

4 August 2023

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 investor call being held today, 4 August 2023 on the financial results of the Company for the quarter ended 30 June, 2023.

This is for your information and record.

Yours Faithfully,
For Akzo Nobel India Limited

Krishna Rallapalli
Wholetime Director and CFO
DIN:03384607

Encl: as above.



**Akzo Nobel India Ltd.
Investor Call**

4th Aug 2023

About Us

About Akzo Nobel India

AkzoNobel

- ↗ ~1,490 employees; 5 offices
- ↗ 5 manufacturing sites; **Capacity augmentation & expansion plans in place**
- ↗ Scaling up distribution through **online and offline channels**
- ↗ 50% increase in network over recent years to cover **~5,000 towns**
- ↗ **~20,000 Paint retailers; ~4,000 B2B customers**
- ↗ **World-class Color Centre** for ASC in Bangalore
- ↗ **Low-cost Innovation Centre** driving differentiated products in Thane



Business Environment

Cautious economic outlook

AkzoNobel



- ↗ **Modest growth outlook:** India's growth at ~7% vs. global growth of 2.8%
- ↗ **Core sector growth continued:** at 8.2% in Jun 2023
- ↗ **Softening crude prices:** June 2023 average price at \$75.1/bbl vs. \$122.7/bbl a year ago
- ↗ **Rupee range-bound:** US\$-₹ at 82.2 in June 2023 vs. 78.1 in June 2022
- ↗ **Elevated Interest Rates:** Repo rate at 6.5%

Key Strategic Drivers

Our strategic priorities

Hold onto pricing gains to expand margins

Adjust cost base to market reality



Margin Management



Operating Expenses



Working Capital



Integrated Supply Chain

Reduce working capital to increase cash flow

Respond more effectively to business opportunities



Inauguration of robotic palletizer at Thane site by AkzoNobel CEO, Grégoire (Greg) Poux-Guillaume

Paints

Double-digit growth in Premium and Projects

- Strong finish to the quarter with Premium leading category growth
- Continuing healthy demand from Real Estate sector supporting Projects business
- Growth constrained by challenges in few geographies, destocking; Semi-urban markets grew faster
- Margin expansion led by RM softening, mix improvement



AkzoNobel

Coatings

Double-digit growth continuing for most businesses

Auto & Specialty Coatings



- Healthy demand in auto industry resulted in double-digit growth across segments
- Premium and Value Brands segments doing well

Industrial Coatings



- Growth in Coil on the back of healthy steel production
- However, Packaging impacted by lower exports

Powder Coatings



- Double-digit growth across all segments
- Broad-based demand across industries notably Automotive, Real Estate, Consumer durables

Marine & Protective



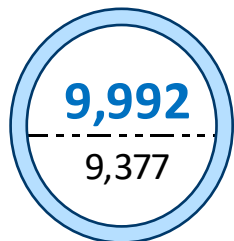
- Marine driven by healthy orders from Coastal & Navy and new builds
- Infrastructure, Oil & Gas and Power driving Protective segment

Q1 2023-24 Performance

Growth momentum continues; new record in Revenue, GM, EBIT & PAT

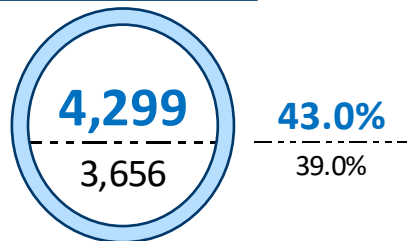
AkzoNobel

Revenue



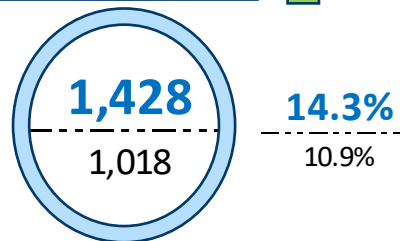
- Revenue exceeded previous record of Q3 2022-23
- Growth driven by B2B businesses

GM



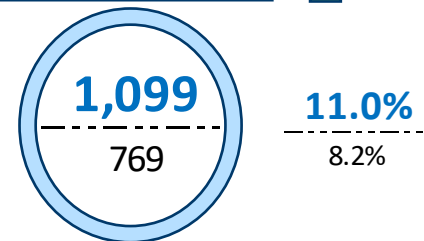
- 400 bps GM% improvement supported by continued trend of softening RMC

