

24 May 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 made at the investor call held on 23 May 2023 on the financial results of the Company for the quarter and year ended 31 March, 2023.

This is for your information and record.

Yours Faithfully,
For Akzo Nobel India Limited

Harshi Rastogi
Company Secretary
Membership#A13642

Encl: as above.

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Akzo Nobel India Ltd. - Investor Call

23rd May 2023



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

About Us

About Akzo Nobel India

AkzoNobel

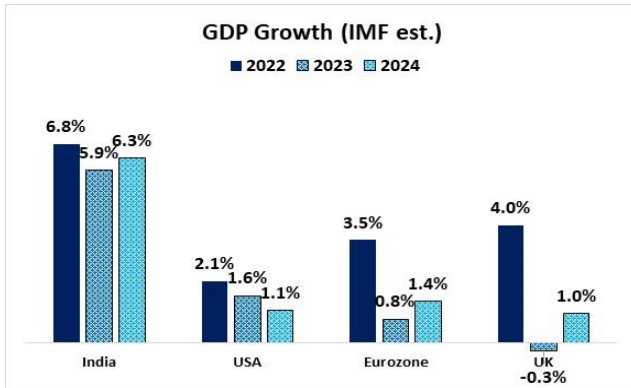
- ↗ ~1,490 employees; 5 offices
- ↗ 5 manufacturing sites; **Capacity augmentation & expansion plans in place**
- ↗ Scaling up distribution through **online and offline channels**
- ↗ 50% increase in network over recent years to cover **~5,000 towns**
- ↗ **~20,000 Paint retailers; ~4,000 B2B customers**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



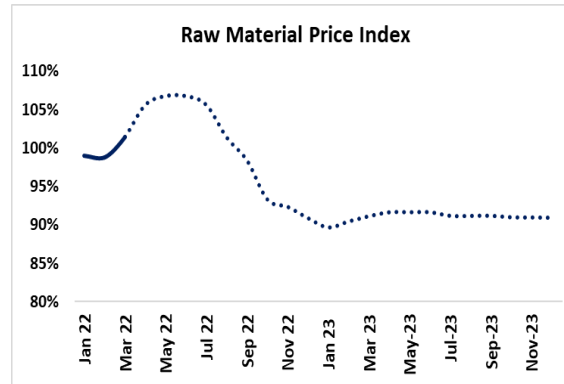
Business Environment

Navigating Growth, Commodity & Currency volatilities

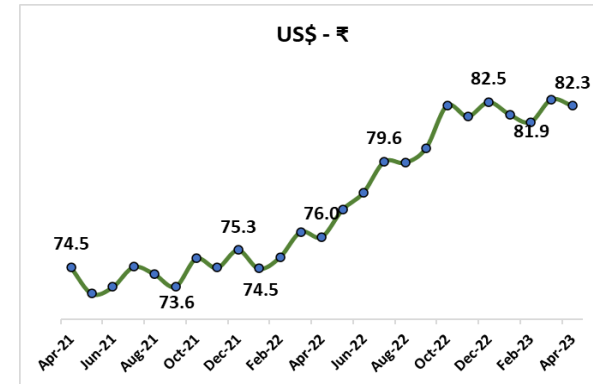
Modest growth recovery



Softening raw material prices



FX volatilities persisting



Key Strategic Drivers

Key Strategic Drivers resulting in sustained market position gains

Working to bring best of technology - Power of Science to Magic of Paints

Innovation



Brand Building



Focusing on the core with consumer preferred differentiation, Customer-focused solutions; Winning in adjacencies; expanding offerings

People



Imbibing a people-centric culture by becoming more diverse, inclusive and empowering

Distribution



Expanding breadth and depth through Distribution 2.0, e-Commerce

Value Creation



Initiatives to improve and sustain double digit profitability

Digitization



Digital first approach for consumers, Painter app, Global CRM tool, IoT in sites

Quarter characterized by growth across Projects business, Auto sector and General Industries

AkzoNobel

Decorative Paints



- Strong growth in Premium on the back of launches this year
- Conducive Real Estate sector supporting Projects business
- New digital campaign with ace Indian Olympian

