

7th March 2025

Department of Corporate Services
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: 500710

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400051
Symbol: AKZOINDIA

Dear Sir/Madam,

Sub: Investor Presentation

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the investor call presentation document for the group investor meeting scheduled today, 7th March 2025.

Kindly take this on record.

Thanking you.

Yours truly,
For Akzo Nobel India Limited

Rajiv L Jha
Company Secretary & Compliance Officer
Membership No. F5948

Encl: as above.

AkzoNobel



Akzo Nobel India Ltd.

Investor presentation

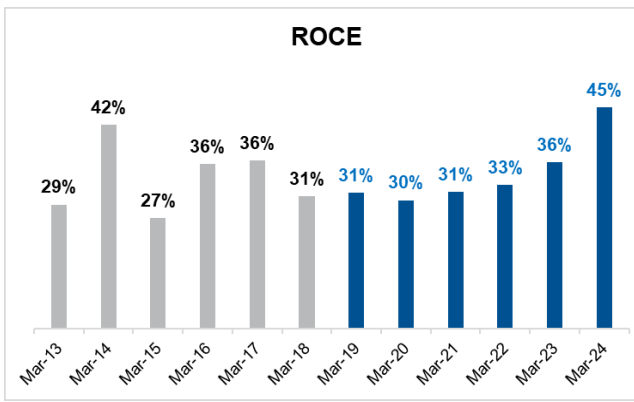
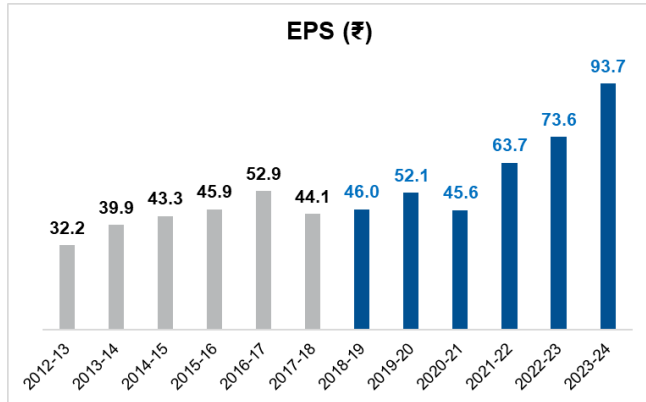
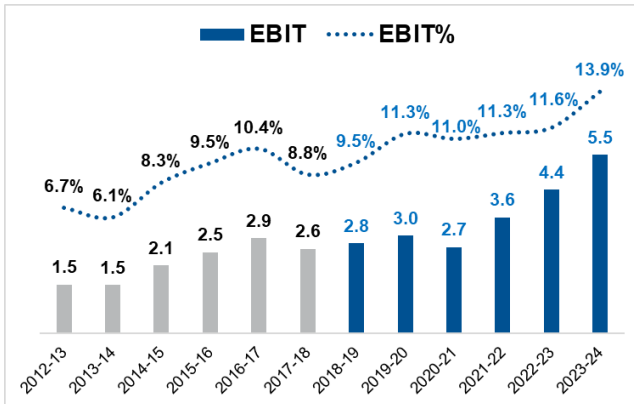
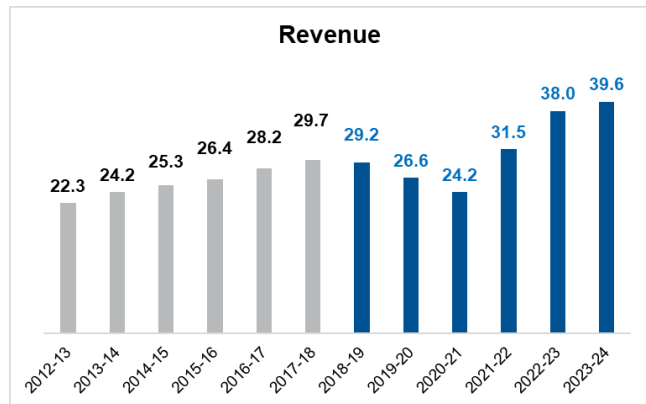
March 2025

Safe Harbor Statement

This presentation contains statements which address such key issues as AkzoNobel's growth strategy, future plans, future financial results, market positions, product development, products in the pipeline and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecast and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures, as well as significant market disruptions. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business, please see our latest annual report. Also, the Company has been making the required disclosures/clarification from time to time to BSE and NSE pertaining to AkzoNobel NV's (parent/promoter entity) media release on portfolio review with initial focus on Deco South Asia, and the management would not be responding to any general and/or specific query in this regard in this investors' group meeting, however, the investors/public at large would be kept informed of any updates in this regard as per listing regulations.

