives Priority

The counter-intuitive verdict: lead with the **lowest-margin product** because shelf access, not willingness-to-pay, is the binding constraint.

⭐ Stars

OxiClean Vietnam — invest, white-space flank via Masan NET

💰 Cash Cows

None in SE Asia. US portfolio funds the entire ramp.

❓ Question Marks

A&H Baking Soda (beachhead) · Vitafusion (registration-gated)

🐕 Dogs

E-commerce-only entry — eliminated by Lazada: ~$280K GMV / 14 months

TBBP framing: BUY is off the table per no-acquisitions-through-2027 leverage limit. Portfolio is PARTNER-led (URC, Masan) plus one BUILD (Vitafusion).

Source: Percision Research | Slide 4/26 | Public example — Percision | TBBP: Target, Build, Buy, Partner | GMV: Gross Merchandise Value | SE Asia: Southeast Asia

Section 2 → Cross-Segment Synergies

The Beachhead Flywheel

The baking-soda beachhead subsidizes shelf access for every premium SKU that follows — this is the portfolio's core flywheel across two countries, three brands, and one distribution logic.

Source: Percision Research | Slide 5/26 | Public example — Percision | SKU: Stock Keeping Unit

Synergies → Channel Amortization

Baking Soda Opens the Door That OxiClean and Vitafusion Walk Through

Once URC shelf and Masan distribution are secured, follow-on brands free-ride on established logistics — cutting each launch cost an estimated **25–45%** (lower-confidence; distribution-fee anchor is UNKNOWN pending verified term sheet).

First action at LOI: lock the marginal distribution-fee schedule. That single number, once real, resizes the entire flywheel.

Synergy	Value	Priority
A&H Baking Soda → OxiClean: Channel amortization	$6–14M	High
A&H Baking Soda → Vitafusion: Channel amortization	$5–11M	High
Mexico/Australia playbook → All SE Asia	$5–10M	High
OxiClean → A&H Laundry: Shelf co-listing	$3–7M	Medium

Synergies → Top-3 Summary

Channel, Playbook, Brand Halo — All From CHD's Own Proven Assets

1 · Shared Distribution Channel

Baking-soda shelf presence carries OxiClean/Vitafusion at **25–45% lower** incremental launch cost. Marginal fee ~8–11% vs standalone activation load of 15–20%. Fee anchor UNKNOWN — flagged lower-confidence.

2 · Mexico/Australia Playbook

Grounds ramp assumptions in CHD's own P&L benchmarks — not generic CPG curves — reducing projection error and avoided over-spend on ramp.

3 · American-Premium Brand Halo

OxiClean/Vitafusion co-position on trusted-import perception, amplifying willingness-to-pay in both markets.

⚠ All three synergies are PARTNER-dependent. Single binding failure mode: partner shelf underdelivery collapses the entire flywheel simultaneously.

Fund the Beachhead, Stage the Premium

$15–19M

Total 18-Month Build

~36 FTE at $120K/yr fully-loaded + $8–12M trade/activation spend

36

FTE Across All Segments

GTM, regulatory, supply-chain, and brand roles

Segment	CAPEX %	Est. $	FTE
A&H Baking Soda PH	30%	$4.5–5.7M	12
OxiClean VN	30%	$4.5–5.7M	10
Vitafusion PH	25%	$3.8–4.75M	8
A&H Laundry PH	15%	$2.25–2.85M	6

The constraint is not capital — it is **shelf access**. CHD should over-index management attention and trade spend on PARTNER-URC, not conserve cash.

Resource Allocation → Investment Logic

Beachhead Gets the Money; Premium Gets Patience

Investment follows **distribution-establishment risk**, not margin — reversing the instinct to fund the highest-margin SKU first.

1

Maximize

A&H Baking Soda PH + OxiClean VN — fastest shelf access, proven partner routes (URC 95% coverage, Masan NET)

2

Maintain

A&H Laundry PH — follows baking-soda shelf, low incremental cost, rides established channel

3

Minimize

Vitafusion — hold until FDA-DA registration clears the 12–18 month gate; regulatory-heavy FTE only

Source: Percision Research | Slide 9/26 | Public example — Percision | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines) | SKU: Stock Keeping Unit

Section 3 → Entry-Mode Decision

Q1: Entry-Mode Decision

Three modes evaluated per country against control, IRR, and capital constraints. Exclusive distribution wins on the CEO's own criteria — JV fails the 51%-control test and the Brazil precedent; direct entry fails the Lazada test.

Source: Percision Research | Slide 10/26 | Public example — Percision | IRR: Internal Rate of Return | JV: Joint Venture

Entry Mode → IRR Comparison

Exclusive Distribution Beats JV and Direct Entry on Every Constraint

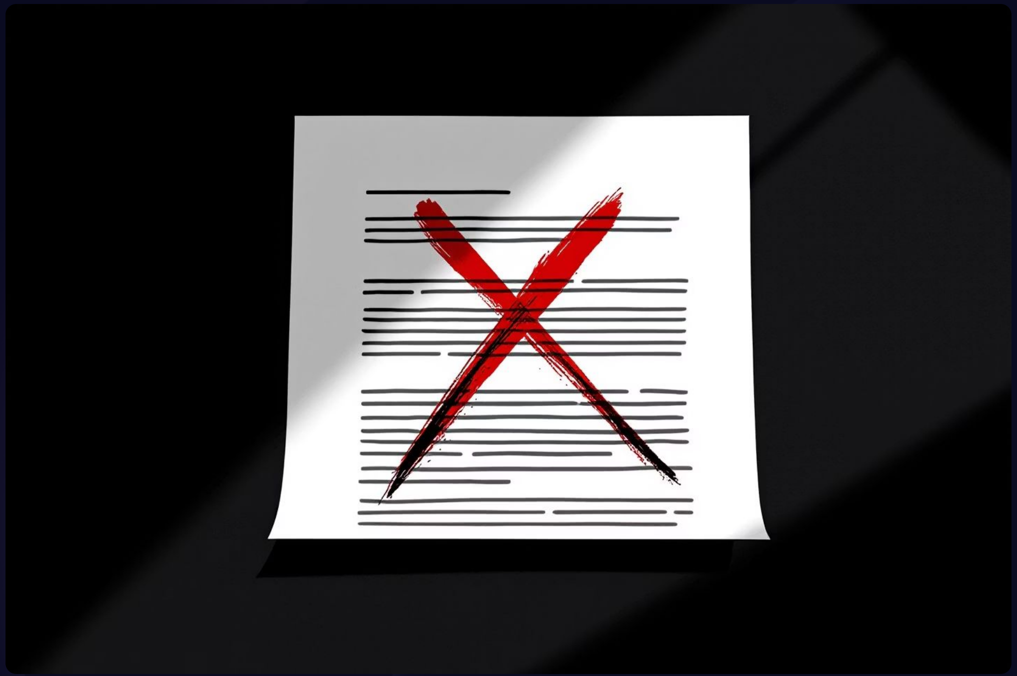
Mode	Country	5-yr NPV	5-yr IRR	Control
Exclusive Distribution	Philippines	$18–34M	24–32%	Contractual veto
Exclusive Distribution	Vietnam	$14–28M	22–30%	Contractual veto
Joint Venture	Philippines	$10–22M	16–24%	51%+ req'd
Joint Venture	Vietnam	$8–18M	16–26%	51%+ req'd
Direct Entry	Both	Negative Yrs 1–3	Negative early	Full

Range-vs-range verdict: In Philippines, distribution floor (24%) equals JV ceiling (24%) — JV never exceeds distribution. In Vietnam, even at the JV-favorable corner, JV outperforms by only ~+18% relative — short of the required +30% hurdle. **REJECT JV both markets.**

Source: Percision Research | Slide 11/26 | Public example — Percision | IRR: Internal Rate of Return | NPV: Net Present Value | JV: Joint Venture | WACC: Weighted Average Cost of Capital (assumed 10%)

Entry Mode → Rejected Alternatives

Why We Rejected JV and Direct Entry — Explicitly



❌ Joint Venture Rejected

Does not exceed distribution IRR by CEO's >30% delta threshold. Repeats the Brazil Bitufo ~$12M write-off risk pattern.

❌ Direct Entry Rejected

Lazada proved e-commerce-only fails ($280K GMV / 14 months). Greenfield last-mile capex ruled out by no-acquisitions leverage limit.

✅ Exclusive Distribution Recommended

Control via contract veto rights. No equity capital. Fastest LOI. Passes IRR test across full range — not just midpoints.

Source: Percision Research | Slide 12/26 | Public example — Percision | IRR: Internal Rate of Return | GMV: Gross Merchandise Value | LOI: Letter of Intent | CAPEX: Capital Expenditure

Entry Mode → Per-Country Selection

Philippines: URC · Vietnam: Masan — Both Exclusive Distribution

The right-to-win in each country is a **named partner's existing shelf**, not a built network.

🇵🇭 Philippines — URC

Universal Robina Corporation exclusive distribution. **95% retail coverage** answers the 78% physical-retail requirement. ~$2.4B revenue, ~50,000-SKU network.

🇻🇳 Vietnam — Masan

Masan Consumer exclusive distribution. NET laundry brand gives category-adjacent shelf for the OxiClean premium flank entry.

Both Markets — No JV

Satisfies CEO aversion + control minimum via contractual veto terms. No equity capital deployed. No Brazil-repeat risk.

Source: Percision Research; CHD Brief | Slide 13/26 | Public example — Percision | URC: Universal Robina Corporation | SKU: Stock Keeping Unit | JV: Joint Venture

Section 4 → Sequencing

Q2: Sequencing

Philippines/baking soda leads. Vietnam/OxiClean follows within 6 months. Vitafusion enters only post-registration — the 12–18 month FDA-DA lag forces a logistics-light bridge product to earn shelf first.

Source: Percision Research | Slide 14/26 | Public example — Percision | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines)

Sequencing → Phased Deployment

Philippines-First: Baking Soda Ships While Vitafusion Waits 12–18 Months

Phase	Window	Focus	FTE	Cost	Milestone
1	Q2 2026	PH URC LOI	12	\$1.5–2M	Signed LOI
2	Q3–Q4 2026	VN Masan LOI	10	\$1.2–1.6M	Signed LOI
3	2026–2027	A&H + OxiClean ramp	22	\$8–11M	Shelf velocity
4	H2 2027	Vitafusion launch	8	\$3.8–4.75M	FDA-DA clear

Total phased build ≈ \$15–19M. Staged FTE deployment is the operational proof of the Distribution-First Beachhead thesis — cheap baking soda buys shelf before premium capital is committed.

Source: Percision Research; CHD Brief ("signed partner LOI by Q2 2026") | Slide 15/26 | Public example — Percision | LOI: Letter of Intent | FTE: Full-Time Equivalent | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines)

Sequencing → Lazada Learning

Lazada Taught Us to Lead With Logistics-Light SKUs

The pilot's **operational failure** — not product failure — dictates that shelf-simple products go first.

1. **Baking soda is logistics-simple and high-frequency**

   Ideal beachhead SKU — no cold chain, no pharma registration, immediate shelf-ready velocity.

2. **OxiClean Vietnam flanks faster than Vitafusion Philippines**

   No pharma registration required. Masan NET category adjacency enables rapid premium positioning.

3. **Vitafusion registration becomes a moat**

   Once cleared (12–18 months), the FDA-DA barrier blocks later entrants — converting regulatory delay into competitive advantage.

The $280K Lazada loss is now a proprietary de-risking asset that dictates the Philippines-first sequencing order.

