



Investor Conference

Q3 - FY2025 Results



Delivering joy since 1942....
We exist to Beautify, Preserve, Transform all Spaces and Objects, bringing happiness to the World!



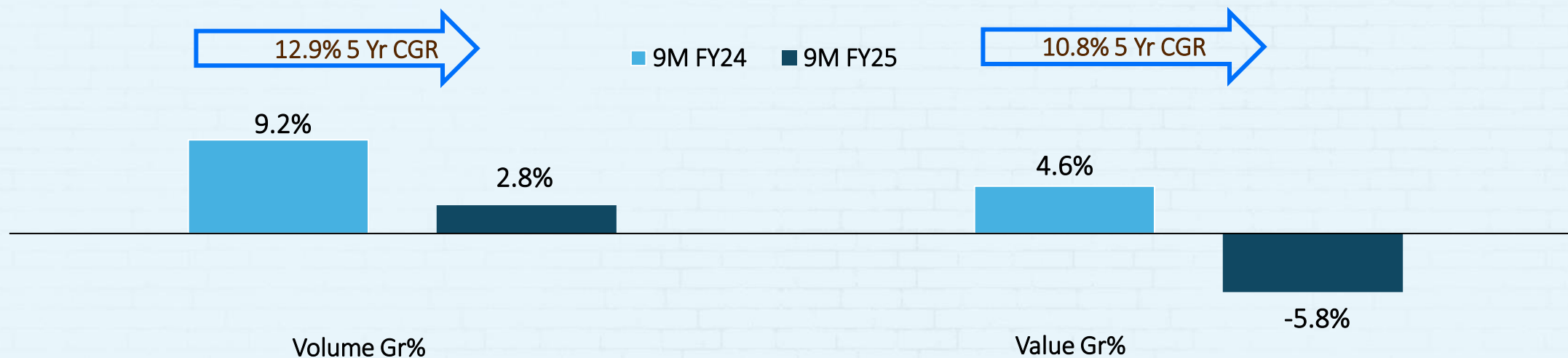
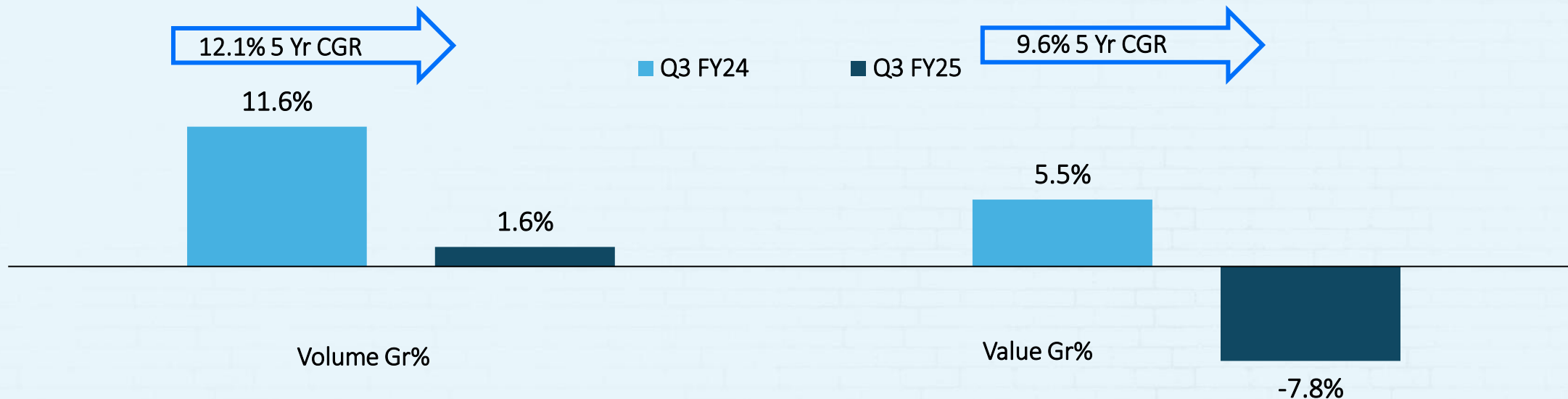


