

7<sup>th</sup> November 2024

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 a copy of the presentation to be made at the group investor call being held today, i.e. 7<sup>th</sup> November 2024 on the financial results of the Company for the quarter ended 30<sup>th</sup> September, 2024.

This is for your information and record.

**Thanking you.**

**Yours truly,**  
For Akzo Nobel India Limited

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

Encl: as above.

**Akzo Nobel India Ltd.**

**Investor Call**

**7<sup>th</sup> Nov 2024**

**AkzoNobel**



**Let's Color Project – Spiti (Komic monastery)**

## Safe Harbor Statement

This media release contains statements which address such key issues as AkzoNobel's growth strategy, 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' call, however, the investors/public at large would be kept informed of any updates in this regard as per listing regulations.

# Q2 2024-25 Performance

Double-digit Volume growth sustained even in a muted market

## Q2 Performance

- Sustained double-digit volume growth
- Revenue +3% despite sluggish retail demand; sustained B2B traction
- Profitability protected by balancing growth and OPEX
- PAT up 4%

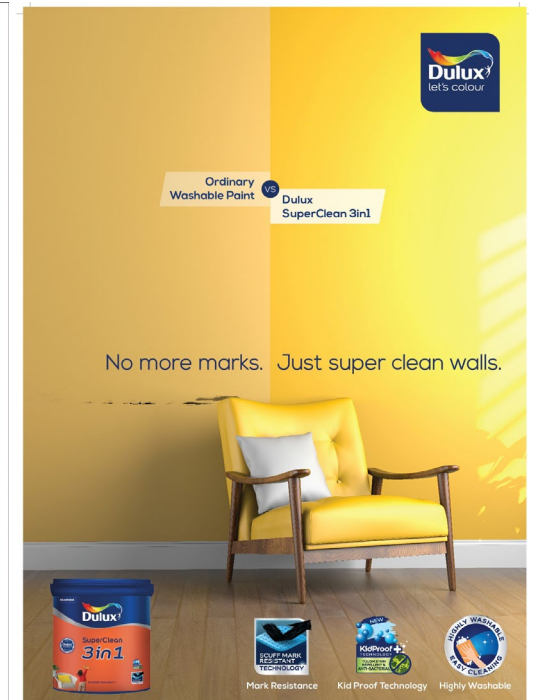
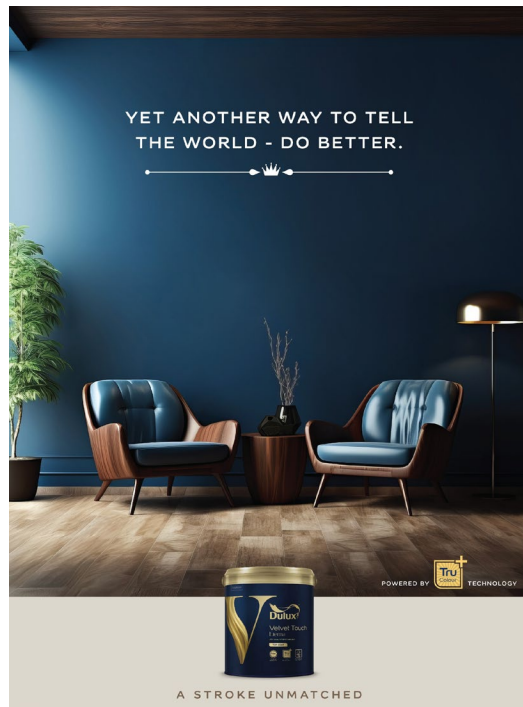
## Other Highlights

- Commissioned augmented Powder capacity at Gwalior
- More than 100 buildings transformed with Dulux Weathershield under Let's Colour project at Spiti
- Announced our 2025 Color of the Year, True Joy, showing our expertise in color trends

# Decorative Paints vertical

Demand weakness from deferred painting cycle due to heavy rain, flooding

- Differential between volume-value growths; impact of LY price changes
- Value categories grew. Focusing on Premium with new launches VT Eterna, Dulux SuperClean 3in1, WS Dustproof
- Double-digit growth in Projects business; Retail channel subdued. Semi-urban/ rural markets more impacted



# Coatings vertical

Growth traction sustained across verticals



## ASC

- Auto OEM growth led by auto industry buoyancy
- Competitive refinish market



## ICO

- Business impacted by stress in overseas markets and pricing pressure



## Powder

- Sustained growth traction. Automotive and GTC segments major drivers.



## MPY

- Marine business driven by Coastal & Navy segment.
- Strong growth in Infrastructure, Power, Oil & Gas segments in Protective business.

# Q2 2024-25 Performance

## Volume growth sustained; Profitability delivered

### Revenue

9,823 | 9,563 | 3%

- Volume growth of outpacing value growth
- Strong performance in B2B businesses

### GM

4,290 | 4,270 | 0%

43.7% | 44.7%

- Impact of rising RMC on GM%; marginal improvement in absolute GM

### EBIT

1,242 | 1,207 | 3%

12.6% | 12.6%

- Profitability protected by balancing growth and OPEX

### PAT

979 | 942 | 4%

10.0% | 9.9%

- PAT up 4% supported by EBIT growth.