Step change in performance as a Paints & Coatings company

Sharpened focus on core business post Chemicals divestment (2017-18)

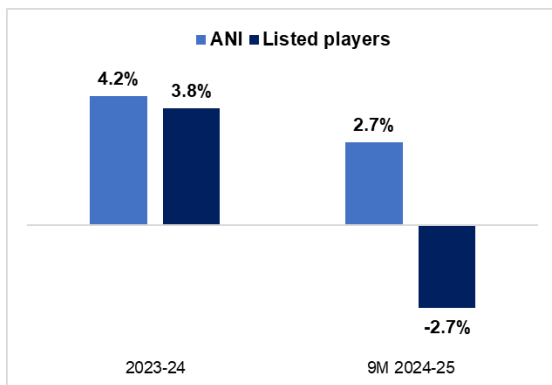


- ▶ Revenue CAGR 6% in past 5 years
- ▶ EBIT CAGR up from 12% to 15% post divestment
- ▶ Consistent double-digit profitability
- ▶ Stronger returns to shareholders (₹13.8 bn dividend (₹303 per share) in past five years)

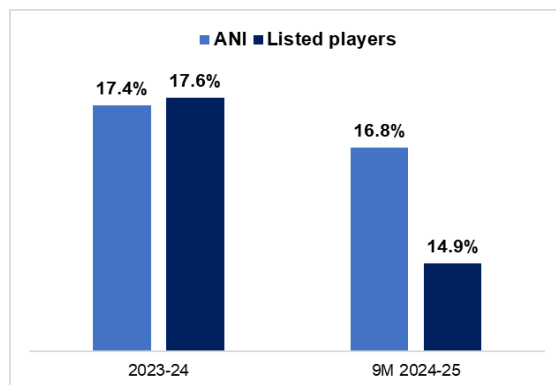
Continued growth and strong profitability retention

Outperformed industry despite difficult market conditions

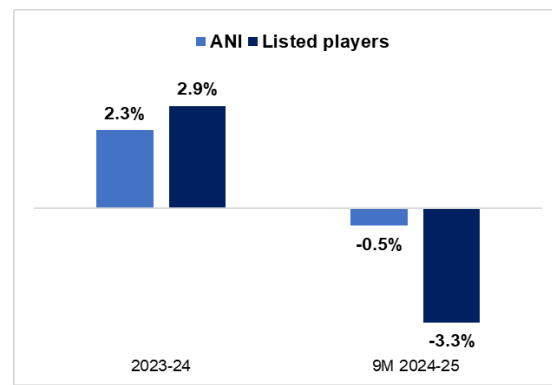
Revenue growth



EBIT%



EBIT% variation YoY



Parent company conducting portfolio review – Oct 2024

Akzo Nobel India is uniquely positioned to benefit from development of Indian market

- AkzoNobel announced strategic portfolio review in October 2024
- Parent company is looking to redeploy capital towards growing its core coatings businesses
- Initial focus is on Deco South Asia
- Evaluating possibilities considering AkzoNobel's premium, highly profitable position in India and dynamic market which is ripe for consolidation
- Strategic options to range from partnerships or joint ventures through to mergers or divestments

"This strategic review represents a key step towards focusing our portfolio on positions of differentiating scale in key coatings markets, which will help to accelerate our profitable growth."

Greg Poux-Guillaume, CEO, AkzoNobel



Akzo Nobel India gaining autonomy: strategic rationale (1/4)

Creating separate specialized entities for liquid and powder coatings

Board of Directors of Akzo Nobel India requested by Parent in January 2025 to commence exploratory steps towards

- a potential sale of the Company's Powder Coatings business and its International Research Centre (R&D operations) to a separate indirect wholly owned subsidiary of AkzoNobel NV
- potential acquisition of Decorative Paints Intellectual Property/ies (owned by AkzoNobel NV) by the Company



Akzo Nobel India gaining autonomy: strategic rationale (2/4)

Streamlining core business and strengthening position in target markets

Divestment of Powder Coatings business

- Powder represents fundamentally different technology vs liquid coatings
- Requires separate manufacturing infrastructure, R&D and expertise, standalone quality control and testing requirements
- Relies on distinct raw material supply chains and technical service
- Works with different customer base and application technologies

Divestment of R&D center

- Research center caters to ASC business unit globally
- Operates on cost+ model. No tangible benefits for India
- Elimination of Parent company oversight
- Reduction of administrative overhead and risks associated with wage inflation