Disclaimer

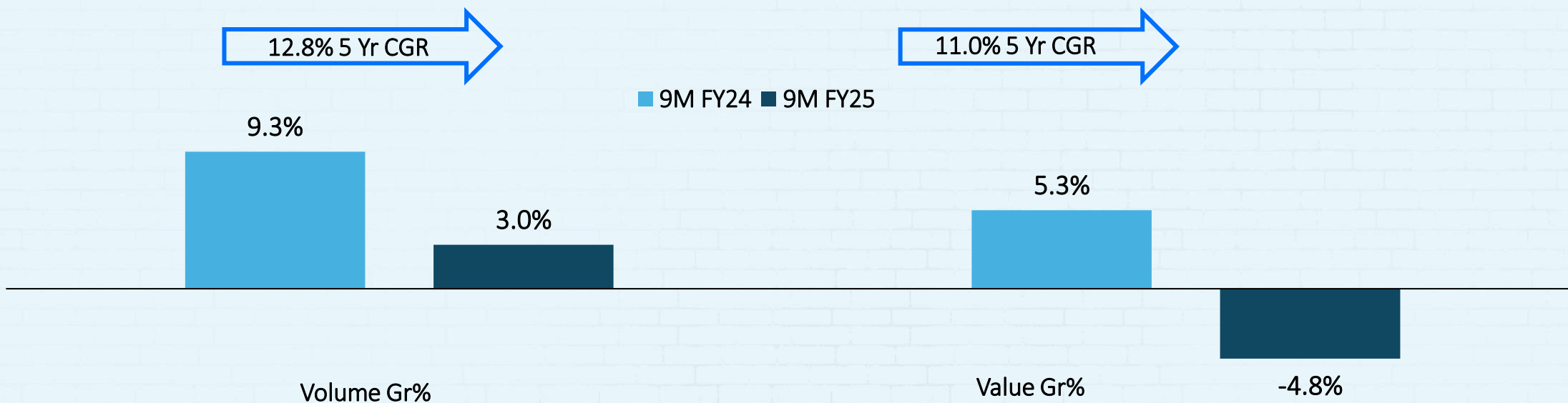
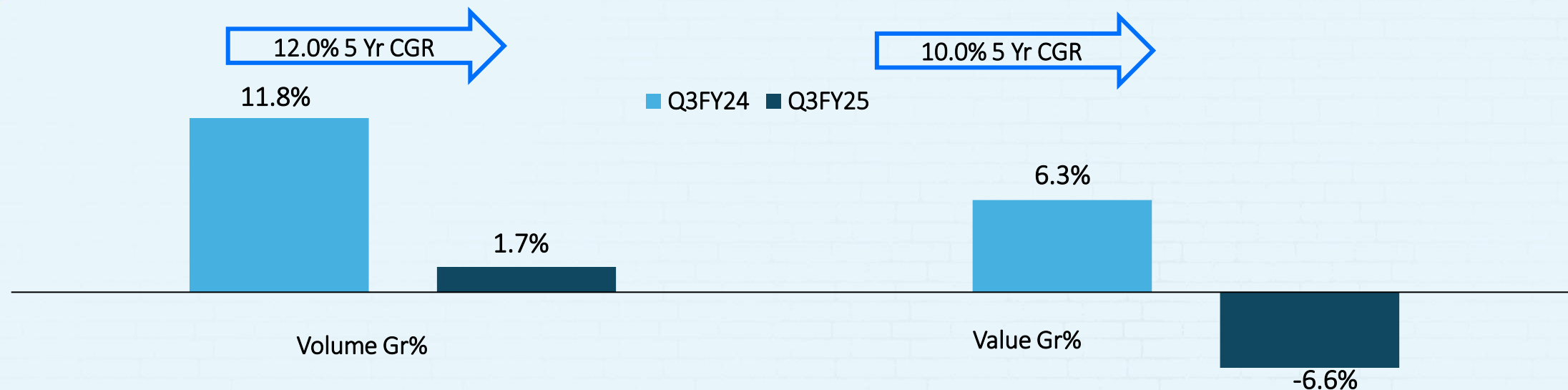
This communication, except for the historical information, may contain statements which reflect the Management's current views and estimates and could be construed as forward-looking statements. The future involves many risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange and commodity price fluctuations, competitive product and pricing pressures and regulatory developments.

Weak Festive Demand, Overall Muted Consumer Sentiments Impacted Volumes; Downtrading Further Impacted Value

Decorative Business (India)

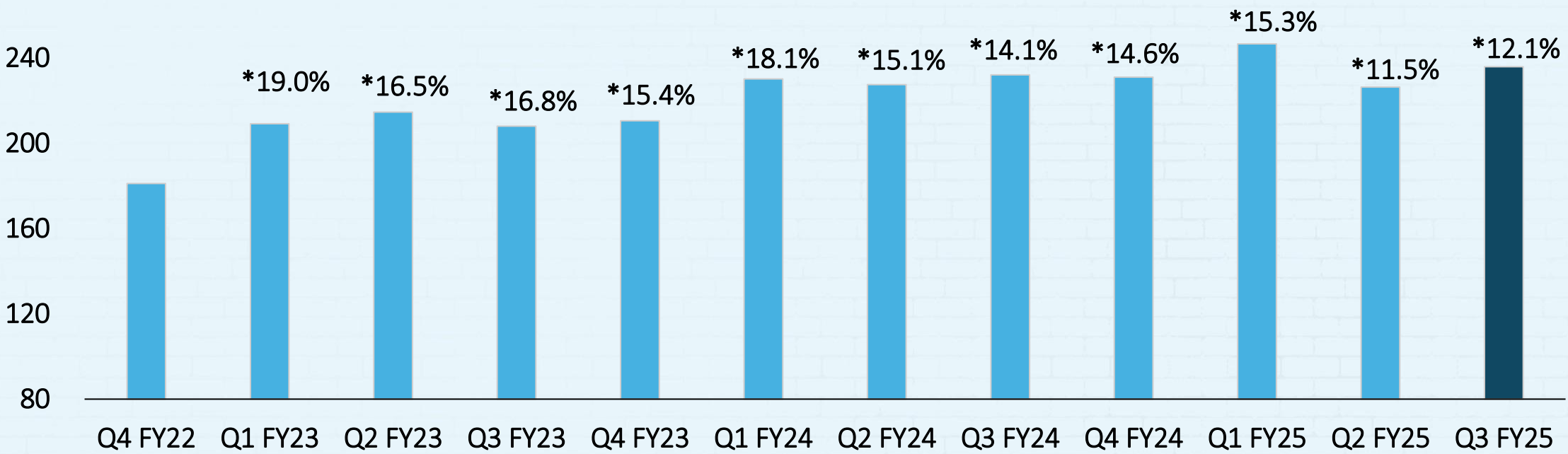


Relatively Better Traction in General Industrial & Refinish Segments



Softer Volume Trajectory Over the Last 6 Months

Long-term Volume Growth Still in Double-digits



Quarterly Representation of Volumes Sold on Base of Q1 FY19 as 100

*% represents 5 Year Compounded Growth Rate

Key Performance Drivers

- ❑ Q3FY25 was impacted by continued muted consumer demand accentuated by:
 - Weak festive demand
 - Sustained slowness in urban centers
 - Impact on seasonal markets
- ❑ Continued expansion of distribution footprint to ~169,000 retail touchpoints
- ❑ Beautiful Homes Painting Services & Trusted Contractor Services seeing sustained acceptance & growing well

- ❑ Good pick up in demand in the Projects / Institutional Business driven by Factories & Builders' segment
 - Traction seen in Government segment post 3 quarters of slow movement
- ❑ Maintained our focus on innovation:
 - New products contributed to over 12% of overall revenues in Q3
- ❑ Backward integration projects (VAM-VAE & White Cement) on track

