

APL/SEC/32/2023-24/35

25th July, 2023

BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 500820

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
Block G, Bandra - Kurla Complex,
Bandra (East), Mumbai – 400 051
Symbol: ASIANPAINT

Sir/Madam,

Sub: Outcome of Board Meeting in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) – Financial Results

The Board of Directors at their meeting held today i.e. Tuesday, 25th July, 2023, have, *inter alia*, approved the audited standalone financial results and unaudited consolidated financial results of the Company for the quarter ended 30th June, 2023.

Accordingly, please find enclosed the following:

- (a) Audited standalone financial results of the Company for the quarter ended 30th June, 2023 together with the Auditor's Report issued by Deloitte Haskins and Sells LLP, Chartered Accountants, Statutory Auditors;
- (b) Unaudited consolidated financial results of the Company for the quarter ended 30th June, 2023 together with the limited review report issued by Deloitte Haskins and Sells LLP, Chartered Accountants, Statutory Auditors; and
- (c) Press release on the financial results of the Company for the quarter ended 30th June, 2023.

Further, an extract of the aforementioned financial results would be published in the newspapers in accordance with the requirements of the Listing Regulations.

The Board meeting commenced at 10.00 a.m. (IST) and subsequent to approval of the above matters, will continue till its scheduled time upto 3:00 p.m. (IST).





Asian Paints Limited
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www.asianpaints.com

Investor Conference:

The Company will be holding a conference with investors at 5:30 p.m. (IST) today, wherein the management will comment on the financial results for the quarter ended 30th June, 2023.

The details of the said conference call are available on the Company's website (www.asianpaints.com).

You are requested to take the above information on record.

Thanking you,

Yours truly,

For **ASIAN PAINTS LIMITED**




R J JEYAMURUGAN
CFO & COMPANY SECRETARY

Encl.: As above

PRESS RELEASE

Q1 FY'24 Consolidated Net Sales at Rs. 9,154 crores, up 6.7%
Q1 FY'24 Standalone Net Sales at Rs. 8,085 crores, up 7.0%
Consolidated & Standalone PBDIT Margin expands by over 500 bps
Q1 FY'24 Consolidated PAT up 52%

Q1 FY'24 Highlights

- Double-digit volume and healthy value growth in Decorative Business (India)
 - Consistent double-digit volume growth trend on 4 yr CAGR basis
- Home Décor benefitted from high growth trajectory in fabrics, decorative lighting, UPVC windows & doors; focused on scaling up Kitchen & Bath
- Sustained double-digit revenue growth trajectory in Industrial Business
- Macro uncertainties and forex tightness impacting key Asian markets in International Business
- Operating, sourcing and formulation efficiencies coupled with softening material prices resulted in improved operating margins:
 - Q1 FY'24 Consolidated PBDIT Margin expands by 510bps to 23.2%
 - Q1 FY'24 Standalone PBDIT Margin expands by 540bps to 24.7%

Mumbai, July 25, 2023: Asian Paints today announced their financial results for the quarter ended June 30, 2023.

“Our Domestic Decorative business registered double digit volume growth and a relatively healthy value growth, coming on a high base of the previous year. Both the Auto OE and the General Industrial coating businesses achieved a strong double-digit revenue growth, led by growth in the Protective & Powder Coatings segment. Our international business was supported by good deliveries from the Middle East region however, continued macro-economic challenges and adverse forex conditions in Asian markets, resulted in an overall subdued growth for the international portfolio. On the Home Décor front, categories like fabrics, decorative lighting, UPVC doors & windows maintained their high growth trajectory. However, the Kitchen and Bath business segments were sluggish.

Overall, we have recorded significant improvement in margins, both sequentially as well as on year-on-year basis, aided by strong efforts on driving operational, formulation and sourcing efficiencies and supported by easing inflation in raw material prices. Looking ahead, we remain focused on pursuing growth and are confident about a robust festival season ahead.”, said Amit Syngle, Managing Director & CEO of Asian Paints Limited.

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Corporate Identification Number (CIN): L24220MH1945PLC004598

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Corporate Communications : Tel : +91-22-6218 1168 (D) / 6218 1000 (B); Fax : +91-22-6218 1111;

Email : proffice@asianpaints.com

PRESS RELEASE

Key Financial Highlights for the Quarter Ended 30th June 2023:

1. Asian Paints Consolidated Results, Q1 FY'24:

- Consolidated Net Sales increased by 6.7% to ₹ 9,153.8 crores from ₹ 8,578.9 crores.
- Improvement in gross margins by 530 basis points in Q1 FY'24 as compared to Q1 FY'23.
- PBDIT [Profit before depreciation, interest, tax, other income, and exceptional items] (before share in profit of associates) increased by 36.3% to ₹ 2,121.3 crores from ₹ 1,556.0 crores.
- PBDIT Margin as % to Net Sales improved to 23.2% from 18.1% in the corresponding period of the previous year and 21.3% in Q4 FY'23.
- Profit before exceptional items and tax increased by 47.1% to ₹ 2,105.0 crores from ₹ 1,430.8 crores.
- Net Profit after minority interest increased by 52.5% to ₹ 1,550.4 crores from ₹ 1,016.9 crores.