Source: Percision Research; CHD Brief ("~$280K GMV over 14 months, then ceased") | Slide 16/26 | Public example — Percision | GMV: Gross Merchandise Value | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines) | SKU: Stock Keeping Unit

Section 5 → Revenue Bridge

Q3: Revenue Bridge to 25%

Moving 18% → 25% of $5.9B requires ~$413M incremental international revenue by 2028. SE Asia supplies most — but not all. The denominator is the hidden driver.

Source: Percision Research; CHD Brief ("18% to the board's 25% international revenue mandate by 2028") | Slide 17/26 | Public example — Percision

Revenue Bridge → Gap Analysis

The 18%→25% Gap Is ~$413M — But the Denominator Is the Hidden Driver

Item	Static Base ($5.9B)	Grown Base (~$6.4B)
Baseline intl (18%)	$1,062M	$1,152M
Mandate target (25%)	$1,475M	$1,600M
Gap	$413M	$448M
SE Asia SOM by 2028	$90–180M	$90–180M
Residual to 25%	$233–323M	$268–358M

Primary driver: The denominator (base growth), NOT segment execution, most moves the residual. A modest ~2.7%/yr base CAGR alone adds ~$35M to the gap.

⚠ If the base grows faster than SE Asia ramps, the 25% mandate recedes even with flawless execution. Third market moves from optional to mandatory.

Source: Percision Research | Slide 18/26 | Public example — Percision | SOM: Serviceable Obtainable Market | CAGR: Compound Annual Growth Rate | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation

Revenue Bridge → Country Decomposition

Even the High Case With Mexico/Australia Acceleration Reaches Only ~22.4%

Product / Country	2028 SOM
A&H Baking Soda PH (URC)	$18–48M
OxiClean VN (Masan)	$16–41M
A&H Laundry PH (URC)	$12–30M
Vitafusion PH (registration)	$0–18M
Total SE Asia 2028	**$46–137M**

Scenario	Implied Intl Share 2028
Low	~18.8%
Base	~19.5%
High	~20.3%
High + Mexico/Australia	~22.4%

25% target unreachable by 2028 on SE Asia alone. Third-market decision is mandatory — not optional.

Source: Percision Research | Slide 19/26 | Public example — Percision | SOM: Serviceable Obtainable Market | SE Asia: Southeast Asia | URC: Universal Robina Corporation

Section 6 → Portfolio Risk and Pre-Mortem

Q4: Risk & Pre-Mortem

Each route has explicit failure conditions and reversal triggers drawn from the Lazada and Brazil precedents. Falsifiability keeps the Distribution-First Beachhead thesis honest and reversible before capital is stranded.

Source: Percision Research | Slide 20/26 | Public example — Percision

Risk Framework → Reversal Triggers

What Would Have to Be True For Each Route to Fail

Risk	Segments	Prob	Impact	Reversal Trigger
Partner shelf underdelivery	PH/VN	Medium	High	Retail coverage < 60% by Q4 2027
Incumbent premium copy	OxiClean VN	Medium	High	Omo stain-SKU launches before Q4 2026
Registration slip	Vitafusion PH	Medium	Medium	FDA-DA not cleared by Q1 2028
Bridge shortfall	All	Medium	High	SE Asia SOM < $130M by 2028

⚠ The bridge-shortfall trigger is near-certain to fire given Slide 19 findings — reinforcing third-market urgency as a required board action.

Source: Percision Research | Slide 21/26 | Public example — Percision | PH: Philippines | VN: Vietnam | SOM: Serviceable Obtainable Market | SKU: Stock Keeping Unit | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines)

Risk Framework → Pre-Mortem

Leading Indicators Precede Every Kill Decision

Reversal is triggered by **observable early metrics**, not by year-end P&L surprises — keeping the board's options open before capital is stranded.

1. **Retail coverage below 60% by Q4 2027**

   Signals partner failure. Trigger: switch or dual-source immediately. Mitigation: dual-partner clause in LOI.

2. **Incumbent premium-flank launch before Q4 2026**

   Collapses OxiClean white space in Vietnam. Trigger: accelerate Masan activation or pivot SKU positioning.

3. **GMV/velocity below Lazada-adjusted floor**

   Signals repeat logistics failure. Trigger: mode review before next phase capital is committed.

Source: Percision Research | Slide 22/26 | Public example — Percision | GMV: Gross Merchandise Value | LOI: Letter of Intent | P&L: Profit and Loss | SKU: Stock Keeping Unit

Direct Answers to the Board's Four Questions

1

Q1 — Mode

Exclusive distribution both markets. JV and direct entry rejected on IRR-delta and Lazada precedent.

2

Q2 — Sequence

Philippines/baking soda first. Vietnam/OxiClean +6 months. Vitafusion H2 2027 post-registration.

3

Q3 — Bridge

$413M gap (static base; ~$448M if base grows). SE Asia delivers only $46–137M by 2028. Third market needed for full 25%.

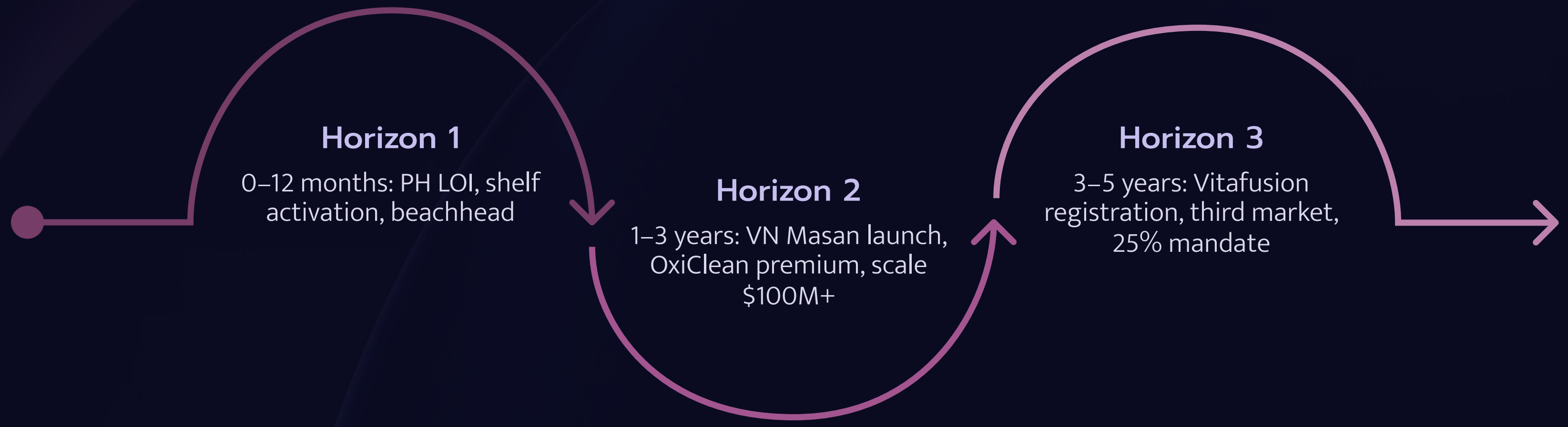
4

Q4 — Failure

Per-route triggers: retail coverage %, incumbent copy timing, registration clearance, SE Asia SOM floor.

Implementation → Timeline

LOI, Ramp, Transform — Q2 2026 Is the Decision-Forcing Gate



The Q2 2026 LOI gate is the **single most decision-forcing milestone**. Cost of not deciding: the $413M bridge slips to 2029, missing the board mandate.

Source: Percision Research; CHD Brief ("signed partner LOI by Q2 2026") | Slide 24/26 | Public example — Percision | LOI: Letter of Intent | URC: Universal Robina Corporation | VN: Vietnam | PH: Philippines

Currency Depreciation and Incumbent Retaliation Could Erode the Bridge

Risk	Prob	Impact	Mitigation	Reversal Trigger
PHP/VND depreciation	Medium	Medium	Local pricing adjustments	FX loss > 10% of margin by 2027
Private-label price war (A&H PH)	Medium	Medium	Brand-moat defense	Share < 5% by 2028
Third-market absence	**High**	**High**	Board funding decision now	No 3rd-market LOI by Q4 2027

Third-market-absence risk is rated HIGH probability. Slides 18–19 confirm SE Asia alone cannot close the gap — Q4 2027 LOI is a required action, not a hedge.

Source: Percision Research | Slide 25/26 | Public example — Percision | PHP: Philippine Peso | VND: Vietnamese Dong | FX: Foreign Exchange | LOI: Letter of Intent | PH: Philippines

Portfolio Thesis → Close

The Distribution-First Beachhead Flywheel

CHD becomes Southeast Asia's premium household-and-wellness platform by letting **cheap baking soda buy the shelf that premium brands monetize.**

01

Priority 1 — Q2 2026

Sign Philippines URC exclusive-distribution LOI. Baking-soda beachhead earns shelf fastest.

02

Priority 2 — Q4 2026

Sign Vietnam Masan LOI. Launch OxiClean premium flank on established channel.

03

Priority 3 — H2 2027

Clear Vitafusion FDA-DA registration. Secure a third market — mandatory for full 25% mandate.

The binding constraint is shelf access (78% physical retail), not willingness-to-pay. The Lazada failure is now a sequencing advantage — not a scar.

Source: Percision Research; CHD Brief | Slide 26/26 | Public example — Percision | URC: Universal Robina Corporation | FDA-DA: Food and Drug Administration — Department of Agriculture (Philippines) | LOI: Letter of Intent | CHD: Church & Dwight Co. Inc.

Church & Dwight Wins Southeast Asia by Renting Distribution, Not Buying It

C&D becomes the premium household-care platform for SE Asia via partner-led entry — no acquisitions, no JV control fights.

Client

Church & Dwight Co., Inc. (NYSE: CHD)

Segment

SE Asia Premium Household Care & Wellness

Report Date

August 4, 2026 — Confidential

Segment Deep-Dive Report | Percision Research | Confidential

Agenda: Five Chapters, One Thesis

Every chapter of this report stress-tests a single thesis: Church & Dwight wins Southeast Asia by renting distribution rather than building or buying it.

Hypothesis

Distribution access is the true gating variable — not willingness to pay.

Strategy Generation

Three entry modes generated and stress-tested.

Selection

Exclusive distribution is the clear Star on attractiveness and feasibility.

Risks

Partner power and logistics dominate the risk map.

Value Creation

$212–288M incremental revenue closes ~half the board's 18%→25% gap.

MARKET ANALYSIS → MARKET SIZING

Vietnam Premium Laundry Grows Fastest, But Philippines Retail Access Is the Binding Constraint

Attractiveness is highest in Vietnam premium; feasibility is highest in Philippines via URC's 95% coverage.

Segment	CAGR	Market Size	Attractiveness
PH Household Care	6–9%	$3.2–3.8B	High
VN Premium Laundry	6–9%	$180–240M	Highest
PH Vitamins	15–18%	Sub-TAM TBD	Medium

Vietnam: Attractiveness Play

OxiClean flanks the Omo/Tide gap — a white-space opportunity with no top-3 incumbent in premium stain treatment.

Philippines: Feasibility Play

Binding constraint is physical-retail access — removable now via URC's 95% coverage. Lead here first.

MARKET ANALYSIS → COMPETITIVE LANDSCAPE

Incumbents Own Mass Shelf; The Premium Flank Is Undefended

Player	Share	Vulnerability
Unilever Omo	35–45%	No premium booster SKU
P&G Tide	15–25%	Price-led positioning
Masan NET	<10%	No stain expertise

Level	Value	Avail. Share
TAM	$180–240M	100%
SAM	$90–120M	~50%
SOM (Yr5)	$32–68M	5–7%

Incumbents' mass-shelf dominance structurally blocks them from a premium-booster SKU — they will not cannibalize their own mass volume. This is the structural moat OxiClean exploits.