Transforming the Environment with Advance Technology

*For exterior spaces, engineered with photocatalytic technology that neutralizes known pollutants like SO_x & NO_x bringing them down to safer limits as set by WHO
powered with dust pick-up resistance, whiteness, available in 200+ shades*



Innovation in Regional Packs



Maharashtra



Gujarat



Kerala

Packaging Change : Interior Emulsions



Luxury Range



Premium Range



Economy Range

Packaging Change : SmartCare

Exterior Waterproofing



Interior Waterproofing



Future of Waterproofing



- ☐ Single Component PUD based fleece reinforced liquid applied coating for exposed terrace surfaces
- ☐ Highly Durable, Strong Coating with Best-in-Class Crack Bridging Ability
- ☐ Excellent Puncture Resistance & Tensile Strength
- ☐ Lifetime Warranty & Peace- Up to 25 Years* Waterproofing Warranty for terraces



Launched new campaign for
Ultima Protek,
an ultra-durable exterior paint

The only Lamination Paint
powered by Graphene





Don't Just Paint, Design

New campaign launched for specially curated
Exterior Textures





Our Home Décor Foray



Modular Kitchen,
Kitchen Hardware
Components



Bath Fittings &
Sanitaryware



Fabrics & Furnishings



Wardrobes and Vanities



Furniture



Wall Coverings



Decorative Lighting



Rugs



uPVC Windows and Doors



Beautiful Homes Signature Store launched in Mumbai, spread across 14k sqft.



Beautiful Homes Studio launched in Surat, spread across 13k sqft.



Launched Nilaya WALL W.R.A.P

Zero PVC, Zero Plastic, Zero VOC and made from naturally occurring minerals



Water Resistant System



Crack Resistant



Fungal Resistant



UV Resistant

58 SKUs across Material
Finishes and Designs

asianpaints

nilaya
PLAY

WALL W.R.A.P.

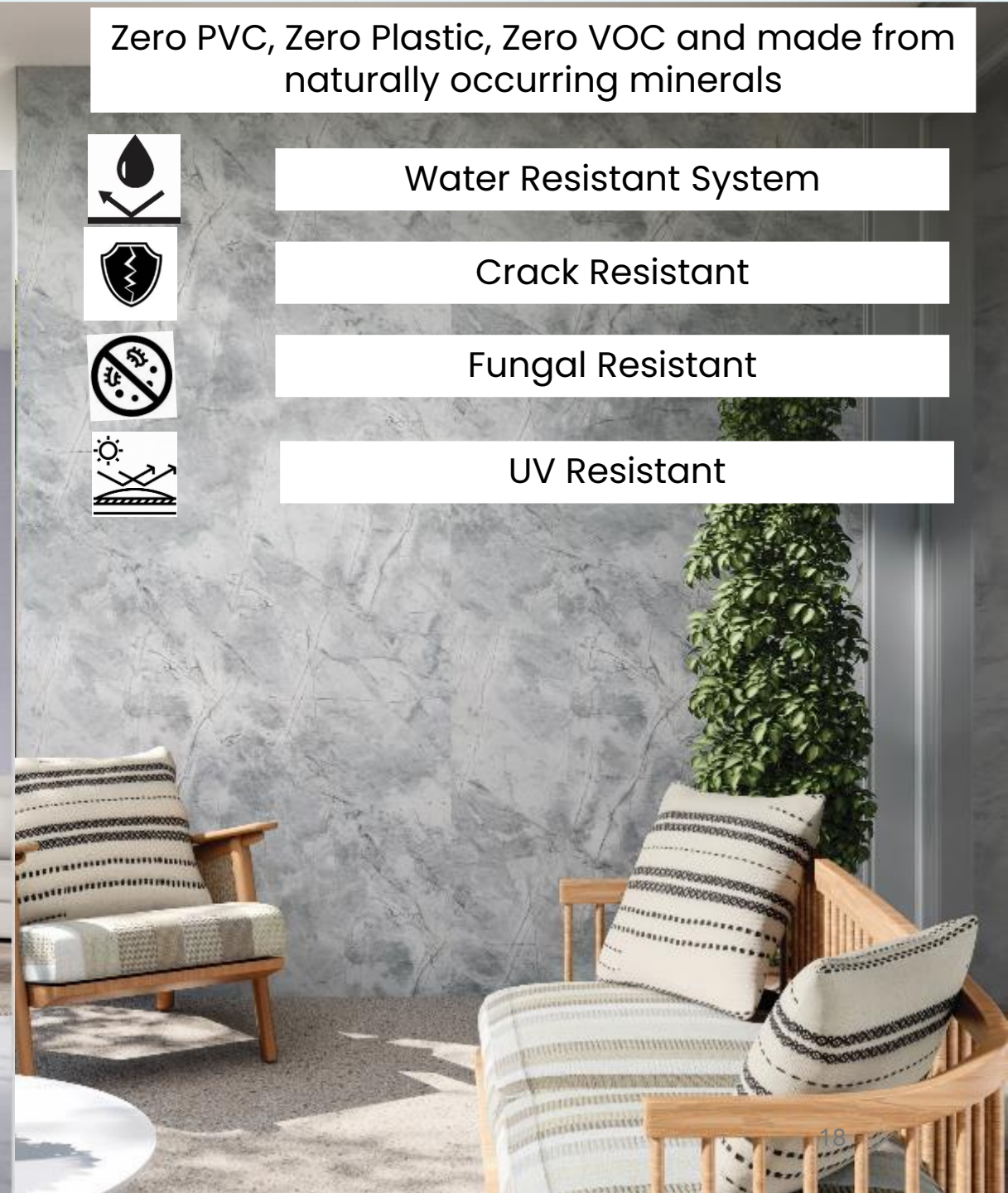


200 SKUs from Top selling Colours

asianpaints

nilaya
once

WALL W.R.A.P.