2. Asian Paints Standalone Results, Q1 FY'24:

- Net Sales increased by 7.0% to ₹ 8,084.9 crores from ₹ 7,555.8 crores.
- Improvement in gross margins by 550 basis points in Q1 FY'24 as compared to Q1 FY'23.
- PBDIT for the quarter increased by 36.7% to ₹ 1,999.8 crores from ₹ 1,462.6 crores.
- PBDIT Margin as % to Net Sales improved to 24.7% from 19.4% in the corresponding period of the previous year and 23.0% in Q4 FY'23.
- Profit before tax increased by 47.1% to ₹ 2,018.2 crores from ₹ 1,372.4 crores.
- Net Profit increased by 48.3% to ₹ 1,508.4 crores from ₹ 1,017.3 crores.

3. Segment Highlights:

- International business:** Sales decreased by 1.4% to ₹ 695.1 crores from ₹ 705.2 crores on the back of economic uncertainty, forex crisis and liquidity issues in key markets of Asia and Africa. In constant currency terms, sales increased by 3.8%. PBT before exceptional items was ₹ 26.5 crores as against ₹ 37.9 crores in the corresponding period of previous year.
- Home Décor business:**
 - Bath Fittings business:** Sales decreased by 28.2% to ₹ 84.7 crores from ₹ 118.0 crores on the back of high base in the last year due to price increases. PBDIT loss was ₹ 0.8 crores against profit of ₹ 4.2 crores in the corresponding period of the previous year.
 - Kitchen business:** Sales decreased by 12.0% to ₹ 96.0 crores from ₹ 109.0 crores on the back of high base in the last year due to price increases. The business achieved PBDIT break-even with PBDIT of ₹ 0.7 crores as against a loss of ₹ 4.0 crores in the corresponding period of previous year.

PRESS RELEASE

iii. **White Teak and Weatherseal:** Sales at White Teak increased by 28.4% to ₹ 26.0 crores. Sales at Weatherseal more than doubled to ₹ 9.8 crores. Both these recent acquisitions are gaining from synergies with the Asian Paints network.

c. **Industrial business:**

i. **APPPG:** Sales increased by 21.6% to ₹ 294.2 crores from ₹ 242.0 crores. PBT was ₹ 39.2 crores as against ₹ 12.0 crores in the corresponding period of previous year.

ii. **PPGAP:** Sales increased by 13.3% to ₹ 471.9 crores from ₹ 416.4 crores. PBT was ₹ 82.0 crores as against ₹ 32.0 crores in the corresponding period of previous year.

4. On 23 June 2023, the Company has further acquired 11% stake of White Teak from its existing shareholders for a cash consideration of ₹ 53.8 crores. This is part of the staggered buyout plan and consequently, White Teak has become a subsidiary. In accordance with Ind AS 103 – Business Combination, the previously held 49% stake in White Teak is fair valued based on an Independent Valuer’s Report on the date of acquisition of 11% of equity share capital. Pursuant to this, fair valuation gain of ₹ 34.0 crores is recognized under ‘Other Income’ in the Consolidated Financial Results for the quarter ended 30 June, 2023.

5. During the quarter, the Company revised its sick leave policy for certain classes of employees. Hitherto, such employees were allowed to accumulate sick leave upto a specified number of days. In lieu of accumulation of sick leave, the said classes of employees can avail sick leave as and when needed as per the revised policy of the Company. Consequent to the revision in leave policy, in accordance with Ind AS 19 – Employee Benefits, the Company has reversed provision for sick leave of ₹ 38.9 crores in standalone books and ₹ 40.7 crores in consolidated books. The same is recognized under employee benefits expense in the financial results.

About Asian Paints Limited:

Asian Paints is India’s leading paint and decor company and ranked among the top 7 coatings companies in the world with a consolidated turnover of ₹ 34,489 crores (₹ 345 billion) with a market capital of approx. ₹ 3,400 billion. Asian Paints along with its subsidiaries have operations in 15 countries across the world with 27 paint manufacturing facilities, servicing consumers in over 60+ countries through Asian Paints, Apco Coatings, Asian Paints Berger, Asian Paints Causeway, SCIB Paints, Taubmans and Kadisco Asian Paints. Asian Paints also offers a wide range of Home Décor products and is an emerging strong player in the Home Improvement and Décor space in India.