Marine & Protective



- Strong orders from Coastal & Navy and docking segments
- Infrastructure, Oil & Gas were notable drivers for Protective business

Powder Coatings



- Double-digit growth across most segments
- Strong orderbook for Automotive and GTC, the dominant segments
- Interpon Stone Effect range launched

Auto & Specialty Coatings



- Strong growth for both Premium and Value brands; OEM segment accelerated
- Subdued CV and CE segments

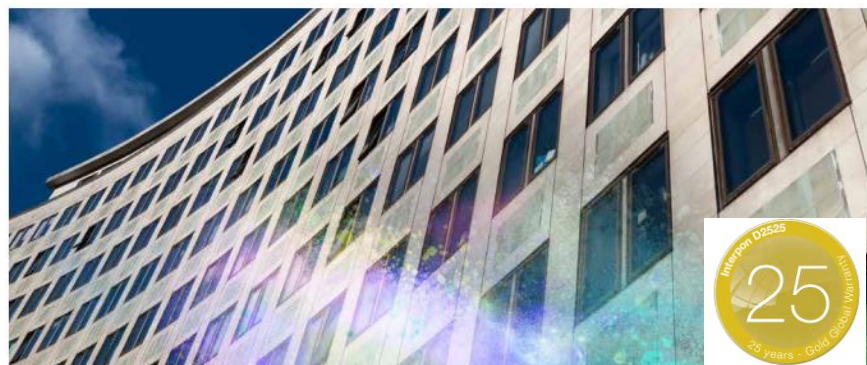
Industrial Coatings



- Coil growth impacted by high base, lower exports
- Packaging segment driven by FCG & Ink business

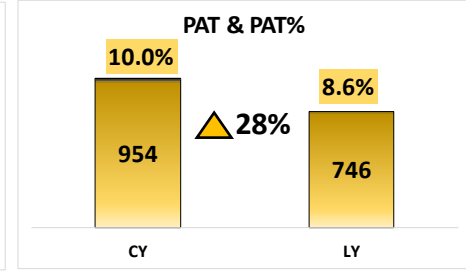
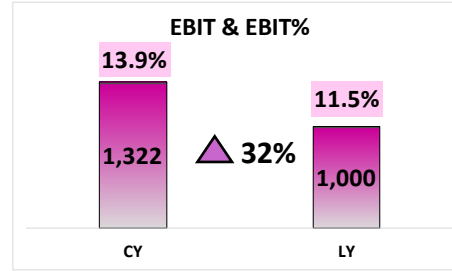
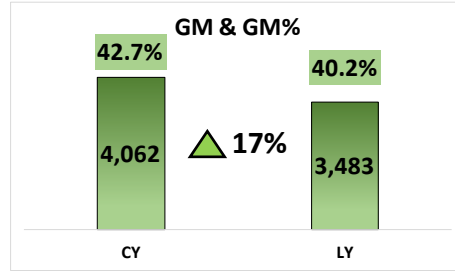
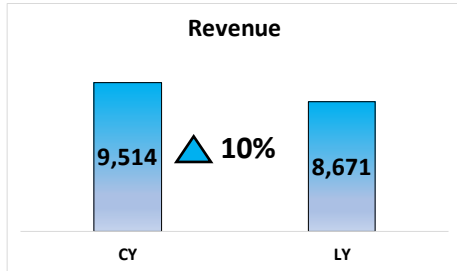
Customer-centric solutions driving our growth