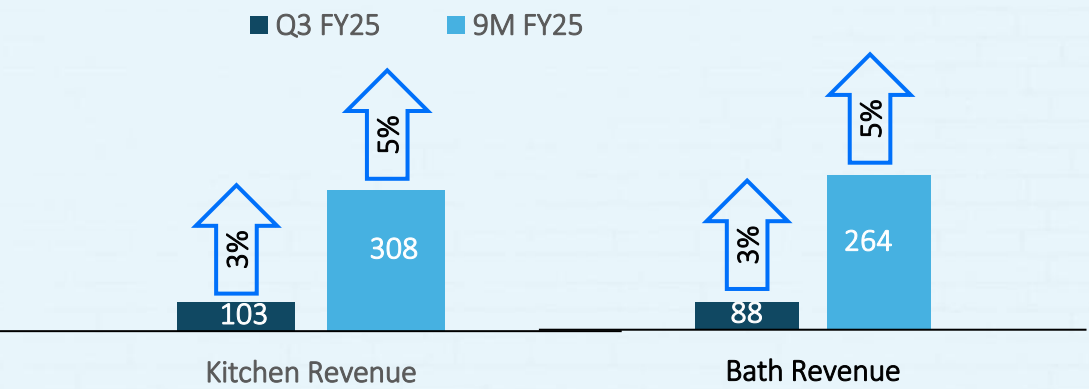


Building on our Foray in Home Décor

Kitchen & Bath

Marginal Improvement in Topline vs. last year

(figures in columns in ₹ crs)

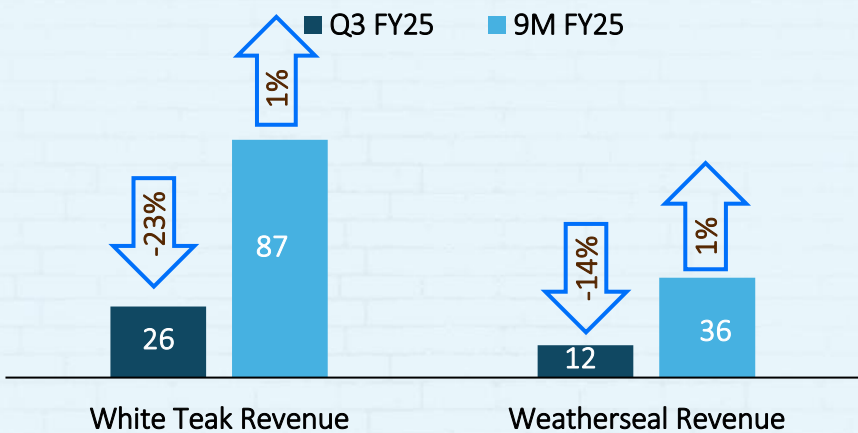


- ❑ Kitchen: PBT loss of ₹ 5 crs in Q3 vs. breakeven last year
- ❑ Bath: PBT loss of ₹ 7 crs in Q3; Similar to last year