The premium stain-treatment flank is undefended. Vietnam entry alone (SOM $32–68M) cannot carry the bridge — it must be paired with the larger Philippines play. Speed to shelf is the decisive variable.

Q4 Reversal Trigger: If incumbents ship a premium-booster SKU within the ramp window, the flank closes and the Vietnam thesis is falsified.

HYPOTHESIS → ENTRY THESIS

Three Hypotheses Anchor the Entry Decision

Distribution access, not willingness-to-pay, is the true gating variable.

1

Physical Retail Is Non-Negotiable

Lazada's $280K GMV over 14 months proves e-commerce-only fails in PH household care. Physical shelf is the price of entry.

2

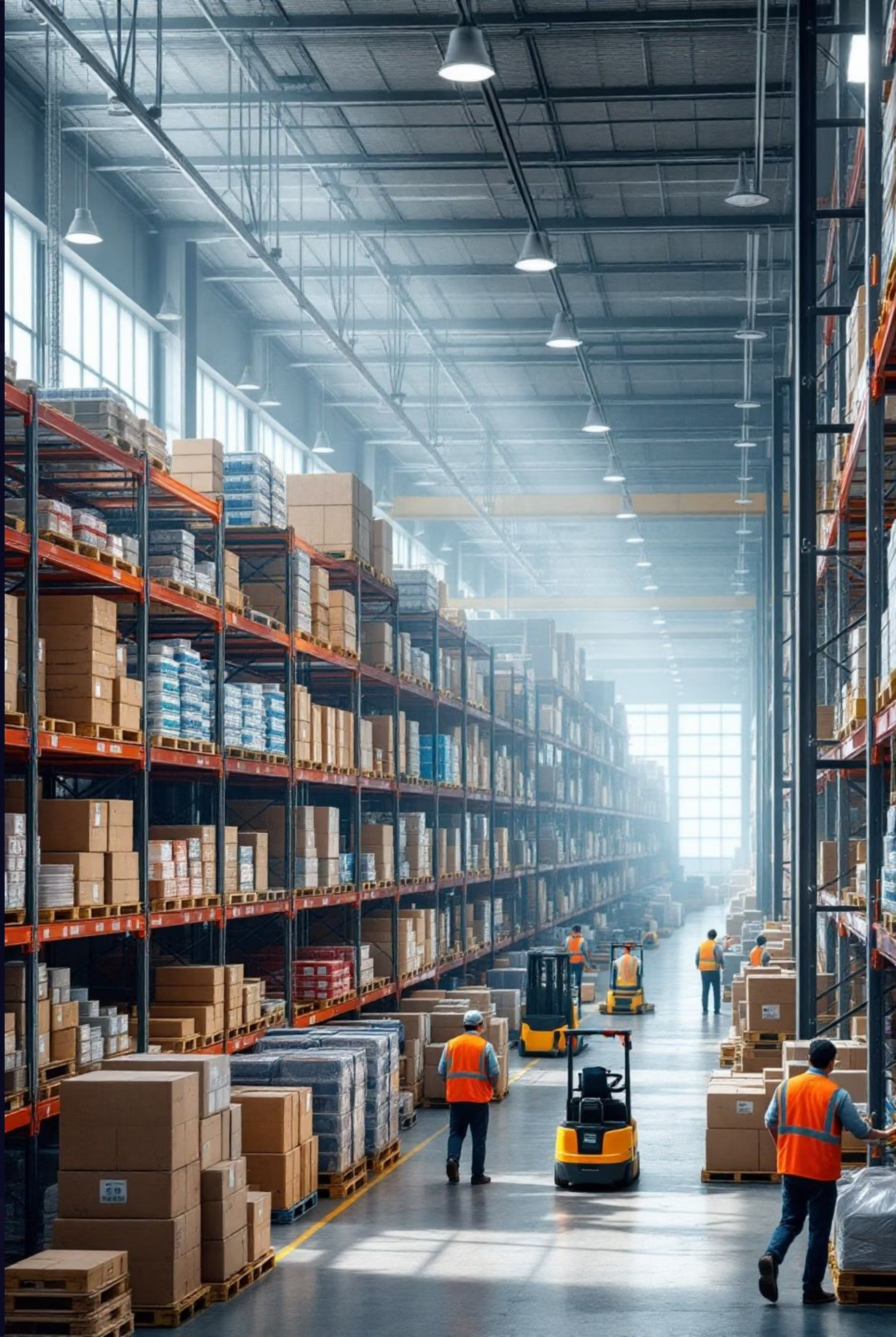
Baking-Soda Beachhead

The cheapest, highest-velocity SKU earns URC/sari-sari shelf faster than premium SKUs — speed and margin before complexity.

3

Vitafusion Moat

The 12–18 month Food and Drug Administration — Drug Administration (FDA-DA) registration becomes a barrier that all later entrants must also clear.



STRATEGY SELECTION → ALL-LENS CONVERGENCE

All Lenses Converge on Partner-Led, Philippines-First Entry

Lens	Key Conclusion	Implication
Description	$5.9B base, 18% intl	Organic-only funding
Moat	Distribution + FDA-DA reg	Rent shelf, gate rivals
Growth	VN premium white space	Flank Omo/Tide via Masan
Customer	Physical retail 78%	Partner mandatory
Synthesis	Exclusive distribution wins	Sign LOI Q2 2026

Target Revenue (Yr5)

$212–288M risk-weighted

EBITDA Margin

15–22% (asset-light model)

Payback Period

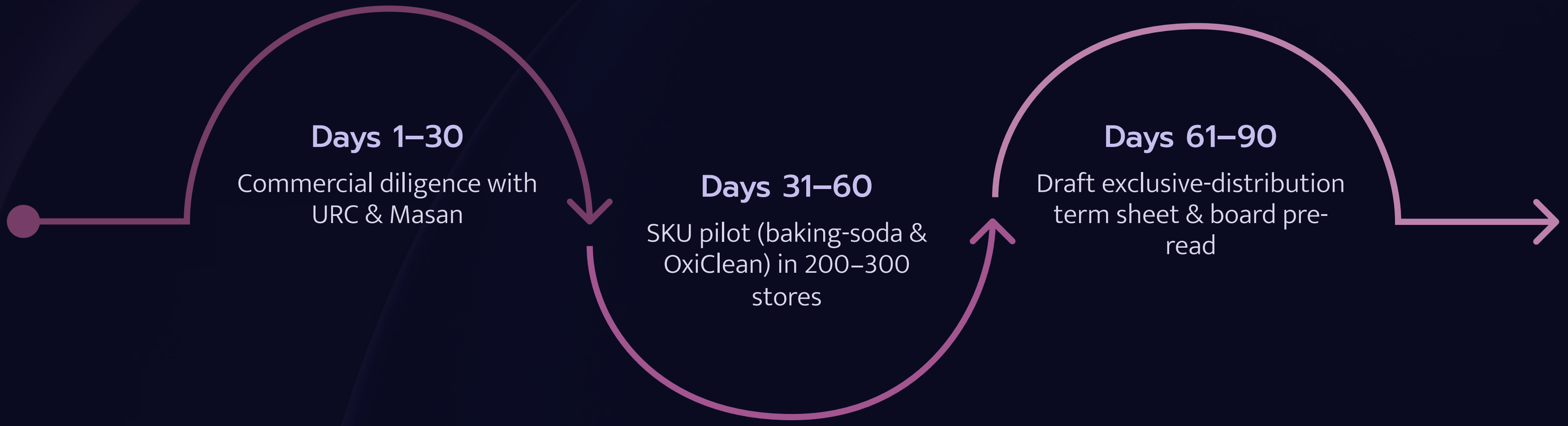
3–4 years estimated

EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation

ROADMAP → 90-DAY PLAN

90-Day Roadmap Drives to a Signed LOI by Q2 2026

The clock is the Q2 2026 signed-LOI decision gate — sequence discovery, diligence, term sheet.



⚠ Key Risk: Partner demands category exclusivity blocking follow-on brands → cap exclusivity to laundry only, 3-year term. | LOI: Letter of Intent | SKU: Stock Keeping Unit | URC: Universal Robina Corporation

SECTION 1 → SEGMENT EVOLUTION

01

Segment Report

Evolution, Growth & Detailed Analysis — from beachhead to multi-category premium household platform across three strategic horizons.

Product Lines Evolve From Single-SKU Wedge to Multi-Category Anchor

Period	Model	Key Shift
3 Years Ago	E-commerce pilot: Arm & Hammer baking soda online	Failed on logistics
Now	Partner beachhead: baking soda + OxiClean via URC/Masan	Physical retail
+3 Years	Multi-category: + Vitafusion, oral care bundle	Post FDA-DA moat

→ Wedge SKU seeds shelf access and builds partner trust

→ Premium SKUs free-ride on established distribution

→ Vitafusion adds regulatory moat post-registration

SEGMENT EVOLUTION → CONSUMER BEHAVIOR — BLOCK A

Consumers Trade Up on Efficacy Even as They Trade Down on Staples

Rising health-consciousness and premium efficacy demand offset inflation-driven trade-down in Southeast Asia's expanding middle class.

1 — 3 Years Ago

Price-first mass. Bulk detergent dominates. Low-income driver.

2 — Now

Efficacy + value. Premium add-on trial. Middle-class rise accelerates.

3 — +3 Years

Premium + wellness. Multi-category, pharma-grade. Health trend matures.

WTP Is Real

Premium willingness-to-pay exists in the top 20% income bracket

Wellness Fastest

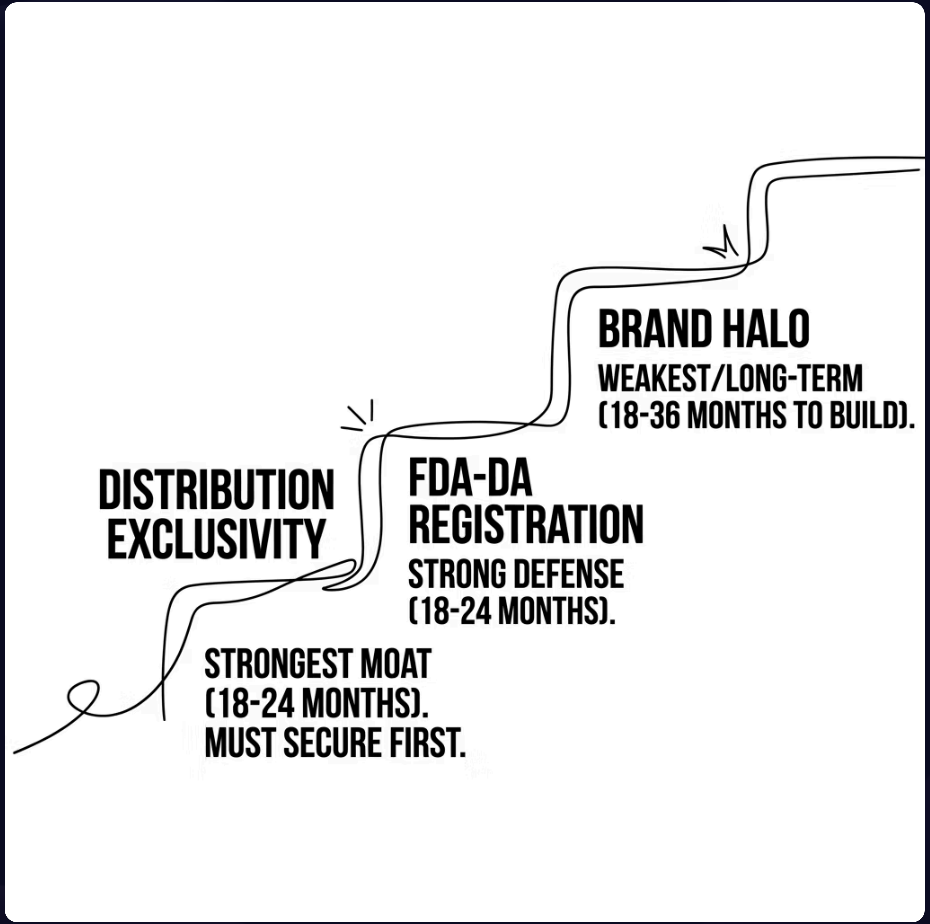
Health-adjacent categories accelerate faster than any other

Efficacy Wins

For stain jobs, efficacy beats price in upper-income segments

Advantage Migrates From Brand to Distribution Lock-In

Advantage	History	Now	Forecast
Brand	US-only strength	Unfamiliar in SEA	"American premium" halo
Distribution	DTC/wholesale US	Renting URC/Masan	Locked exclusivity
Regulatory	None in SEA	Pending FDA-DA	Vitafusion moat



Four Growth Sources Fund the 18%→25% Bridge

OxiClean Vietnam and Arm & Hammer Philippines carry ~70% of the incremental revenue required.

