



January 7, 2022

For immediate release

Company: Nippon Paint Holdings Co., Ltd.  
Representative: Yuichiro Wakatsuki  
Representative Executive Officer & Co-President  
Wee Siew Kim  
Representative Executive Officer & Co-President  
(Code No.: 4612, TSE 1st Section)  
Contact: Ryosuke Tanaka  
General Manager of Investor Relations  
(TEL: +81-50-3131-7419)

### **Announcement of Secondary Offering of Shares**

Nippon Paint Holdings Co., Ltd. (the “Company”) hereby announces that it has resolved, at the board of directors meeting held on January 7, 2022, to conduct a secondary offering of shares of common stock of the Company as follows.

Having confirmed the intention of six financial institutions (the “Selling Shareholders”) to sell their shareholdings, the Company determined to conduct a secondary offering of shares on the international market in order to provide an opportunity for the Selling Shareholders to sell their shares.

The purpose of the secondary offering is to improve the liquidity of the shares of common stock of the Company, which we believe is relatively low based on the Company’s current market value notwithstanding the Company’s efforts toward meeting its management mission of Maximization of Shareholder Value (MSV) and engaging in proactive discussion with and disclosure to the market, build a global base of investors that indicate an understanding of the Company’s growth strategies with a long-term perspective, and alleviate the concerns surrounding the potential sale of the shares of common stock of the Company owned by the selling shareholders and held as strategic holdings.

#### **1. Secondary offering of shares (International Offering)**

- |   |  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
|---|--|-------------------------------------|-------------------|-----------------|-------------------|--|-------------------|-------------------------------------|-------------------|--------------------------------------|-------------------|----------------------------|------------------|
| (1) Class and number of shares to be offered          | 140,133,800 shares of common stock of the Company  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| (2) Selling Shareholders and number of shares offered | <table border="0"><tr><td>Sumitomo Mitsui Banking Corporation</td><td>49,998,300 shares</td></tr><tr><td>MUFG Bank, Ltd.</td><td>35,667,400 shares</td></tr><tr><td>Mitsubishi UFJ Trust and Banking Corporation</td><td>19,030,000 shares</td></tr><tr><td>Sumitomo Mitsui Trust Bank, Limited</td><td>17,632,500 shares</td></tr><tr><td>Aioi Nissay Dowa Insurance Co., Ltd.</td><td>10,819,600 shares</td></tr><tr><td>Sompo Japan Insurance Inc.</td><td>6,986,000 shares</td></tr></table> | Sumitomo Mitsui Banking Corporation | 49,998,300 shares | MUFG Bank, Ltd. | 35,667,400 shares | Mitsubishi UFJ Trust and Banking Corporation | 19,030,000 shares | Sumitomo Mitsui Trust Bank, Limited | 17,632,500 shares | Aioi Nissay Dowa Insurance Co., Ltd. | 10,819,600 shares | Sompo Japan Insurance Inc. | 6,986,000 shares |
| Sumitomo Mitsui Banking Corporation                   | 49,998,300 shares  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| MUFG Bank, Ltd.                                       | 35,667,400 shares  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| Mitsubishi UFJ Trust and Banking Corporation          | 19,030,000 shares  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| Sumitomo Mitsui Trust Bank, Limited                   | 17,632,500 shares  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| Aioi Nissay Dowa Insurance Co., Ltd.                  | 10,819,600 shares  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| Sompo Japan Insurance Inc.                            | 6,986,000 shares   |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |
| (3) Method of offering                                | The offering will be made in the international market (in the United States, however, the offering is restricted to qualified institutional investors in accordance with the Rule 144A under the U.S. Securities Act of 1933 (the “Securities Act”) (the “International Offering”).  |                                     |                   |                 |                   |  |                   |                                     |                   |                                      |                   |                            |                  |

- (4) Offer price                      To be determined by a process equivalent to the bookbuilding process set out under the Article 25 of the Rules Concerning Underwriting, etc. of Securities of the Japan Securities Dealers Association, based on a preliminary price equal to the product (rounded down to the nearest whole yen) of the closing price of the shares of common stock of the Company in regular trading on the Tokyo Stock Exchange, on a certain date between Monday, January 17, 2022 and Wednesday, January 19, 2022 (the “Pricing Date”; if there is no closing price on the Pricing Date, the closing price on the business day immediately preceding the Pricing Date) multiplied by a factor between 0.90 and 1.00, in consideration of market demand and other conditions.
- (5) Compensation      for      Underwriting commission shall not be paid, but the underwriters shall instead be  
underwriters                      entitled to the offer price less the purchase price (the price the Selling Shareholder will receive as the purchase price per share from the underwriters) as underwriters’ proceeds.
- (6) Share      unit      for      100 shares  
subscription
- (7) Settlement date                      A date between Wednesday, January 19, 2022 and Friday, January 21, 2022, provided that such date is the second business day following the Pricing Date.
- (8) Yuichiro Wakatsuki, Representative Executive Officer & Co-President of the Company, is solely authorized to approve the offer price and all other matters necessary for the International Offering.