EBIT



- EBIT growth and margin improvement driven by operating leverage

PAT



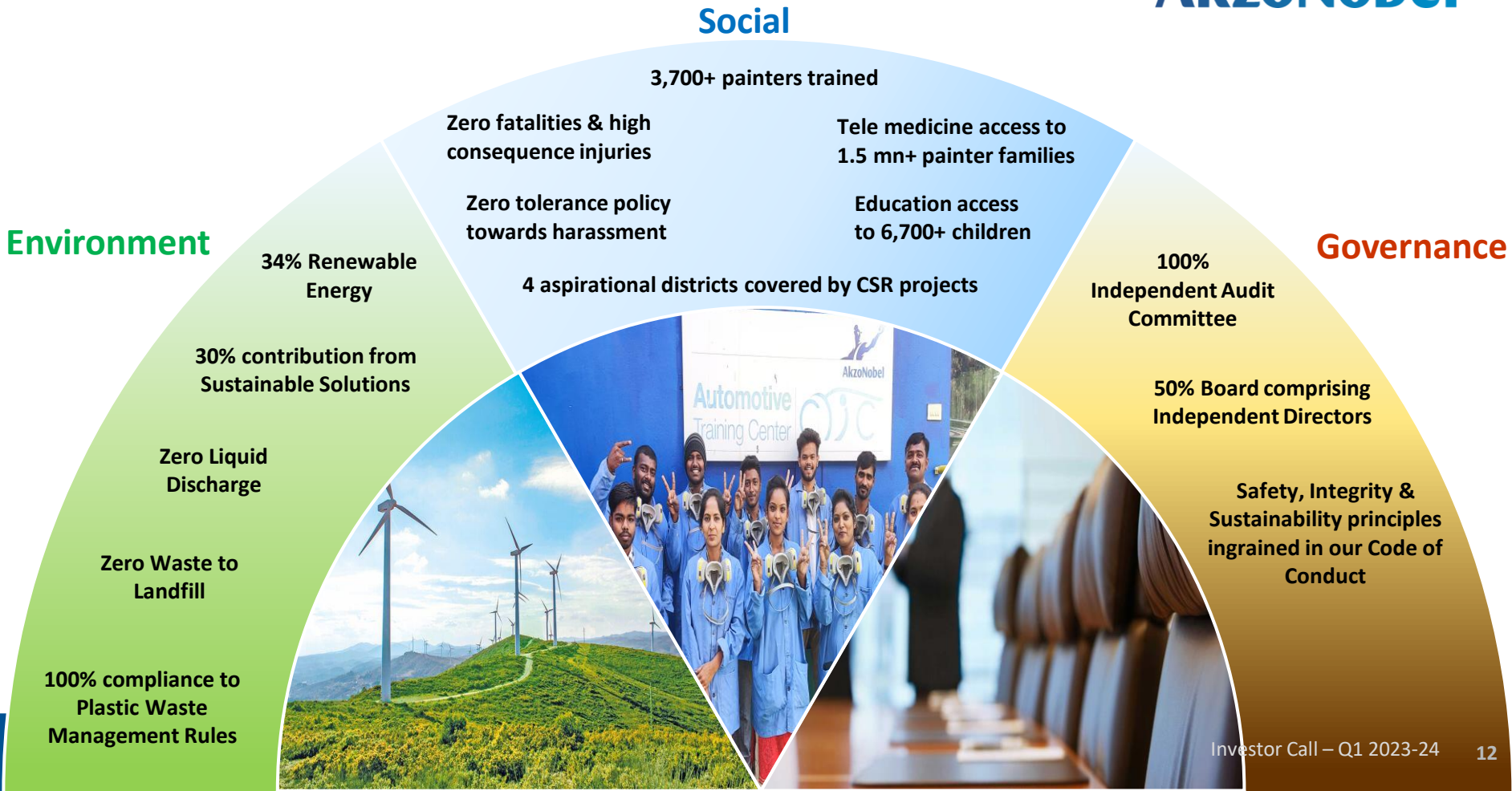
- PAT up 43% driven by higher EBIT and other income
- PAT crossed ₹100 crore mark in a quarter for the first time

Q1 FY 2023-24 Performance

(₹ mn)	Quarter ended		
	30-Jun-23	30-Jun-22	
Income			
Revenue from operations	9,992	9,377	7%
Other income	82	41	
Total income	10,073	9,418	
Expenses			
Cost of goods sold	5,693	5,722	
Employee benefits expense	829	757	
Finance costs	34	24	
Depreciation and amortisation expense	193	193	
Other expenses	1,849	1,688	
Total expenses	8,598	8,383	1% *
Exceptional Items	0	0	
Profit before tax	1,476	1,035	
Tax expense	377	266	
Net Profit for the period	1,099	769	43%

* indicates YoY change in OPEX/ Revenue

ESG continuing to be a key focus area



Safe Harbour Statement

This report 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 such as the impact of pandemics. 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.

Thank you!