Growth Source	Potential	Timeline	Probability	Investment
OxiClean VN Premium	$32–68M	2026–28	Medium-High	$8–12M
A&H PH Multi-Category	$80–120M	2026–28	High	$10–15M
Vitafusion PH	$40–70M	2027–28	Medium	$6–10M
Third-Market Spill	$10–30M	2028+	Low	$3–5M

⚠ Concentration risk: Two products in two countries carry ~70% of required incremental revenue. Vitafusion and third-market spill are upside, not backbone. A&H: Arm & Hammer | VN: Vietnam | PH: Philippines

Three Growth Traps Could Sink the Entry

Repeating Lazada, over-granting exclusivity, or fronting Vitafusion first are the fatal sequencing errors.

E-Commerce Redux

Leading with online channels repeats the proven Lazada failure. Trigger: GMV below $500K. Avoidance: physical-first always.

Over-Exclusivity

Granting broad category exclusivity blocks follow-on brands. Trigger: partner veto rights. Avoidance: cap exclusivity to laundry only.

Vitafusion-First

Waiting on FDA-DA registration causes an 18-month delay. Trigger: no 2026 revenue. Avoidance: lead with OxiClean, run Vitafusion in parallel.

The sequencing error costs a full year of the 2028 bridge. | GMV: Gross Merchandise Value | FDA-DA: Food and Drug Administration — Drug Administration

SECTION 2 → DETAILED ANALYSIS LENSES

02

Detailed Analysis Lenses

Description, moat, customer, and regulatory lenses stress-test the recommended entry mode against all structural constraints.

ANALYSIS LENSES → DESCRIPTION — BLOCK C

Description Lens Confirms Organic-Only Funding Capacity

A $5.9B revenue base funds an 18–24 month market build without external capital or acquisitions — the no-M&A-through-2027 constraint is not binding for the recommended strategy.

Parameter	Value	Comment
Revenue	$5.9B	Ample organic cash flow
International Share	18%→25% target	Bridge = ~$413M
Regulatory Spend	$200–500K/product	FDA-DA registration
Capital Constraint	No M&A through 2027	Partner-only mode

$5.9B

Annual Revenue Base

Sourced: Church & Dwight annual filings

$413M

Gap to Close

7pp international share × $5.9B base

Moat Rests on Distribution Exclusivity and Registration Gating

Moat Type	Strength	Sustainability	Threat
Distribution Exclusivity	4/5	18–24 months	Partner defection
FDA-DA Registration	4/5	18–24 months	ASEAN harmonization
Brand Halo	2/5	18–36 months	Local out-spend
Formulation IP	1/5	<12 months	Private label copy

No single moat exceeds 24 months — speed to shelf matters most. IP: Intellectual Property | ASEAN: Association of Southeast Asian Nations | FDA-DA: Food and Drug Administration — Drug Administration

Customers Will Pay Premium Only Through the Right Channel

The stain-treatment job-to-be-done commands a 20–40% premium — but only in physical retail, not online.

PH Household

Job-to-be-done: Remove tough stains

Gap: No premium booster in market

Willingness-to-Pay: +20–30%

VN Upper-Income

Job-to-be-done: Protect premium textiles

Gap: White space — no specialist SKU

Willingness-to-Pay: +40–60% (hypothesis)

PH Health-Conscious

Job-to-be-done: Trusted supplements

Gap: No pharma-grade option

Willingness-to-Pay: +30–50%

ANALYSIS LENSES → REGULATORY SEQUENCING — BLOCK C

Regulatory Sequencing Splits the Two Markets

Faster PH household approval versus 12–18 month Vitafusion lag dictates product-market sequencing: lead Philippines, run Vietnam in parallel.

Parameter	Philippines	Vietnam
Household Care Approval	2–4 weeks	4–8 weeks
Supplement Registration	12–18mo FDA-DA	9–14mo VDA
Physical Retail Req.	78%	~65–70%
Best Partner	URC (95% coverage)	Masan NET
Lead Product	A&H Baking Soda	OxiClean

Sources: Brief — "12–18 month FDA-DA registration"; "78% of household care purchases." FDA-DA: Food and Drug Administration — Drug Administration | VDA: Vietnam Drug Administration | URC: Universal Robina Corporation | A&H: Arm & Hammer

Philippines First

URC's 95% coverage satisfies the 78% physical-retail requirement immediately. No registration delay for household care.

Vietnam in Parallel

Run Masan NET diligence concurrently. OxiClean does not face the FDA-DA supplement delay.

SECTION 3 → STRATEGY GENERATION

03

Breakthrough Strategy Generation

Three genuine entry modes generated and stress-tested against the CEO's control and IRR thresholds. BUY is structurally excluded by the no-acquisitions-through-2027 constraint. | IRR: Internal Rate of Return

Three Entry Modes, One Clear Winner

Exclusive Distribution Beachhead

Partner with URC/Masan for shelf access. C&D owns brand and pricing; partner owns logistics. Contractual exclusivity, no equity.

Classification: PARTNER + BUILD

Structured Joint Venture

51%+ controlled JV with local partner for shared P&L and deeper integration. Joint governance, shared infrastructure.

Classification: PARTNER + BUILD hybrid

Direct-Entry Greenfield

C&D builds own sales force and last-mile. Full control, full cost. No partner dependency.

Classification: BUILD only

BUY is structurally excluded across all three modes by the no-acquisitions-through-2027 leverage constraint. | JV: Joint Venture | P&L: Profit and Loss

STRATEGY COMPARISON → IRR ANALYSIS

Exclusive Distribution Delivers the Highest Risk-Adjusted IRR Per Market

Strategy	Revenue Impact	Investment	Est. IRR	Risk
Exclusive Distribution	$150–250M	$18–27M	~45–60%	Low-Med
Structured JV	$180–300M	$40–70M	~18–25%	High
Direct Greenfield	$100–200M	$50–100M	~8–15%	High

IRR: Internal Rate of Return | JV: Joint Venture | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation

IRR-Delta Test

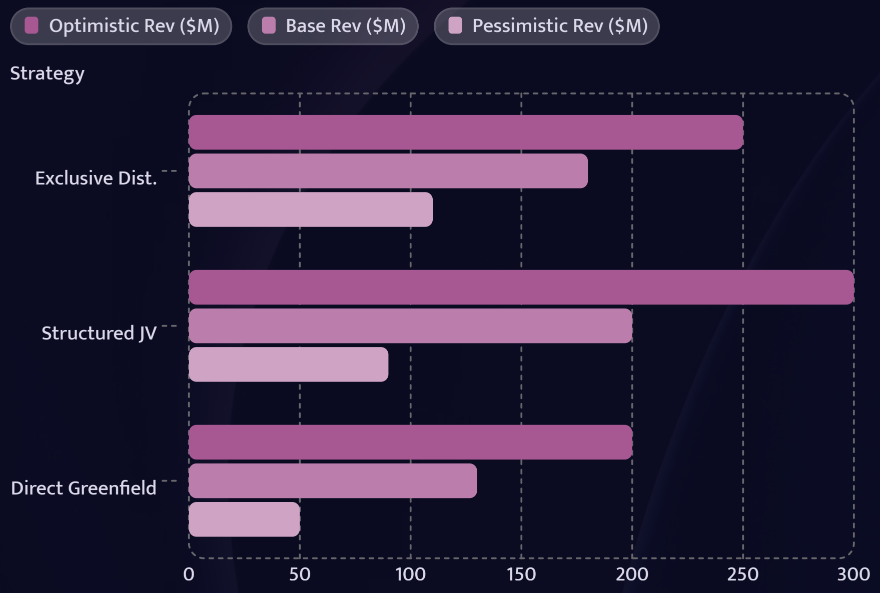
The gap between Exclusive Distribution and JV is ~25–40 percentage points — meets/exceeds the CEO's >30% IRR-delta hurdle.

Greenfield Fails

At $50–100M and a 36-month+ ramp, Direct Greenfield repeats the audited last-mile failure that killed Lazada.

STRATEGY COMPARISON → SCENARIO SIMULATION

Simulation Confirms Distribution's Superior Downside Protection



Strategy	P(Success)	NPV
Exclusive Distribution	≈2/3	$80–120M
Structured JV	≈4/9	$40–90M
Direct Greenfield	≈1/3	-$10–40M

Exclusive distribution is the **only strategy with positive NPV across all scenarios**. Base assumptions: SOM 5–7% SAM, EBITDA 15–20%, WACC 10%.

NPV: Net Present Value | SOM: Serviceable Obtainable Market | SAM: Serviceable Addressable Market | WACC: Weighted Average Cost of Capital | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation | JV: Joint Venture

STRATEGY CARD → EXCLUSIVE DISTRIBUTION

Strategy Card: Exclusive Distribution Beachhead

Renting URC/Masan shelf answers the Lazada failure directly and fits the no-M&A constraint.

Essence

C&D owns brand + pricing; partner owns logistics + shelf. Contractual exclusivity, no equity.

Classification

PARTNER (URC/Masan shelf + last-mile) + BUILD (regional GM, FDA-DA specialist, POS-data API). No BUY.

Key Advantage

95% URC coverage satisfies the 78% retail requirement without building last-mile infrastructure.

Metric	Value
Investment	$18–27M
Revenue Impact	$150–250M
EBITDA Impact	+15–20%
Time to Scale	12–18 months
Key Risk	Partner power

URC: Universal Robina Corporation | GM: General Manager | FDA-DA: Food and Drug Administration — Drug Administration | POS: Point of Sale | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation

STRATEGY CARD → STRUCTURED JOINT VENTURE (REJECTED)

Strategy Card: Structured Joint Venture (Rejected)

A 51%+ JV offers deeper integration but fails the CEO's IRR-delta and JV-aversion tests.

Essence

Controlled JV sharing P&L with local partner; equity alignment, joint governance across both markets.

Classification

PARTNER + BUILD hybrid. Equity JV vehicle + shared infrastructure + joint governance. No BUY.

Fatal Flaw

IRR ~18–25% fails the CEO's >30% delta bar. Repeats the 2017 Brazil JV Bitufo unwind (~$12M write-off).

Metric	Value
Investment	$40–70M
Revenue Impact	$180–300M
EBITDA Impact	+18–22%
Time to Scale	24–36 months
Key Risk	Brazil-style unwind

Source: Brief — "CEO Rick Dierker's documented JV aversion (2017 Brazil JV Bitufo unwinding, ~$12M write-off)." JV: Joint Venture | IRR: Internal Rate of Return | P&L: Profit and Loss | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation

STRATEGY CARD → DIRECT GREENFIELD (REJECTED)

Strategy Card: Direct-Entry Greenfield (Rejected)

Full control comes at $50–100M and repeats the exact logistics failure that killed Lazada.