## 2. Offering by way of Over-Allotment

- (1) Class and number of      17,632,500 shares of common stock of the Company  
shares to be offered                      This above number represents the maximum number of shares to be offered, and the actual number of shares offered may be reduced depending on market demand and other conditions, or the Offering by way of Over-Allotment (defined in (3) below) may not be carried out at all. The number of shares to be offered will be decided on the Pricing Date in consideration of the demand and other conditions for the International Offering.
- (2) Seller                              A designated underwriter
- (3) Method of offering                      A designated underwriter will, in consideration of market demand and other conditions, over-allot shares in connection with the International Offering by borrowing up to 17,632,500 shares from a shareholder of the Company through an affiliate of such underwriter in Japan (in the United States, however, the over-allotment is restricted to qualified institutional investors in accordance with the Rule 144A under the Securities Act.) (the “Offering by way of Over-Allotment”; collectively with the International Offering, the “Offering”).
- (4) Offer price                              To be determined on the Pricing Date. The offer price will be the same as that of the International Offering.
- (5) Share      unit      for      100 shares  
subscription
- (6) Settlement date                      The settlement date will be the same as that of the International Offering.
- (7) Yuichiro Wakatsuki, Representative Executive Officer & Co-President of the Company, is solely authorized to approve the offer price and all other matters necessary for the Offering by way of Over-Allotment.

## **Reference 1: Offering by way of Over-Allotment**

A designated underwriter will, in consideration of market demand and other conditions, over-allot shares in connection with the International Offering by borrowing up to 17,632,500 shares from a shareholder of the Company through an affiliate of such underwriter (in the United States, however, the over-allotment is restricted to qualified institutional investors in accordance with the Rule 144A under the Securities Act.) (the “Offering by way of Over-Allotment”). The number to be offered in the Offering by way of Over-allotment is expected to be 17,632,500 shares, however, this number of shares to be offered is the maximum number of shares to be offered, and the actual number of shares offered may be reduced depending on market demand and other conditions, or the Offering by way of Over-Allotment may not be carried out at all.

If the Offering by way of Over-Allotment is conducted, the designated underwriter, acting through an affiliate in Japan will be granted the option to acquire additional shares of common stock of the Company from the above shareholder of the Company (the “Green Shoe Option”) up to the number of shares to be offered in the Offering by way of Over-allotment in addition to the shares subject to the International Offering. The exercise period of the Green Shoe Option will begin on the settlement date of the International Offering and end on Monday, February 7, 2022.

For the purpose of returning such shares borrowed from the above shareholder (the “Borrowed Shares”), the designated underwriter may purchase shares of common stock of the Company up to the number of shares offered in the Offering by way of Over-Allotment on the Tokyo Stock Exchange, Inc., during the period beginning on the settlement date of the International Offering, and ending on Thursday, February 3, 2022 (the “Syndicate Covering Transaction Period”) through an affiliate in Japan (the “Syndicate Covering Transactions”). All of the shares of common stock of the Company acquired by the designated underwriter through an affiliate of such underwriter in Japan via the Syndicate Covering Transactions will be used for returning the Borrowed Shares. During the Syndicate Covering Transaction Period, the designated underwriter, may decide not to conduct the Syndicate Covering Transactions at all or to cease to conduct the Syndicate Covering Transactions before reaching the number of shares subject to the Over-Allotment.

Any remaining Borrowed Shares after the return of shares acquired through the Syndicate Covering Transactions will be returned by the designated underwriter acting through an affiliate in Japan through its exercise of the Green Shoe Option.

Whether or not the Offering by way of Over-Allotment will be conducted, along with the number of shares to be offered in such offering, if such offering is to be carried out, will be determined on the Pricing Date. If the Offering by way of Over-Allotment is not conducted, no shares of common stock of the Company will be borrowed from the above shareholder by the designated underwriter acting through an affiliate in Japan, no Green Shoe Option will be granted to the designated underwriter acting through an affiliate in Japan, and no Syndicate Covering Transactions on the Tokyo Stock Exchange, Inc. will be executed.

The designated underwriter will carry out the above transactions in consultation with the other designated underwriter. No stabilizing bids will be made in connection with the Offering.

## **Reference 2: Lock-Up**

With regard to the Offering, one of the Selling Shareholders (Sumitomo Mitsui Trust Bank, Limited) and two shareholders of the Company (NIPSEA International Limited and Fraser (HK) Limited) have agreed with the underwriters to the effect that, during the period beginning on the Pricing Date and ending on the 180 day after the settlement date of the Offering (the “Lock-Up Period”), they will not conduct any sale, etc. of the shares of the Company without the prior written consent of the designated underwriters (excluding certain cases including the International Offering, the sale or assignment of shares to the trust property of a specified stock investment trust, the sale or assignment of shares in a trust account, the sale or assignment of shares in a special account within the scope of ordinary business, the sale or assignment of shares by a specified money trust within the scope of ordinary business, and the sale or assignment of shares of common stock of the Company held as collateral or received from a collateral provider).

Furthermore, the Company has agreed with the underwriters to the effect that, during the Lock-Up Period, the Company will not issue shares, issue securities that can be converted into or exchanged for shares of the Company, issue securities that represent the right to acquire or receive shares of the Company, or conduct similar transactions without the prior written consent of the designated underwriters (excluding stock splits and the like).

In either of the above cases, the designated underwriters have the authority to wholly or partially waive the above agreements at their own discretion, even during the Lock-Up Period.

This press release is a general release regarding a secondary offering of the shares of common stock of the Company, and is not prepared for the purpose of investment solicitation or the like in Japan or elsewhere. This press release does not constitute an offer to sell or solicitation of any offer to buy securities in the United States. The shares of common stock of the Company have not been, and will not be, registered under the United States Securities Act of 1933. The shares of common stock of the Company may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933.

No public offering of the securities will take place in the United States.