White Teak & Weatherseal

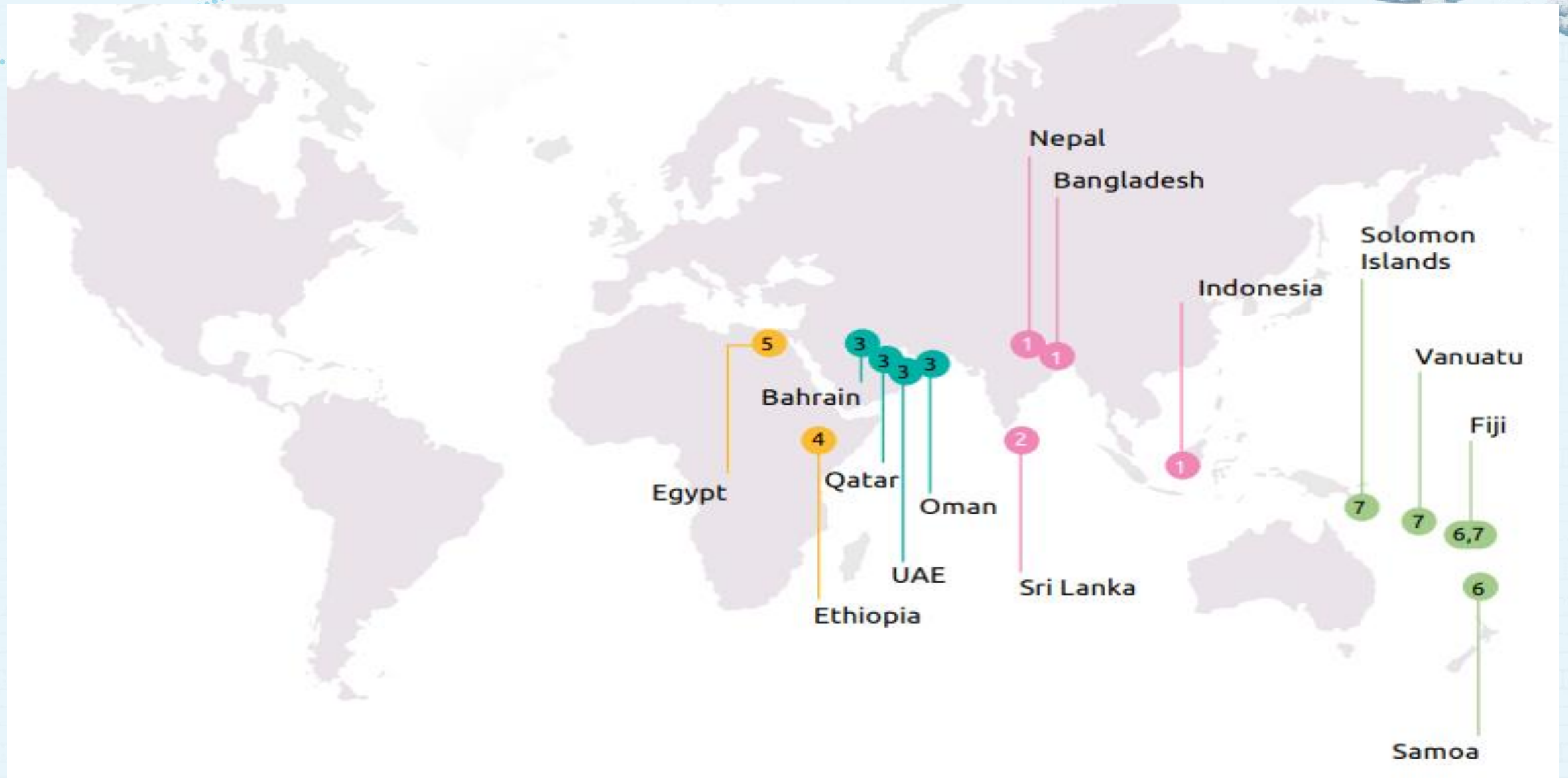
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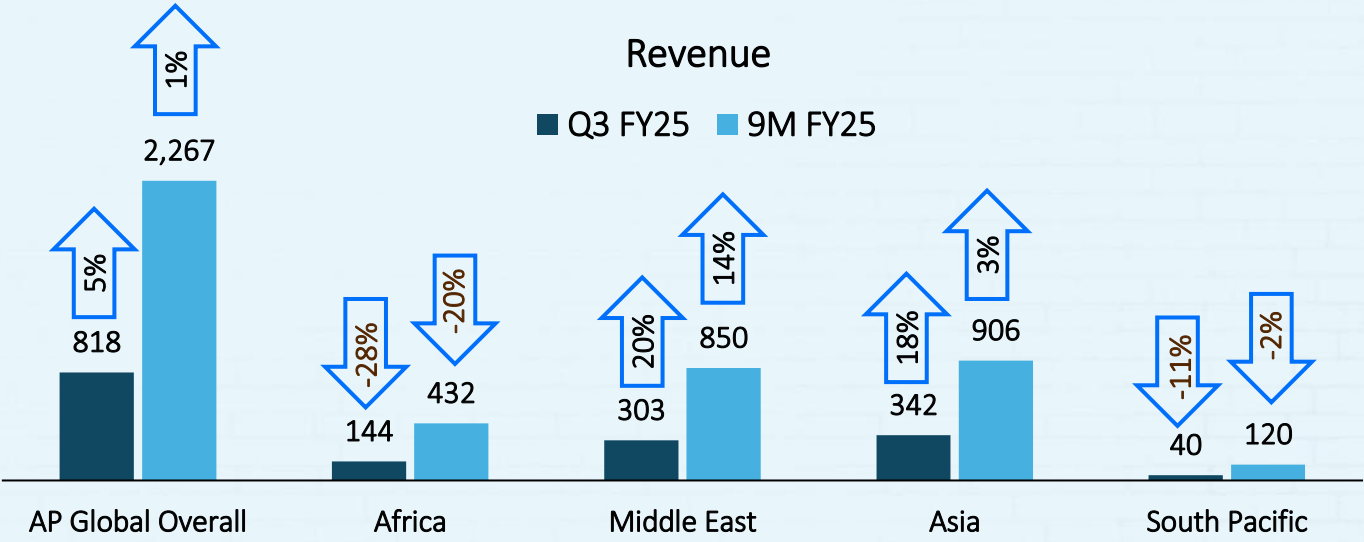
- ❑ Weak consumption in urban markets
- ❑ Weatherseal sales impacted by BIS challenges as well



International Business



Growth Driven by Improving Macro-Economic Conditions in Asian Markets



Q3 growth in INR terms at 5%; strong 17.1% growth in constant currency terms

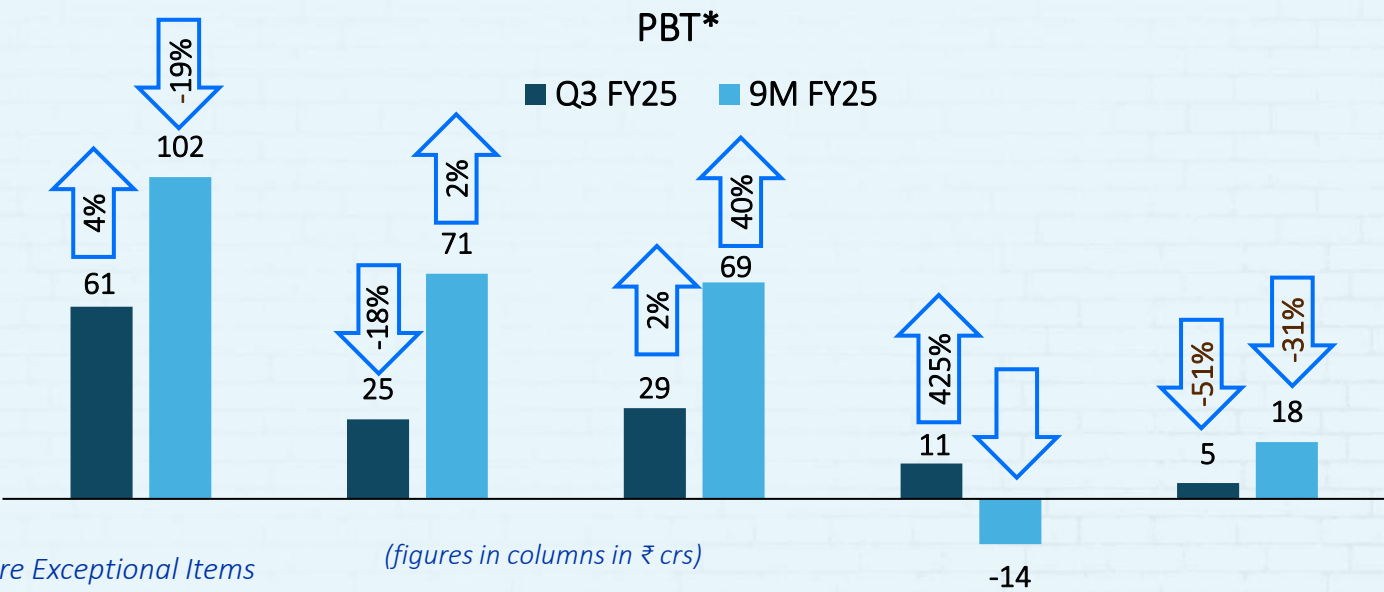
Africa: Impacted by currency devaluation in Egypt & Ethiopia