Essence

C&D builds own sales force, warehousing, last-mile. No partner. Full margin capture and customer data ownership.

Classification

BUILD (own sales force, warehousing, last-mile). No PARTNER, no BUY.

Fatal Flaw

At $50–100M with a 36-month+ ramp, it structurally repeats the last-mile failure that collapsed the Lazada pilot.

Metric	Value
Investment	$50–100M
Revenue Impact	$100–200M
EBITDA Impact	+10–15%
Time to Scale	36+ months
Key Risk	Logistics failure

Source: Brief — Lazada precedent: ~$280K GMV over 14 months, ceased due to warehouse and last-mile logistics failures. EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation | GMV: Gross Merchandise Value

SECTION 4 → SELECTION & VALIDATION

04

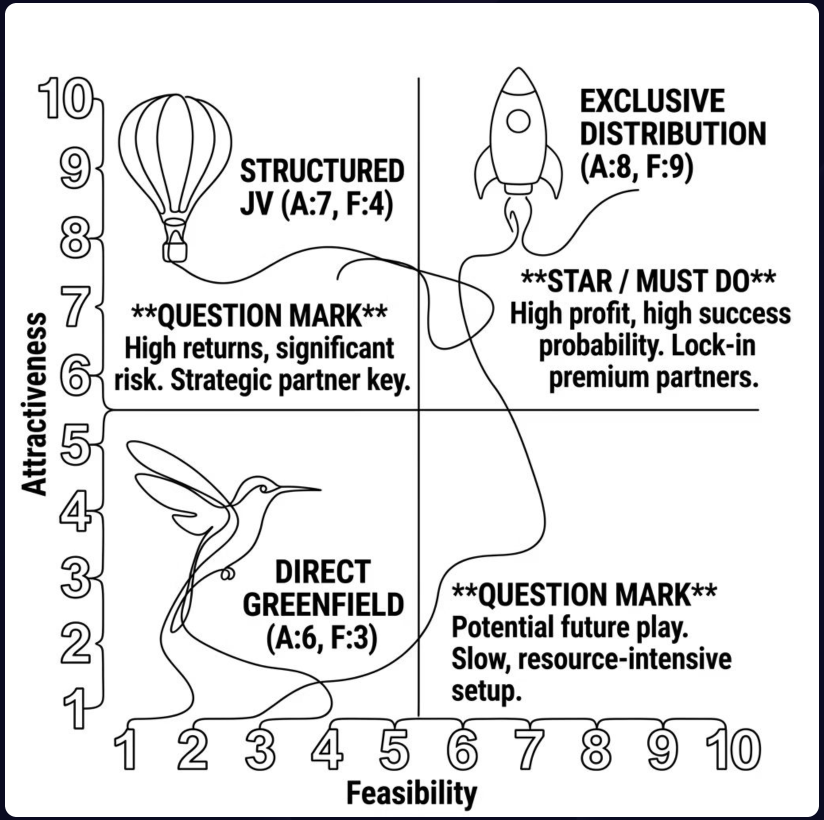
Selection, Simulations & Validation

Exclusive distribution is the Star. Joint Venture and direct entry are rejected on quantified IRR, capital, and precedent grounds.

| IRR: Internal Rate of Return

SELECTION → PRECISION RESEARCH MATRIX

Precision Research Matrix: Exclusive Distribution Is the Clear Star



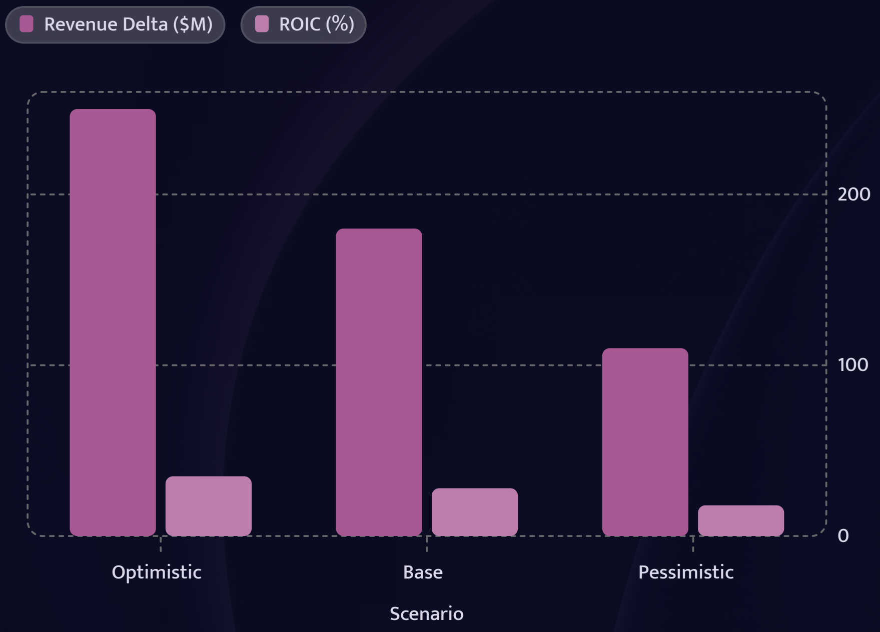
Strategy	Attractiveness	Feasibility	Quadrant
Exclusive Distribution	8/10	9/10	Star — Must Do
Structured JV	7/10	4/10	Question Mark
Direct Greenfield	6/10	3/10	Question Mark

Exclusive distribution wins: fits the no-M&A constraint, avoids CEO's JV aversion, and directly answers the Lazada logistics failure via URC's 95% coverage.

JV: Joint Venture | URC: Universal Robina Corporation | M&A: Mergers and Acquisitions

FINANCIAL CASE → NPV ACROSS SCENARIOS

Financial Case: Distribution Delivers Positive NPV in Every Scenario

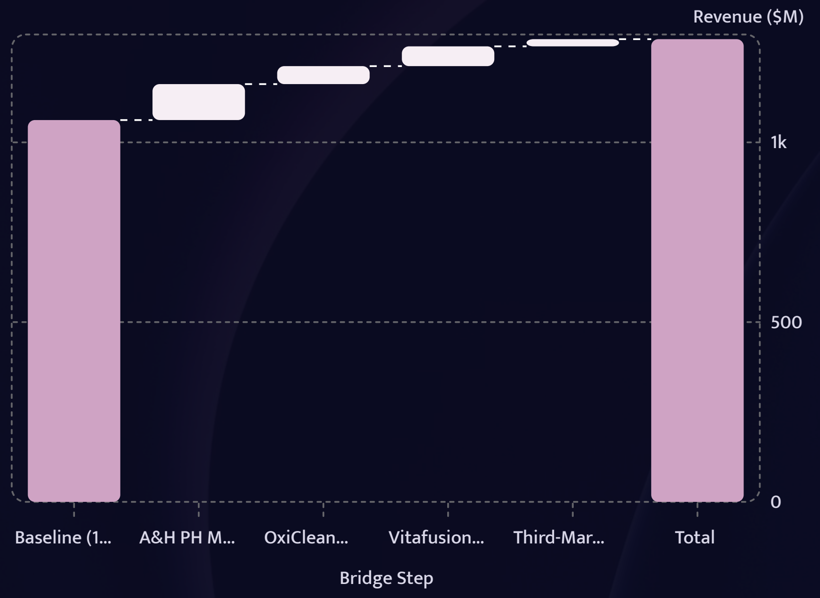


Metric	Optimistic	Base	Pessimistic
Revenue Delta	$250M	$180M	$110M
EBITDA Delta	+20%	+17%	+14%
Market Share Delta	+5%	+4%	+3%
ROIC	~35%	~28%	~18%

Key Assumptions: distribution fee 8–10% of retail; SOM 5–7% of SAM by Year 5; 12–18 month ramp. WACC 10%. ROIC: Return on Invested Capital | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation | SOM: Serviceable Obtainable Market | SAM: Serviceable Addressable Market | WACC: Weighted Average Cost of Capital

FINANCIAL IMPACT → BRIDGE WATERFALL

Risk-Adjusted Bridge Reaches 21–24% International Share by 2028



Bridge Step	Value
Baseline (18% × $5.9B)	~$1,062M
Target (25% × $5.9B)	~$1,475M
Gap to Close	**~$413M**
SE Asia Contribution	$212–288M
Residual Gap (other markets)	$125–201M

⚠ SE Asia closes ~half to two-thirds of the $413M gap — reaching ~21–24% international share. The board must not treat SE Asia entry as the complete answer. Residual $125–201M requires other international markets. | A&H: Arm & Hammer | VN: Vietnam | PH: Philippines

FINANCIAL IMPACT → DECISION GATE

The CEO/CFO Must Decide by Q2 2026: Sign the LOI or Default to JV

IRR Advantage

~45–60% estimated vs. ~18–25% for JV — a ~25–40pp delta that clears the CEO's >30% hurdle decisively.

Lazada Answer

URC's 95% coverage directly answers the audited last-mile failure without triggering the no-M&A-through-2027 constraint.

Brazil Precedent

Avoids repeating the 2017 Brazil JV Bitufo unwind (~$12M write-off) that the CEO has publicly disavowed.

Cost of not deciding: one full year of the 2028 bridge — roughly $70–100M of deferred incremental revenue. The LOI decision gate is Q2 2026. | IRR: Internal Rate of Return | JV: Joint Venture | LOI: Letter of Intent | URC: Universal Robina Corporation | M&A: Mergers and Acquisitions

SECTION 5 → RISK ASSESSMENT

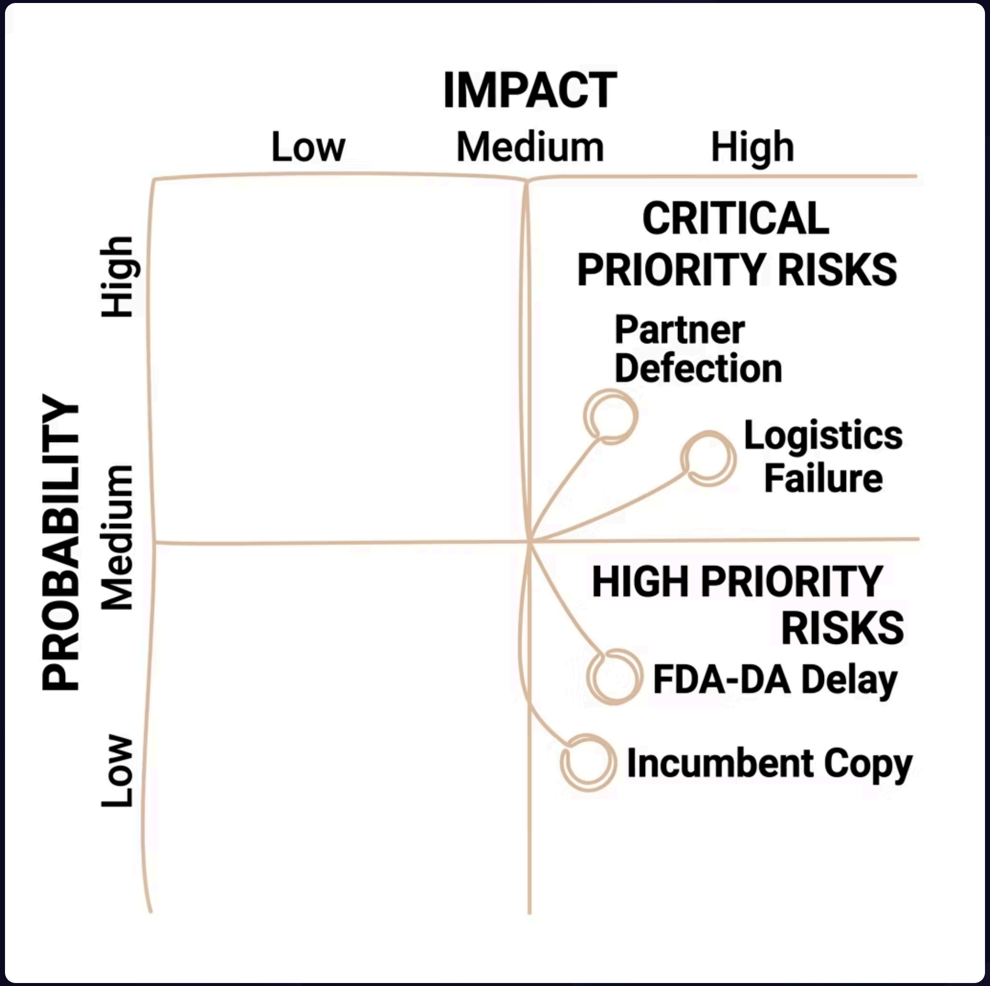
05

Risks Assessment

Partner dependency, logistics, and regulatory delay are the three critical threats to the plan. The same distribution moat that enables entry becomes the largest concentration risk.