AkzoNobel



Q4 2022-23 Performance

Strong finish to the year with highest-ever absolute GM and EBIT



- Continued growth momentum of B2B business
- Demand recovery in Paints

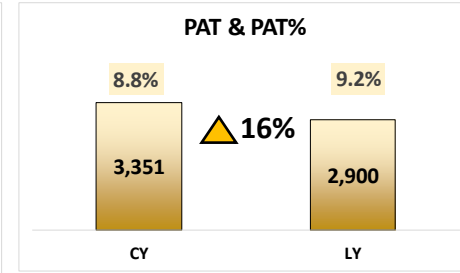
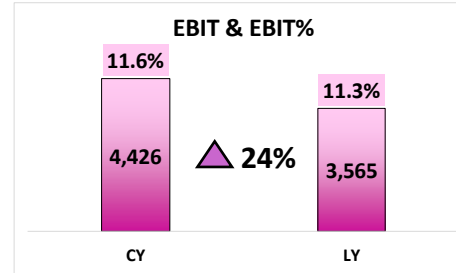
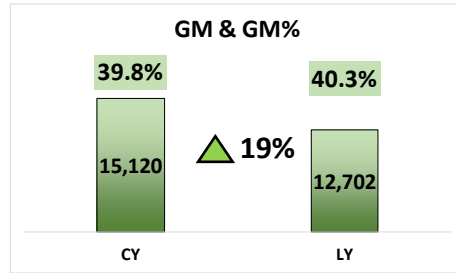
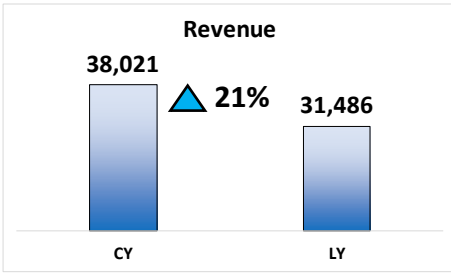
- Highest quarter GM --> softening RMC and prior pricing actions
- Sequential as well as YoY margin improvement

- Highest quarter EBIT supported by GM growth
- Margin improvement

- PAT growth of 28% YoY
- Excluding LY exceptional income, PAT growth is 31%

FY 2022-23 Performance

Record performance in absolute terms across Revenue, GM, EBIT



- Decorative Paints growth led by launches, urban markets and Projects business
- Coatings benefited from core sector, auto growth

- Softening RM prices coupled with selective price increases helped to achieve highest-ever GM.
- Margin improvement slower to come

- EBIT growth of 24% with improved margins coming from GM growth and judicious cost management

- PAT growth of 16% YoY
- Excluding LY exceptional income and tax benefit of 168.7 mn, PAT growth is 24%

Q4 and FY 2022-23 Performance

(₹ mn)	Quarter ended			FY ended		
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22	
Income						
Revenue from operations	9,514	8,671	10%	38,021	31,486	21%
Other income	61	51		274	227	
Total income	9,575	8,722		38,294	31,713	
Expenses						
Cost of goods sold	5,452	5,188		22,900	18,784	
Employee benefits expense	729	733		3,002	2,632	
Finance costs	57	57		141	145	
Depreciation and amortisation expense	225	192		825	759	
Other expenses	1,785	1,558		6,867	5,746	
Total expenses	8,247	7,728	0%*	33,734	28,066	-1%*
Exceptional Items	0	20		0	20	
Profit before tax	1,326	1,014		4,559	3,667	
Tax expense	372	269		1,208	767	
Net Profit for the period	954	745	28%^	3,351	2,900	16%^