# Q2 and H1 2024-25 Performance

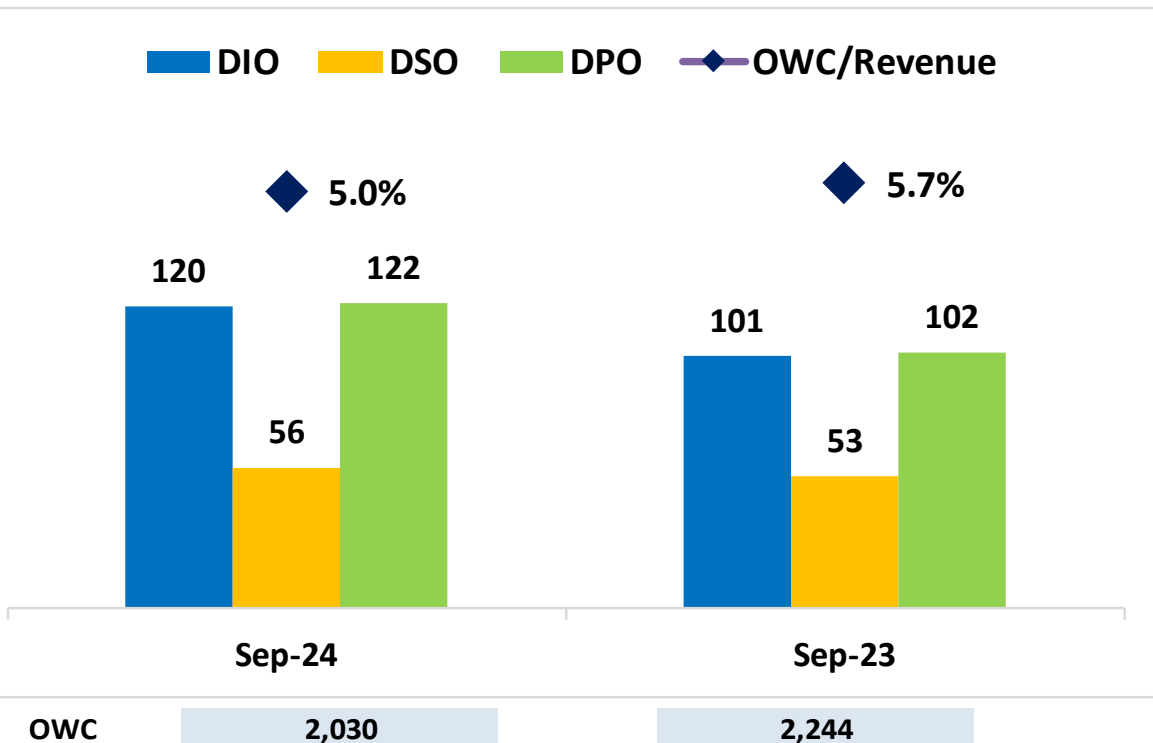
(₹ mn)	Quarter ended			H1 ended		
	30-Sep-24	30-Sep-23		30-Sep-24	30-Sep-23	
<b>Income</b>						
Revenue from operations	9,823	9,563	3%	20,186	19,555	3%
Other income	91	89		188	171	
<b>Total income</b>	<b>9,914</b>	<b>9,652</b>		<b>20,373</b>	<b>19,726</b>	
<b>Expenses</b>						
Cost of goods sold	5,533	5,293		11,270	10,985	
Employee benefits expense	865	825		1,749	1,654	
Finance costs	15	27		40	61	
Depreciation and amortisation expense	222	211		440	404	
Other expenses	1,962	2,027		4,015	3,876	
<b>Total expenses</b>	<b>8,597</b>	<b>8,383</b>	-1% *	<b>17,514</b>	<b>16,981</b>	0% *
Exceptional Items	0	0		0	0	
<b>Profit before tax</b>	<b>1,318</b>	<b>1,269</b>		<b>2,861</b>	<b>2,745</b>	
Tax expense	339	327		736	704	
<b>Net Profit for the period</b>	<b>979</b>	<b>942</b>	4%	<b>2,125</b>	<b>2,041</b>	4%

\* Change in OPEX/ Revenue



# OWC and Cash Flow

## Improved working capital management



## Capex and Dividend funded by Operating Cash Flows

(₹ mn)	H1 2024-25	H1 2023-24
Operating profit before Working cap changes	3,126	3,085
Tax	(756)	(758)
Working cap movements (in addition to OWC)	107	440
<b>Cash Flow from Operating activities</b>	<b>2,477</b>	<b>2,767</b>
Capex	(413)	(415)
Dividend (incl. Div. Tax)	(1,138)	(1,822)
Investments	564	(955)
Other movements	65	(23)
<b>Net increase/ (decrease) in Cash</b>	<b>1,555</b>	<b>(448)</b>
<b>Cash &amp; Cash equivalents at period beginning</b>	<b>2,730</b>	<b>3,136</b>
<b>Cash &amp; Cash equivalents at period end</b>	<b>4,285</b>	<b>2,688</b>
Bank Balances other than above	1,943	3,431
<b>Total Cash, eq. &amp; Bank Balance</b>	<b>6,228</b>	<b>6,119</b>

# Concluding Remarks

- **Delivered on growth and profitability**
- **Recognized for our products and services, innovation and customer service**
- **Maintaining our commitment to shareholder value creation; Rewarding our shareholders with one-time special dividend to commemorate 70 years in India**
- **Steadily progressing towards our ESG ambitions**



# AkzoNobel

# Thank you!