RISK ASSESSMENT → RISK MAP

Partner Power and Logistics Dominate the Risk Map



Risk	Priority	Mitigation
Partner Defection	Critical	Cap exclusivity, dual-source
Logistics Failure	Critical	Physical-first, KPI gates
FDA-DA Delay	High	Lead OxiClean, VN parallel
Incumbent Copy	High	Speed to shelf

FDA-DA: Food and Drug Administration — Drug Administration | KPI: Key Performance Indicator | VN: Vietnam

RISK DETAIL → PARTNER DEFECTION (CRITICAL)

Risk Card #1: Partner Defection — Critical

Description

URC or Masan uses post-LOI shelf control to extract margin or block follow-on brands from gaining distribution.

Triggers

Broad category exclusivity granted; single-partner dependency; no volume commitment in contract.

Impact

Margin erosion below 30% IRR floor; strategic optionality lost for follow-on categories.

URC: Universal Robina Corporation | IRR: Internal Rate of Return | LOI: Letter of Intent | ICP: International Consumer Products

Mitigation

Cap exclusivity to laundry only, 3-year term. Retain Monde Nissin/ICP as backup. Volume-tiered fee structure.

Early Warning Indicator

Fill-rate below 90% or partner demanding fee renegotiation within 6 months of LOI signing.

RISK DETAIL → LOGISTICS FAILURE (CRITICAL)

Risk Card #2: Logistics Failure Repeat — Critical

Description

Physical distribution fails to reach sari-sari store density, repeating the 2022 $280K GMV collapse over 14 months on Lazada.

Triggers

Over-reliance on e-commerce. Partner coverage overstated versus audited physical door count.

Impact

GMV shortfall, cash burn, and board confidence loss. Entire 2028 bridge put at risk.

Source: Brief — "~$280K GMV over 14 months, then ceased due to warehouse and last-mile logistics failures." GMV: Gross Merchandise Value | LOI: Letter of Intent | SKU: Stock Keeping Unit

Mitigation

Audit partner doors before LOI. Physical-retail first mandate. 200–300 store pilot before committing to scale.

Early Warning Indicator

Pilot sell-through below Omo velocity, or door-count audit returns under 60% of stated coverage.

CONFIDENTIAL · AUGUST 4, 2026

Church & Dwight Wins Southeast Asia Through Partners, Not Acquisitions

A partner-led distribution wedge — baking soda first, premium later — carries C&D from 18% to 25% international revenue by 2028 without breaching the no-M&A leverage cap.

Client Church & Dwight Co., Inc. (NYSE: CHD)	**Segment** Premium Household Care · Vietnam + Philippines
Strategy Exclusive distribution via Masan (VN) & URC (PH)	

Strategy Deployment Report | August 4, 2026 | Percision Research | Confidential

EXECUTIVE SUMMARY → MAIN THESIS

The Architectural Shift: From 18% to 25% International via Two Partners

Two exclusive-distribution partnerships add **~$413M incremental international revenue** — the bridge to the board's 25% mandate. No mergers & acquisitions. No joint ventures. Pure partner leverage.

$413M

Incremental Revenue

By 2028 via both markets

+7pp

Int'l Share Gain

18% → 25% mandate

35–50%

Blended Gross Margin

Post-distribution, SEA premium range

0

Acquisitions Required

Fully organic, fits no-M&A cap

Source: Percision Research | TAM: Total Addressable Market | Slide 2/24 | Public example — Percision

EXECUTIVE SUMMARY → STRATEGIC VECTORS

Three Strategic Vectors Sequence the Two-Country Entry

Baking-soda beachhead, OxiClean flank, Vitafusion moat — three staggered offers de-risk the ramp.

Baking-Soda Beachhead — Philippines [PARTNER]

Arm & Hammer SKU buys URC shelf & sari-sari access fast. ~6–8 FTE. Year-1 opex $3–5M. Timeline: Q2 2026 LOI → Q3–Q4 2026 listing → H1 2027 sari-sari fill.

OxiClean Flank — Vietnam [PARTNER]

Premium stain-treatment via Masan NET; avoids Omo/Tide price war by occupying white space. ~4–6 FTE. Year-1 opex $2–4M. Timeline: Q2 2026 LOI → Q4 2026 listing → 2027 scale.

Vitafusion Regulatory Moat — Philippines [BUILD + PARTNER]

In-house FDA-DA registration dossier (BUILD) + URC physical distribution (PARTNER). 12–18mo filing becomes a barrier. ~2–3 FTE. $1.5–3M. Launch 2027–2028.

STRATEGIC RISKS → PRE-MORTEM ANALYSIS

Pre-Mortem: Three Bottlenecks That Could Break the Entry

Shelf access, partner control, and regulatory lag are the three ways this strategy fails. Each carries a hard reversal trigger.

⚠️ Shelf Access Fails

Prob: Medium · **Impact:** High

Baking-soda beachhead first mitigates. **Reversal:** Retail coverage <40% by Q4 2027.

⚠️ Partner Underperforms

Prob: Medium · **Impact:** High

Volume commitments bound in LOI. **Reversal:** GMV <$15M by Q4 2027.

⚠️ Vitafusion Reg Lag

Prob: High · **Impact:** Medium

Lead with OxiClean/A&H. **Reversal:** FDA-DA not filed by Q4 2026.

Attack the Duopoly Flank, Not Its Core

C&D moves from ~0% to a **3–5% premium-flank share** by targeting white space Omo/Tide leave open — entering via partner shelf, not head-to-head on price.

Unilever Omo

40%+ share · Mass leader · Avoid; flank premium

P&G Tide

15–20% share · Premium mass · Differentiate efficacy

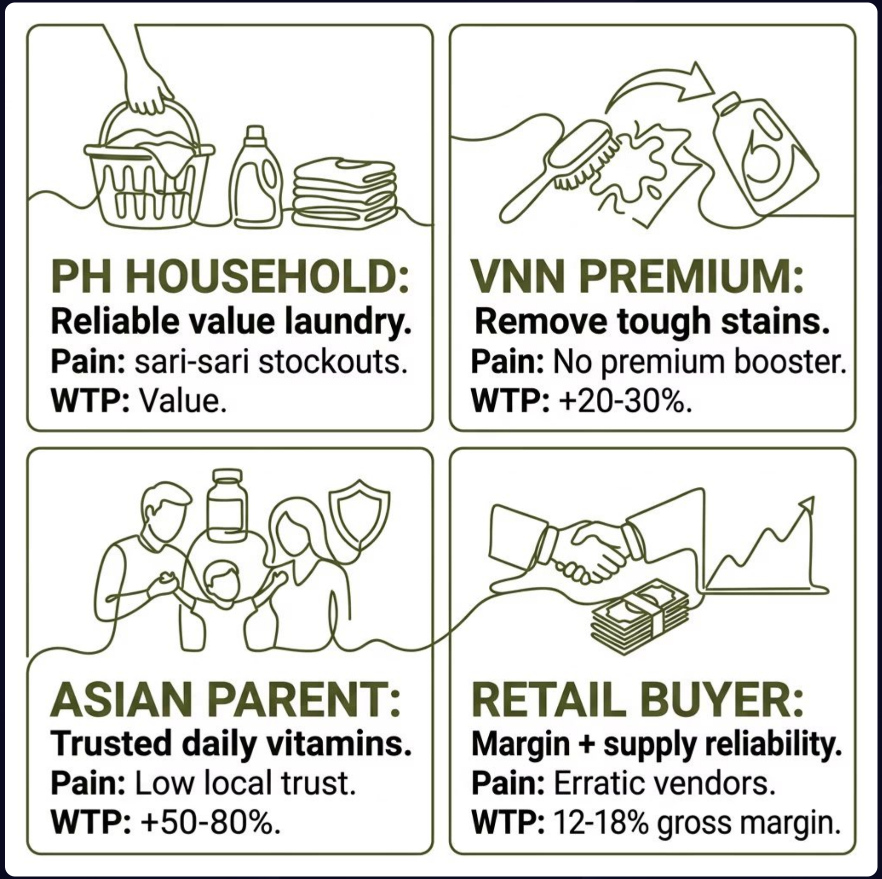
C&D Target

3–5% share · Premium niche · White-space flank

Source: Percision Research | Slide 5/24 | Public example — Percision

Customer Jobs Define Which Product Leads Each Market

Physical-retail access, not willingness-to-pay, is the binding job. Every segment — from PH household to VN premium — converges on the same root pain: reliable shelf presence.



The Binding Insight

The retail buyer's supply-reliability job and the PH household's stockout pain both point to the same conclusion: lead with the high-velocity A&H baking-soda SKU that earns URC shelf trust first.

Shelf-velocity — not price premium — unlocks every downstream segment. This ladders directly to winning SEA through partner-owned distribution.

WTP ranges: VN premium +20–30% | Asian parent +50–80%

The Most Expensive Unaddressed Pains

Every day without physical shelf access forfeits the market the pilot proved existed.

→ **Logistics-Only Distribution Fails**

The Lazada pilot proved e-commerce-only cannot serve heavy household goods. Cost of inaction: repeat of the $280K gross merchandise value failure over 14 months.

→ **No Sari-Sari Presence**

78% of PH household purchases are physical. Absence forfeits ~78% of addressable demand entirely.

→ **Duopoly Shelf Lock-Out**

Delay lets Omo/Tide fill the premium gap — forfeiting the 12–24 month response window.

→ **Vitafusion Reg Delay**

Late filing pushes revenue past 2028. Cost of inaction: ~$40–80M revenue slip.

→ **Missing the LOI Gate**

No signed letter of intent by Q2 2026 stalls the entire sequencing — a full-year ramp delay.

Value Proposition Fits Every Decision-Maker

Partner-led entry delivers **de-risked growth** to the CEO, **protected margin** to the CFO, and **shelf access** to the partner. Every stakeholder wins on their own terms.

CEO

Mandate achieved without M&A. International share reaches 25% by 2028.

CFO

Margin-safe organic capital. 35–50% gross margin, within leverage cap.

VP International

Fast market build. Shelf presence within 12 months via URC's 95% coverage.

Partner (URC / Masan)

Portfolio breadth + 12–18% retail gross margin from premium Western brands.

