

March 16, 2021

Company	Nippon Paint Holdings Co., Ltd.
Representative:	Masaaki Tanaka, Chairman of the Board, Representative Executive Officer, President & CEO  (Code No.: 4612, TSE 1st Section)
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### **Acquire Majority Stakes of Vital Technical in Malaysia**

March 16 2021, Nippon Paint Holdings Co., Ltd. (Executive Officer President & CEO, Masaaki Tanaka, hereinafter “NPHD”) is glad to announce that Nippon Paint (M) Sdn. Bhd. (hereinafter “NP Malaysia”), 100% subsidiary of NPHD, has agreed to acquire 75% stake in Vital Technical Sdn. Bhd. (hereinafter “Vital Technical”). Procedures to acquire shares are expected to be completed in end Mar 2021.

This acquisition is aligned to Nippon Paint’s strategy of expanding into the adjacencies segments. Vital Technical, established in 2002, is the No.1 player in Malaysia’s Sealants, Adhesives and Fillers (SAF) market, with a revenue of around MYR170m (JPY4.5bn, JPY 1=MYR 26.55) in 2020. It is headquartered in Malaysia with 4 production facilities and has expanded its business to more than 70 countries worldwide, mainly in Southeast Asia. The transaction is expected to increase NPHD’s earnings per share (EPS). Furthermore, in addition to acquiring an excellent management team who is well-versed in the SAF segment with specialized technology, NPHD Group and Vital Technical will accelerate the growth in the adjacencies business segment by expanding mutual sales with NPHD Group and Vital Technical, and expanding the product line-up including Selleys. At the same time, we will improve efficiency by expanding production capacity and coordinating raw material procurement.

[Profile of "Vital Technical"]

Company name: Vital Technical Sdn. Bhd.  
Year established: 2002  
Headquarters: Malaysia  
Plant locations: Rawang and Sungai Buloh, Selangor, Malaysia  
Business activities: Manufacture and sale of sealants and adhesives products  
Sales: ~MYR170m (FY2020)

[Profile of Nippon Paint Malaysia]

Company name: Nippon Paint (M) Sdn. Bhd.  
Year established: 1967  
Headquarters: Malaysia  
Representative: Mr. Yaw Seng Heng, Group Managing Director  
Business activities: Manufacture and sale of paint & paint-related products  
Shareholder: 100%-owned subsidiary of NPHD