Middle East: Strong double-digit growth; especially in UAE – a key growth market

Improved revenue growth in Asia:
▪ Continued recovery seen in Sri Lanka; Macro-economic conditions stabilizing in Bangladesh

Focus on prelux and water proofing categories supporting growth

Increase in overall profitability driven by recovery in key Asian geographies

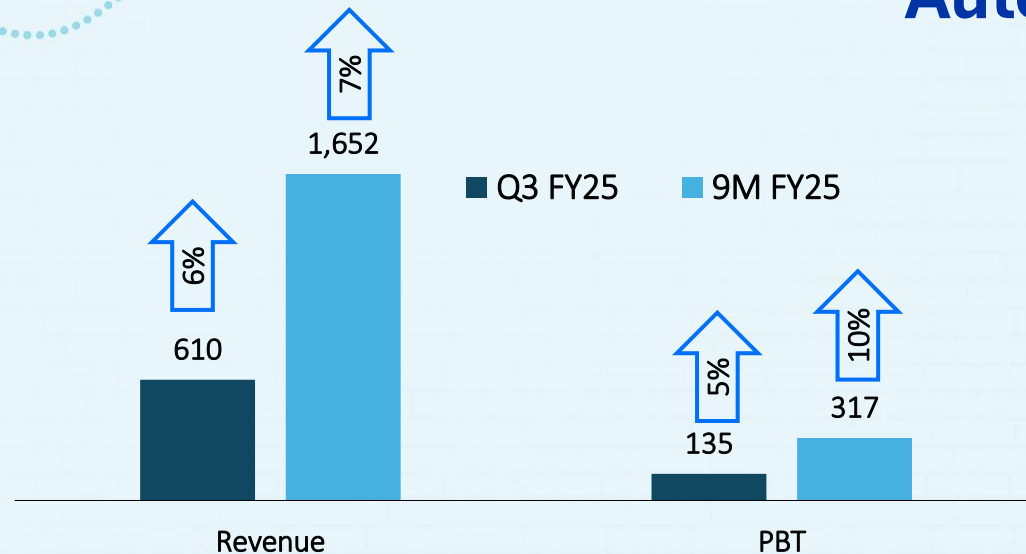


* PBT before Exceptional Items

Sustained Growth & Profitability in Auto Segment

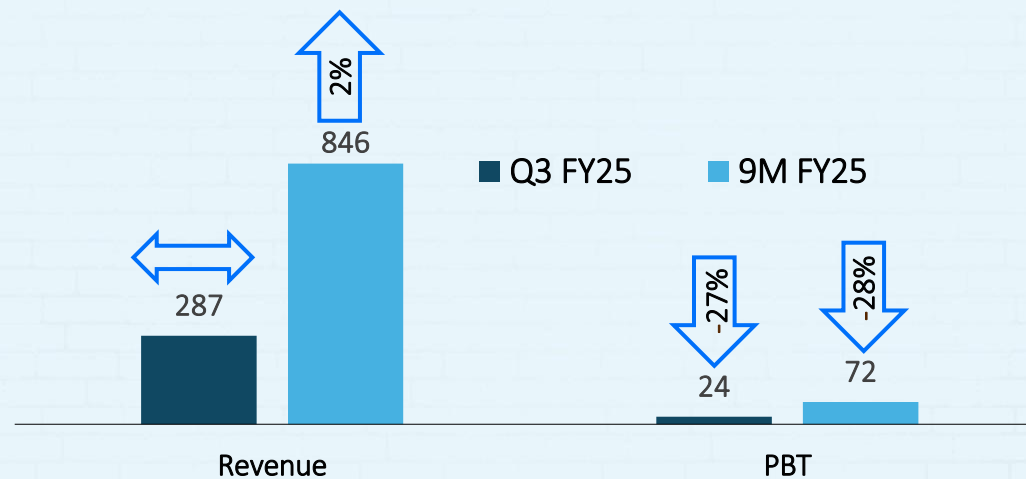


PPGAP



- Broad based growth with General Industrial and Refinish segment doing well
- Strong profit growth with PBT margin at 22.1% in Q3FY25