BU STRATEGY → BUSINESS MODEL → DESCRIPTION LENS

Asset-Light, Partner-Distributed: The Business Model

Revenue Base

$5.9B total; 18% international today

SEA TAM

$5.6–6.7B (PH ~$3.2–3.8B + VN laundry ~$2.4–2.9B)

Target SOM 2028

$212–288M share of market, both countries

Gross Margin

35–50% post-distribution

Capital Mode

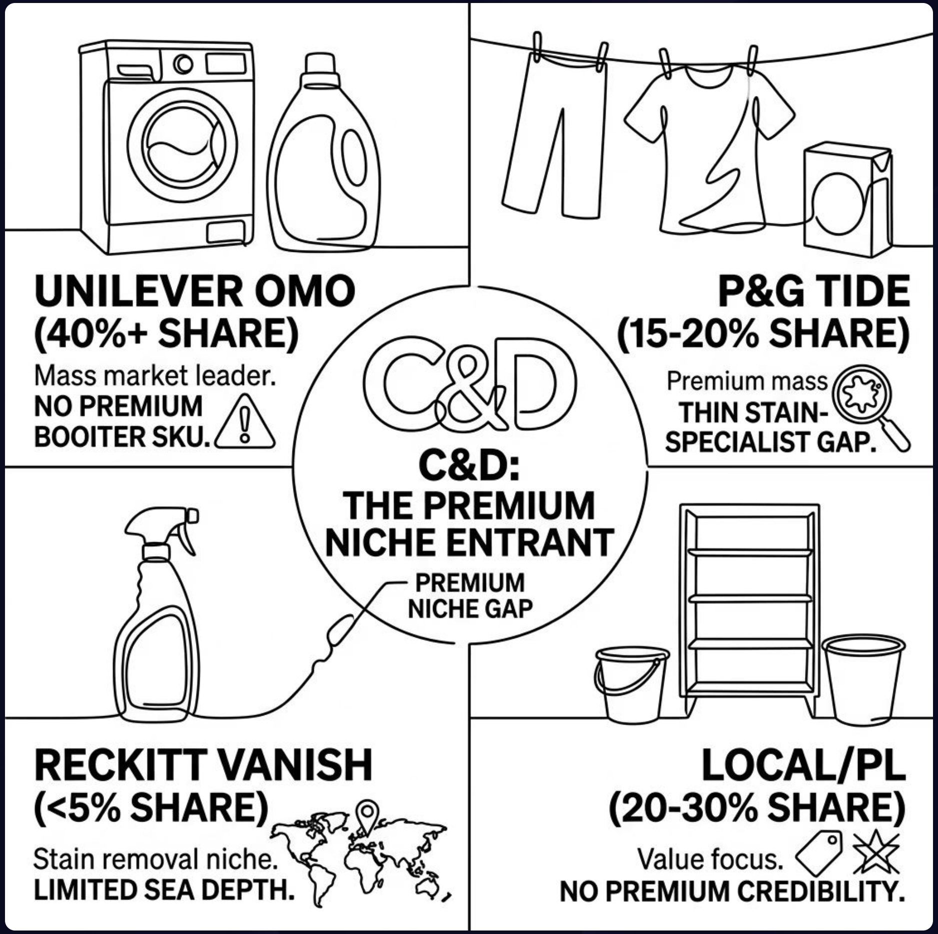
Organic only — no M&A through 2027

Why Asset-Light Wins

C&D rents URC's and Masan's built networks rather than funding a greenfield build. This keeps total 3-year investment at ~$9–16M — funded organically within the leverage cap — while accessing 95% retail coverage on day one.

SOM: Share of Market | TAM: Total Addressable Market | SEA: Southeast Asia

Incumbents Own Volume; C&D Targets the Higher-Margin Premium Pool



The White Space

The combined Omo/Tide duopoly holds ~60–65% share but leaves the **premium stain-treatment segment** structurally underserved.

Reckitt Vanish occupies less than 5% with limited Southeast Asia depth — creating the white space C&D's OxiClean is designed to fill.

C&D attacks a segment where Unilever must cannibalize core detergent margin to respond — buying a 12–24 month window.

The Moat Is Distribution, Not Product

The durable moat is **partner shelf access** and **regulatory registration** — not the brand chemistry, which private label can replicate in 9–12 months.

Partner Shelf — Strength 4/5

Exclusive LOI + URC 95% coverage. Sustainability: 2–3 years. Defense: exclusivity clause.

FDA-DA Registration — Strength 4/5

12–18mo filing lag every later entrant must also clear. Sustainability: 2–3 years until ASEAN harmonization.

Brand Equity — Strength 3/5

"American-premium" halo, unproven in SEA. Sustainability: 1–2 years. Requires continuous marketing spend.

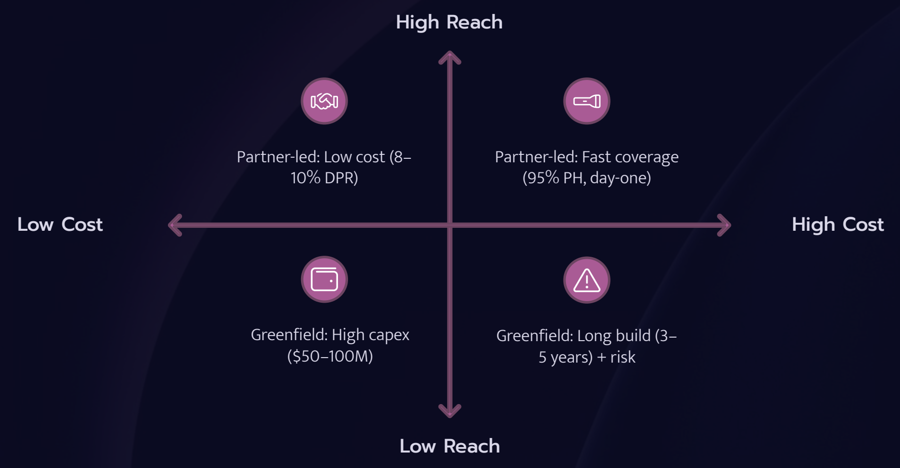
Formulation — Strength 2/5

Private label copies in 9–12 months. No intellectual property barrier. Not a durable moat.

Source: Percision Research | ASEAN: Association of Southeast Asian Nations | FDA-DA: Food & Drug Administration — Drug Administration | Slide 11/24 | Public example — Percision

BU STRATEGY → COMPETITIVE ADVANTAGE → RELATIVE COST POSITION

Asset-Light Beats Greenfield by $50–100M



Defensibility Spectrum

Cost advantage is structural. C&D rents URC/Masan's network rather than funding one, keeping the entry inside the leverage cap.

High Defensibility

Exclusive LOI terms + Vitafusion registration moat

Medium Defensibility

Brand halo of "American-premium" positioning

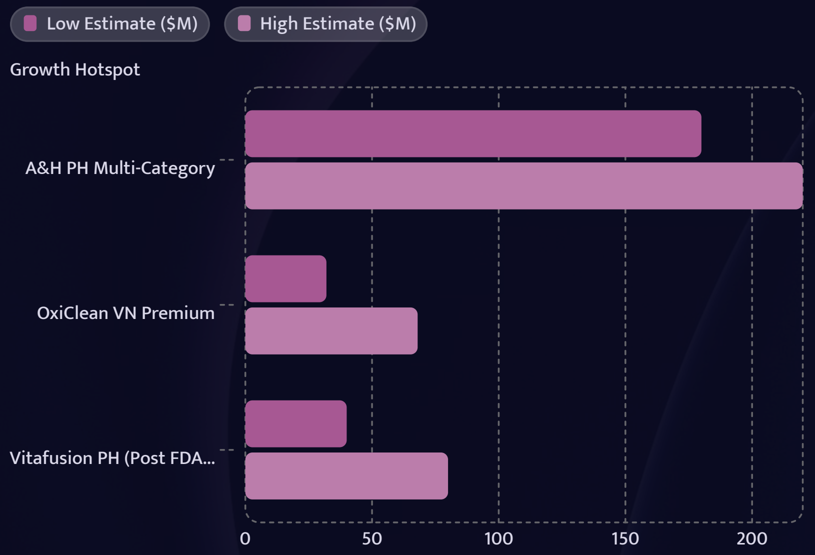
Low Defensibility

Product formulation — easily private-labeled

Source: Percision Research | LOI: Letter of Intent | Slide 12/24 | Public example — Percision

BU STRATEGY → GROWTH HOTSPOTS → FUTURE LENS

Growth Hotspots: OxiClean & A&H Carry the Bridge; Vitafusion Is the 2028+ Upside



Sequencing Logic

01

Fastest to Shelf

A&H baking soda via URC · $3–5M Year-1 opex · 6–8 FTE

02

Highest Margin

OxiClean Vietnam premium flank · $2–4M Year-1 opex · 4–6 FTE

03

Regulatory Upside

Vitafusion post-FDA-DA · $1.5–3M · 2–3 regulatory FTE

Source: Percision Research | A&H: Arm & Hammer | VN: Vietnam | PH: Philippines | FTE: Full-Time Equivalent | Slide 13/24 | Public example — Percision

STRATEGIC RISKS → S-CURVE & COMPETITIVE DYNAMICS

The Market Is Early on Its Premium Adoption Curve

The risk is **duopoly counter-attack**, not saturation. Southeast Asia premium household care is early-growth at 8–12% compound annual growth rate through 2028.

📈 S-Curve Position

SEA premium care is in early growth — 8–12% CAGR. Plateau risk is low through 2028. The window is open.

🪤 Growth Trap

Over-indexing on e-commerce again — the Lazada trap. Physical retail must lead or the pilot failure repeats.

⚔️ Competitive Reaction

Unilever/P&G can private-label a premium stain booster in 9–12 months, neutralizing OxiClean differentiation.

🚨 Early Warning

Incumbent premium-booster SKU launch, or retail coverage stalling below 40% by Q4 2027.

Source: Percision Research | CAGR: Compound Annual Growth Rate | SEA: Southeast Asia | SKU: Stock Keeping Unit | Slide 14/24 | Public example — Percision

Distribution Beats Joint Venture and Direct Entry

Exclusive distribution wins because **joint venture fails the control test** and **direct entry repeats the Lazada failure**. All three modes mapped.

✅ Exclusive Distribution — WINNER

PARTNER mode. High attractiveness + high feasibility. URC 95% coverage + Masan NET shelf exist today. Fits no-M&A cap. Captures both durable moats.

❌ Joint Venture — REJECTED

PARTNER-equity mode. Fails CEO's 51%-control minimum and >30% internal rate of return delta test. Brazil Bitufo ~$12M write-off precedent seals the verdict.

❌ Direct Entry — REJECTED

BUILD mode. Requires $50–100M greenfield network — incompatible with leverage cap. Repeats the proven Lazada logistics failure. No moat at all.