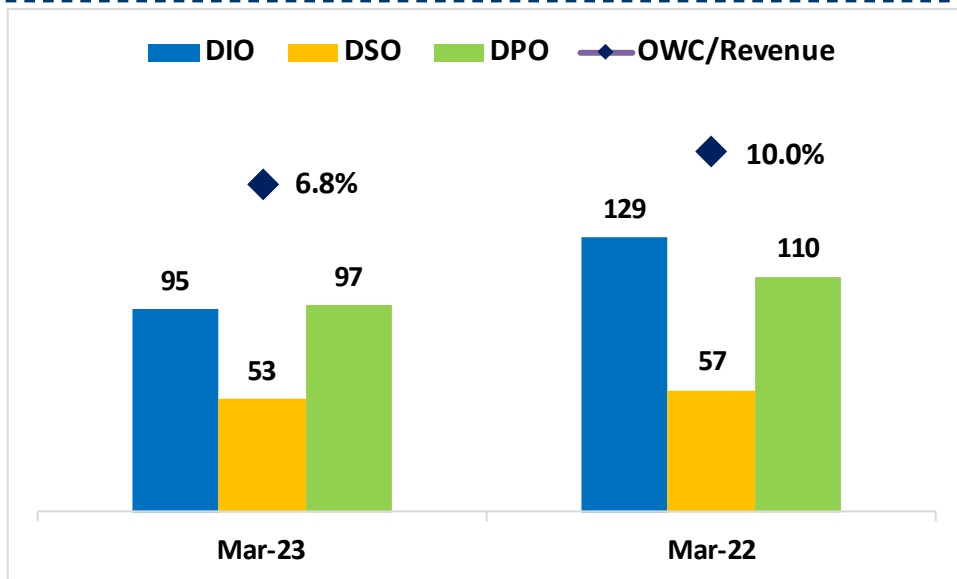
* indicates YoY change in OPEX/ Revenue

^ Excluding Exceptional Income of LY, PAT growth is 31% for Q4 and 16% for FY

OWC and Cash Flow

Improved working capital management contributing to stronger operating cash

Improving OWC with better Inventory management



Cash Flow

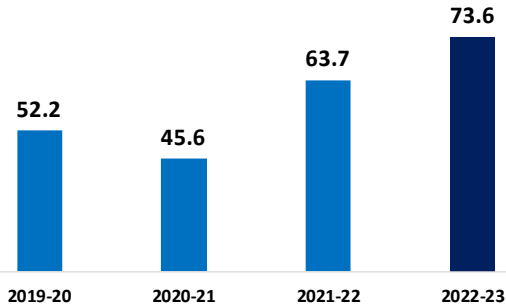
(₹ mn)	2022-23	2021-22
Operating profit before Working cap changes	5,291	4,029
Tax	(1,425)	(1,132)
Working cap movements	994	(1,686)
Cash Flow from Operating activities	4,860	1,211
Capex	(1,043)	(633)
Dividend (incl. Div. Tax)	(2,732)	(3,188)
Investments	639	2,750
Other movements	(29)	(84)
Net increase/ (decrease) in Cash	1,695	57
Cash & Cash equivalents at year end*	3,136	1,441

* less than 3 month maturity

Rewarding our shareholders

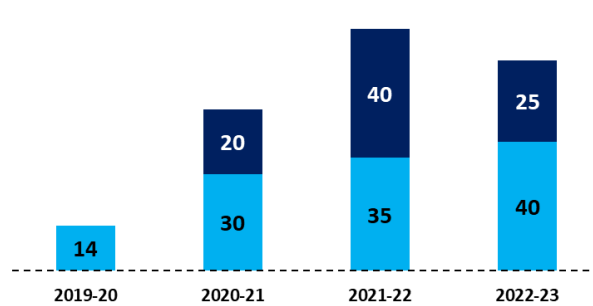
Rising EPS

EPS (₹)



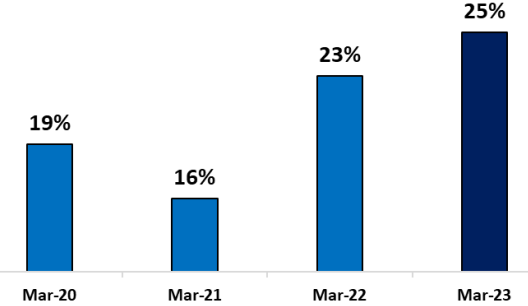
Consistent Dividend payout

■ Normal Dividend (₹) ■ Interim/ Special Dividend (₹)



Increasing Return on Equity

ROE %



ESG integrated in our Value Chain

AkzoNobel

Environment



- 10% recycled plastic in containers (ahead of PWM Rules)
- Progressing towards 50% renewable energy target by 2025 (34% currently)
- Zero Liquid Discharge
- Zero waste to landfill

Social



- Re certified as Great Place to Work
- 3700 + youth and painters trained in 2022-23
- Education for 6,000+ children
- Consistent People safety performance
- Conferred with 'Commendation for Significant Achievement' in CSR at the CII-ITC Sustainability Awards 2022

Governance



- Highest standards of corporate governance
- Dynamic, diverse and experienced Board
- 50% Independent Directors
- 100% Independent Audit Committee
- Governed by AkzoNobel Code of Conduct

Thank you!

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.