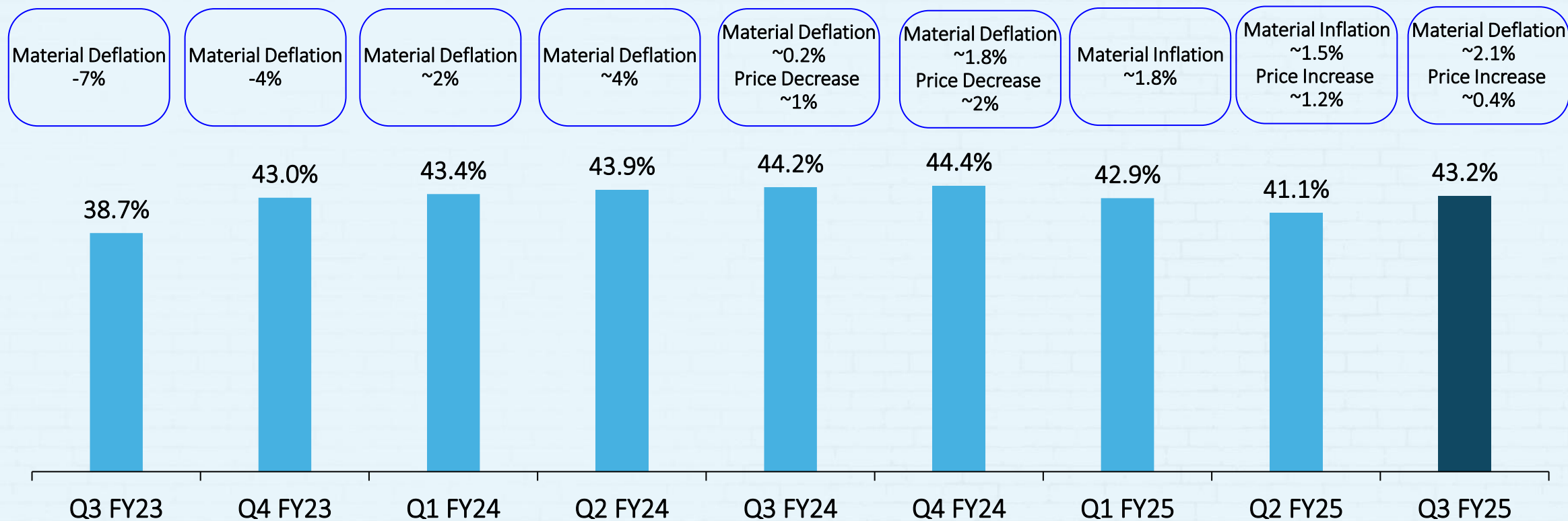
APPPG



- Impact of lower maintenance spends & investments
- Tight pricing environment continued to impact profits
 - PBT margin at 8.4% for the quarter vs. 11.5% last year

(figures in columns in ₹ crs)

Sequential Improvement in Gross Margin on Material Price Deflation, Sourcing & Formulation Efficiencies

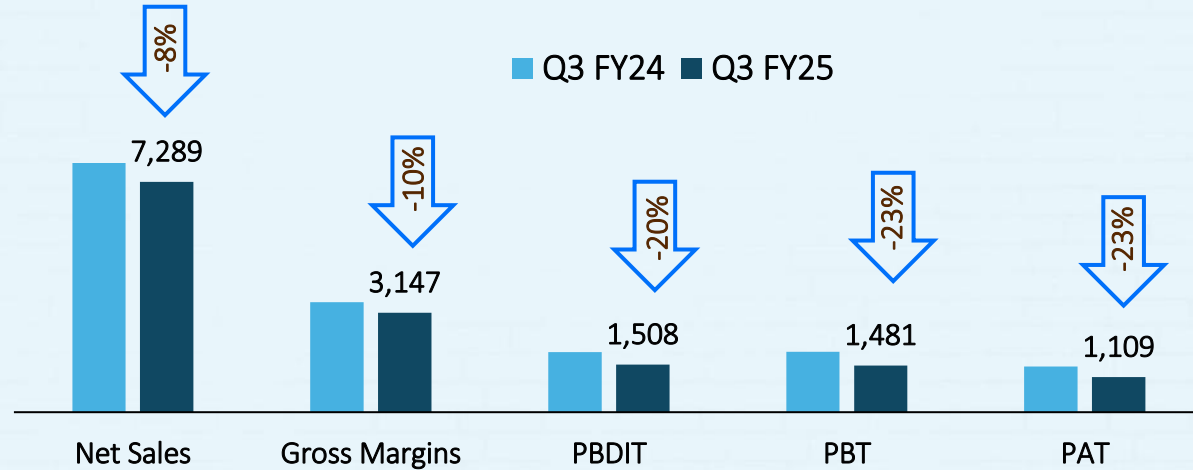


Gross margins shown here is at standalone level & as a % of Net sales

Note: Average price decrease of 0.3% taken in end Jan 2025 on select products

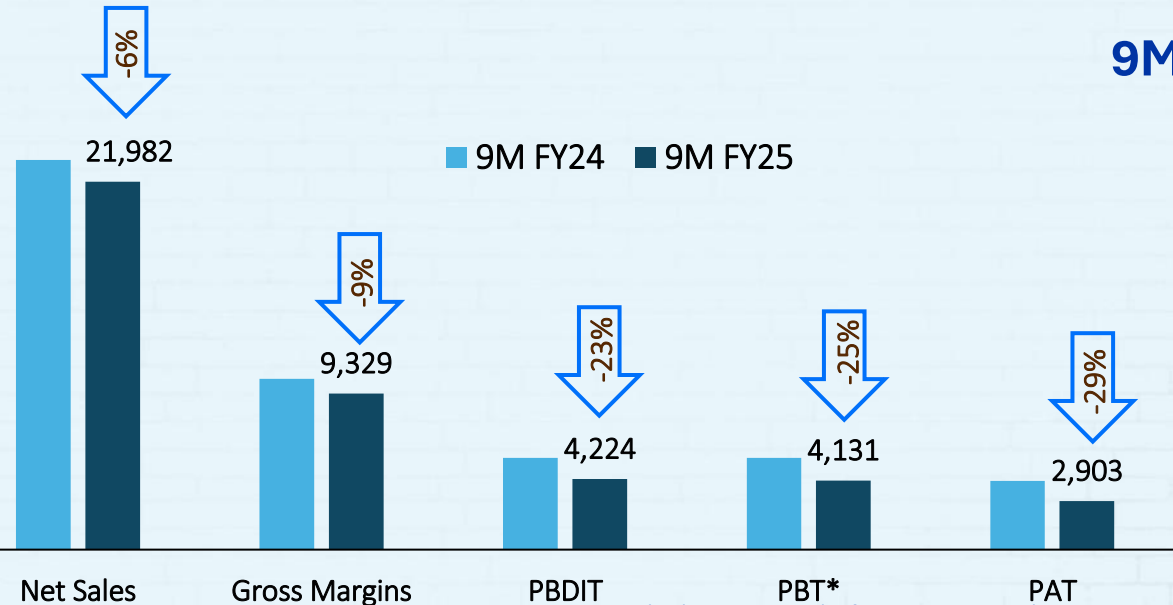
Summary Standalone Financials

Q3



- Net Sales declined by 7.5%; Impacted by subdued demand, weak festive season & downtrading
- Gross margins at 43.2% in Q3; ~100 bps decline over Q3 last year on lower mix
- PBDIT margin at 20.7%; ~340 bps lower than Q3 last year due to operating leverage