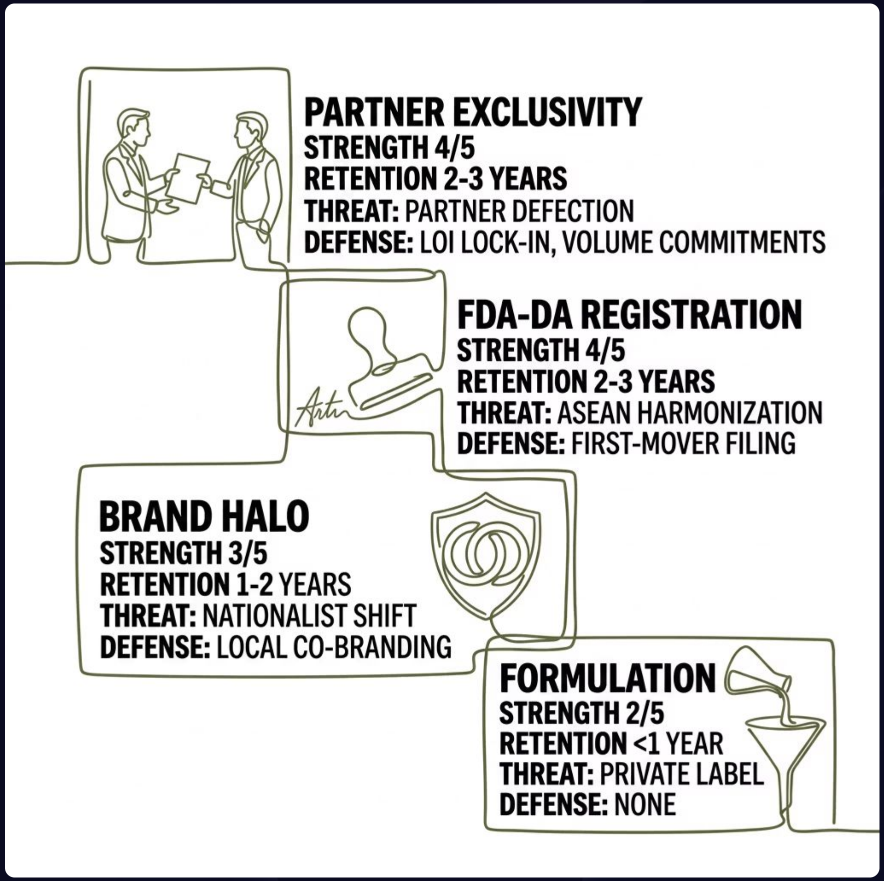
Unpopular truth: C&D should deliberately NOT lead Philippines with Vitafusion — shelf-velocity beats margin in the beachhead phase. Only A&H baking soda earns URC shelf trust fast enough.

Source: Percision Research | IRR: Internal Rate of Return | JV: Joint Venture | Slide 15/24 | Public example — Percision

BU STRATEGY → COMPETITIVE ADVANTAGE → SUSTAINABLE MOAT

The Moat Holds 2–3 Years — Long Enough to Establish the Beachhead

Not permanent — but long enough. The strategy's durability window aligns precisely with the 2026–2028 mandate horizon.



The 2–3 Year Thesis

Partner exclusivity and FDA-DA registration both yield **strength 4/5** with 2–3 year retention — exactly matching the board's 2028 mandate horizon.

Brand halo at 3/5 requires continuous marketing investment to sustain. Formulation at 2/5 provides no durable protection.

⚠ ASEAN harmonization could erode the FDA-DA first-mover gap after 2028 — plan renewal strategies early.

BU STRATEGY → STRATEGIC POSITION → MOAT ENHANCEMENT

The Strategy Converts Zero Shelf Presence Into an Exclusive, Registration-Protected Beachhead

+95pp

Retail Coverage

From 0% to up to 95% via URC partner

New

Regulatory Barrier

From none to FDA-DA held — a moat built, not bought

+3–5pp

Premium Share

From 0% to 3–5% target by 2028

Vector 1: Shelf	Vector 2: Regulatory	Vector 3: Brand
0% → 95% partner coverage (URC)	None → FDA-DA registration barrier (BUILD)	Unknown → premium-flank positioned

Source: Percision Research | FDA-DA: Food & Drug Administration — Drug Administration | Slide 17/24 | Public example — Percision

STRATEGIC RISKS → RISK MATRIX → FULL STRATEGY REPORT

Risk Matrix: Four Failure Modes to Manage

Market, execution, competitive, and regulatory risks each carry a **specific reversal trigger**. No ambiguity on when to pivot.

E-Commerce Relapse — HIGH Priority

Prob: Low · **Impact:** High · Physical-retail first. Mitigation validated by Lazada pilot learnings.

Partner Underperforms — CRITICAL

Prob: Medium · **Impact:** High · Volume commitments in LOI. Reversal: GMV <$15M by Q4 2027.

Duopoly Counter-SKU — CRITICAL

Prob: Medium · **Impact:** High · Speed to shelf via Masan NET. Reversal: incumbent premium-booster launch by Q4 2026.

Vitafusion Reg Delay — HIGH Priority

Prob: High · **Impact:** Medium · Lead with OxiClean/A&H. Reversal: FDA-DA not filed by Q4 2026.

Source: Percision Research | GMV: Gross Merchandise Value | LOI: Letter of Intent | SKU: Stock Keeping Unit | Slide 18/24 | Public example — Percision

STRATEGIC RISKS → RISK CARD #1 → PARTNER UNDERPERFORMANCE

Risk Card #1: Partner Distribution Underperformance

Description

URC or Masan fails to deliver committed shelf velocity — replicating the distribution failure at the root of the Lazada pilot. Partners deprioritize C&D SKUs versus own brands.

Impact on Strategy

Directly threatens the ~$413M bridge. Shelf-access failure forfeits 78% of physical demand and delays the 25% mandate past 2028.

Mitigation

Bind minimum volume and SKU-slot commitments into the LOI. Lead with high-velocity baking soda to prove throughput before premium SKUs follow.

Reversal Trigger

Reverse strategy if GMV <$15M or retail coverage below plan at the 6-month pilot review by Q4 2027.

Source: Percision Research | GMV: Gross Merchandise Value | LOI: Letter of Intent | SKU: Stock Keeping Unit | Slide 19/24 | Public example — Percision

Risk Card #2: Incumbent Premium Counter-Attack

Trigger Events

Omo-branded stain-booster SKU launch · 2× incumbent media spend · Exclusive premium-shelf contracts

Strategy Impact

Erodes the 12–24 month response window. Compresses OxiClean margin below the >30% internal rate of return floor.

Mitigation

Speed to shelf via Masan NET · Lock exclusivity · Reinforce "American-premium" halo with co-marketing spend.

Early Warning & Reversal

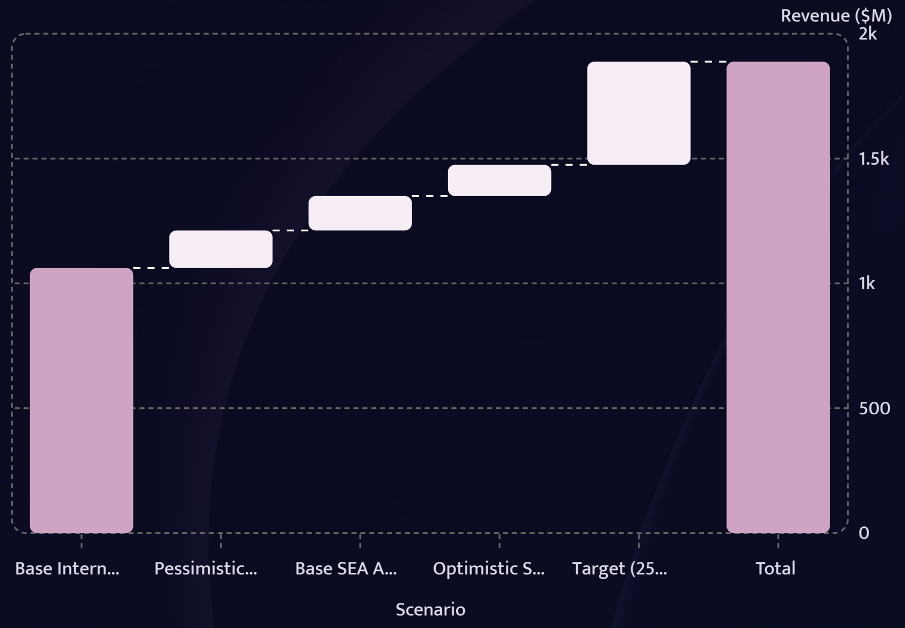
Monitor modern trade weekly for any incumbent premium-booster SKU appearing on shelf.

Reversal Trigger: If an incumbent premium-booster SKU launches by Q4 2026, the OxiClean white-space thesis is breached — Vietnam premium positioning must be re-scoped immediately.

Description: Unilever or P&G launches a private-label premium stain booster, collapsing OxiClean's white-space differentiation in Vietnam. Private-label replication window is 9–12 months.

BU STRATEGY → FINANCIAL IMPACT → RISK-ADJUSTED CASES

Financial Impact: Risk-Adjusted Scenarios



Scenario Summary

Optimistic: ~$413M

EBITDA ~$83–124M · Net Present Value ~$250–370M @10% discount rate

Base: ~$288M

EBITDA ~$58–86M · Net Present Value ~$175–260M @10% discount rate

Pessimistic: ~$150M

EBITDA ~$23–38M · Net Present Value ~$70–115M @10% discount rate

Even the pessimistic case advances international share ~2–3pp — downside is slower march to mandate, not capital loss.

Source: Percision Research | EBITDA: Earnings Before Interest, Taxes, Depreciation & Amortisation | NPV: Net Present Value | ROIC: Return on Capital Employed | Slide 21/24 | Public example — Percision

Strategy Roadmap: Sign, Scale, Sustain

Sign LOIs by Q2 2026, scale through 2027, sustain with Vitafusion by 2028 — lean local team, organic funding.

Quick Wins (0–6mo)	Scale (6–18mo)	Sustain (18–36mo)
LOI signed · A&H listed · $3–5M	OxiClean VN · FDA-DA filed · $4–7M	Vitafusion launch · 25% share · $2–4M

Source: Percision Research | LOI: Letter of Intent | FTE: Full-Time Equivalent | FDA-DA: Food & Drug Administration — Drug Administration | Slide 22/24 | Public example — Percision

Resources Needed: Organic Capital, Lean Team, Partner Infrastructure

No M&A. No greenfield. Organic balance-sheet capital and a lean local team of 12–17 FTE executing within the leverage cap.

Capital

Internal cash flow. 18–24mo market build. ~$9–16M total 3-year organically funded.

Team

Local GTM lead, key-account managers, regulatory/compliance for FDA-DA. 12–17 FTE peak.

Infrastructure

URC/Masan partner distribution at ~8–10% of retail price — zero build cost.

Systems

Point-of-sale data API integration with partner for real-time inventory visibility.

The Capital Efficiency Case

Executed within the leverage cap, this partner-led entry lifts international share to the 25% mandate while protecting total shareholder return by avoiding dilutive M&A and greenfield capital expenditure.

The critical resources are not capital-intensive — they are **relationship-intensive**. The LOI is the most valuable asset to secure.

GTM: Go-To-Market | FTE: Full-Time Equivalent | LOI: Letter of Intent | API: Application Programming Interface | M&A: Mergers & Acquisitions

Direct Answers to Client Questions

1 Q1 — Joint Venture vs. Exclusive Distribution vs. Direct Entry

Recommend **exclusive distribution**. Joint venture fails 51%-control and >30% IRR-delta tests (Brazil Bitufo ~$12M write-off precedent). Direct entry repeats Lazada failure ($280K GMV) and needs $50–100M network. Exclusive distribution via URC and Masan delivers 95% coverage at ~8–10% cost. Illustrative 5-yr net present value ~$70–370M @10% discount rate.

2 Q2 — Philippines vs. Vietnam Sequencing

Lead **Philippines-first with A&H baking soda** to secure URC shelf and satisfy the 78% physical-retail requirement. Run **OxiClean Vietnam via Masan NET** in parallel. File Vitafusion FDA-DA immediately (Q2–Q4 2026) for 2027–2028 launch. All anchored to signed LOIs by Q2 2026.

3 Q3 — Quantifying the 18% to 25% Path

Mandate requires ~$413M incremental revenue (7pp × $5.9B base). Base-case share of market from both countries: ~$212–288M. Remaining gap covered by Vitafusion Philippines (~$40–80M) plus other international markets. Treat as a range — segment unit economics are not in the brief.

4 Q4 — Failure Conditions & Reversal Triggers

Exclusive distribution: reverse if GMV <$15M or coverage <40% by Q4 2027. Joint venture: never enter (fails hard gates by definition). Direct entry: never attempt (Lazada proven). Cross-cutting: if incumbent premium-booster launches by Q4 2026, Vietnam positioning must be re-scoped.