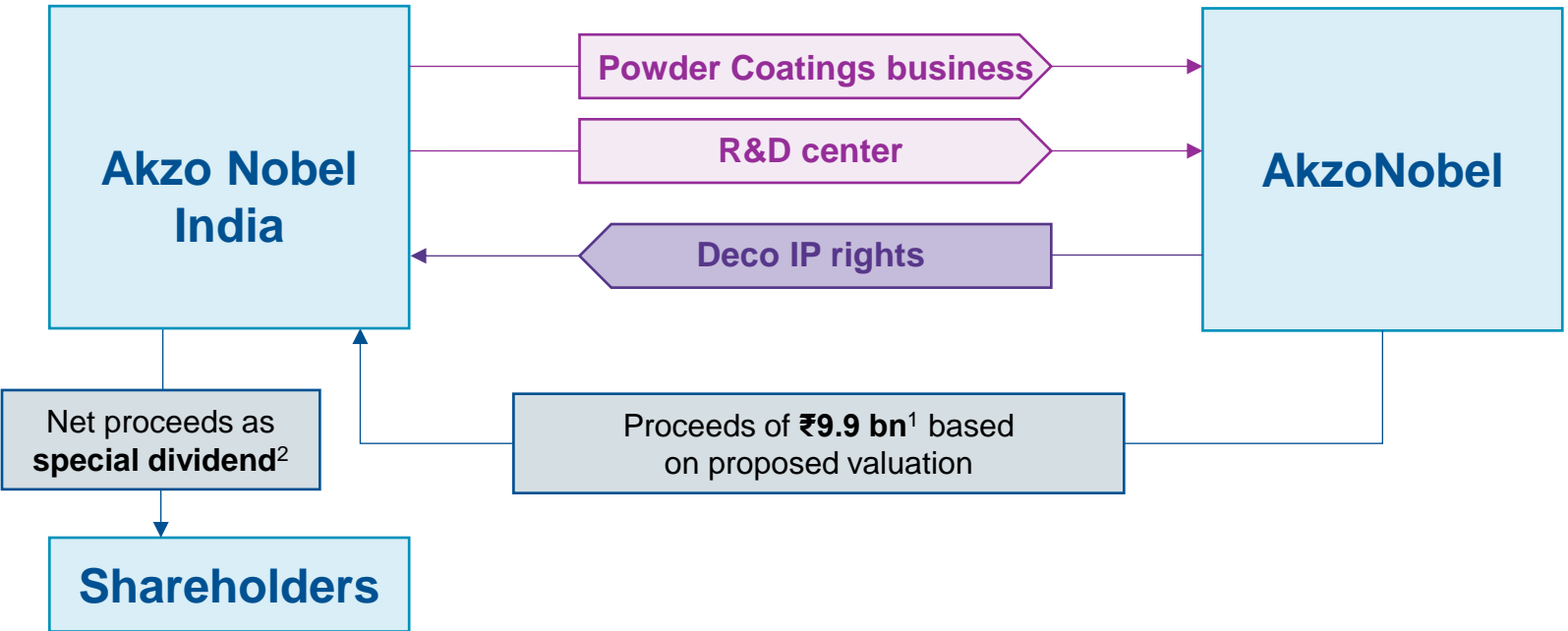
Acquisition of Deco IP rights

- Technological independence in core business
- Elimination of ongoing royalty payments
- Flexibility to reinvest in innovation and product development
- Full control of brand positioning

- ▶ Strategically aligned company
- ▶ Clear roadmap to value creation
- ▶ Financial and strategic flexibility

Akzo Nobel India gaining autonomy: proposed transaction (3/4)

Enhancing focus on core liquids business; special dividend to shareholders



1. Subject to applicable taxation
2. Post applicable Capital Gains Tax

Akzo Nobel India gaining autonomy: valuation (4/4)

Recommendations derived from independent valuation reports

Valuation reports prepared by KPMG and Grant Thornton

Powder business (₹20.7 bn)

- Discounted cash flows; WACC **11.0%-11.6%**
- Comparable Companies multiple; EV/ EBITDA considered
- Recommended valuation range: **₹20.6 – 20.7 bn**

R&D center (₹700 mn)

- Discounted cash flows; WACC **12.0%-13.4%**
- Recommended valuation range: **₹579 – 700 mn**

Deco IP rights (₹11.5 bn)

- Relief from Royalty method; blended rate **3.0%**
- Recommended valuation range: **₹11.5 – 11.8 bn**

Concluding Remarks

Transactions to provide specific support for Liquid and Powder coatings businesses:

- Acquisition of Powder Coatings operations and International Research Center by AkzoNobel NV
- Transfer of Decorative Paints IP to Akzo Nobel India

Advantages of the transactions:

- Position Akzo Nobel India as a more focused liquid paints and coatings business
- Become fully brand and technology independent in its core Decorative Paints business
- Share benefits with our shareholders, as per past precedents

We look forward to your continued support



AkzoNobel

Questions?