9M FY25



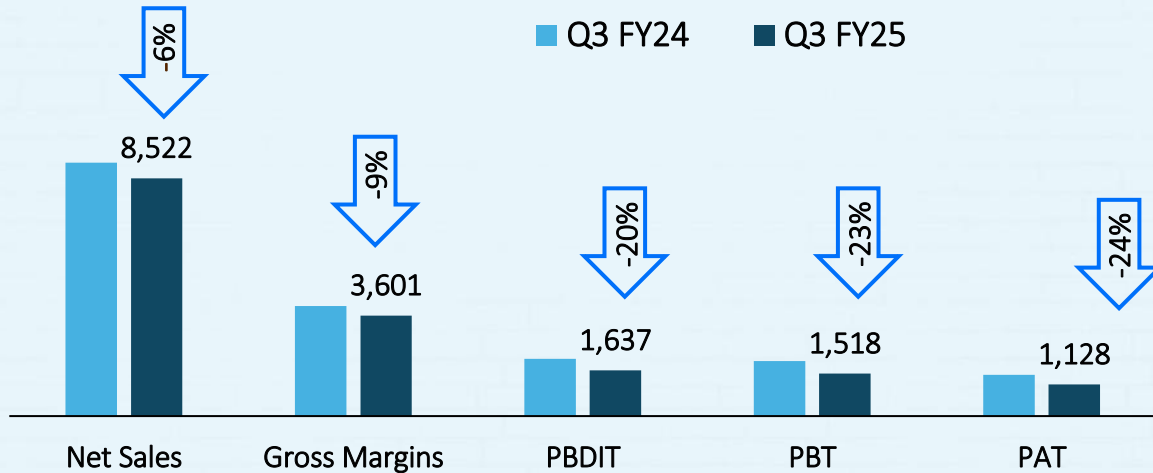
- Net Sales declined by 5.6%
- Gross margins at 42.4%; ~140 bps decline over last year
- PBDIT margin at 19.2%; ~430 bps lower than last year (~420 bps lower excluding one-time impact**)

* Above PBT is before exceptional items
(figures in columns in ₹ crs)

** PBDIT in Q1 FY24 included one-time provision reversal of ₹ 39 crs due to change in leave policy

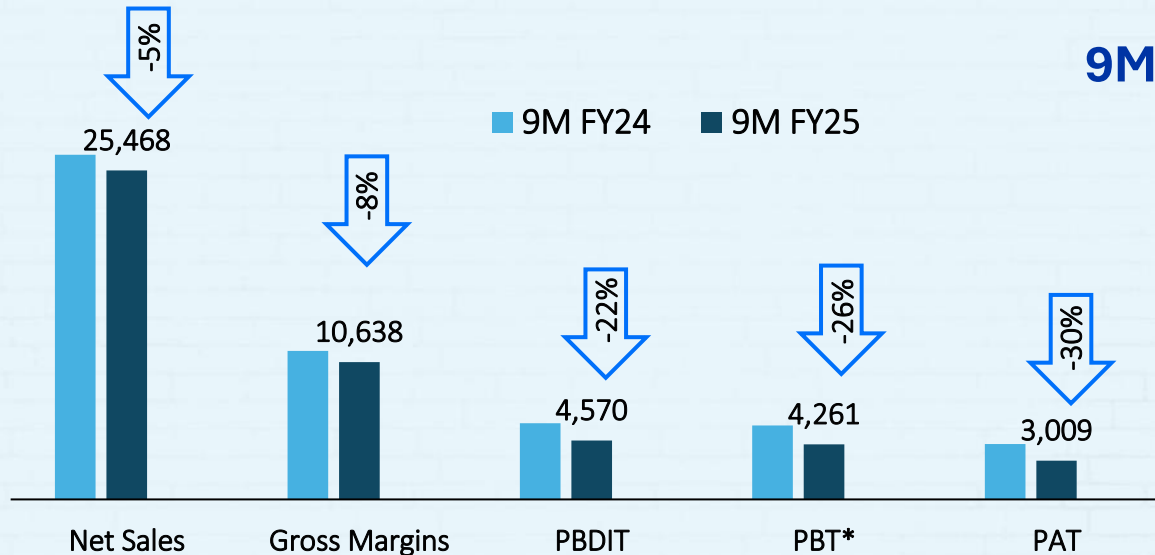
Summary Consolidated Financials

Q3



- Net Sales declined by 6.1% given subdued growth in domestic decorative segment. Relatively better performance in Industrial segments and International Business
- Gross margins at 42.3% in Q3; ~115 bps decline over Q3 last year
- PBDIT margin at 19.2%; ~350 bps lower than Q3 last year due to operating leverage

9M FY25



- Net Sales declined by ~4.5%
- Gross margins at 41.8%; over 135 bps decline over last year
- PBDIT margin at 17.9%; ~415 bps lower than last year (400 bps lower excluding one-time impact**)

* Above PBT is before exceptional items
(figures in columns in ₹ crs)

** PBDIT in Q1 FY24 included one-time provision reversal of ₹ 41 crs due to change in leave policy

Outlook for Q4FY25



- ❑ Demand conditions challenging considering stress in urban areas; Cautiously optimistic about recovery over the next couple of quarters
- ❑ Adequate monsoons coupled with expected boost in Government spending should continue to support rural demand
- ❑ Maintain focus on the core & strengthening the brand
- ❑ Focus on growing and scaling our Industrial Businesses
- ❑ Improving macro-economic situation across some of our key Asian geographies to support business in International markets
- ❑ Expect some softening in raw material prices; Weakness in Rupee a key concern



Thank
you