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For immediate release

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**Notice Regarding Acquisition of Shares of European Sealants and Adhesives Manufacturer N.P.T. s.r.l.  
by Our Subsidiary**

Nippon Paint Holdings Co., Ltd. (NPHD) is announcing that DuluxGroup Limited (DuluxGroup), its specified subsidiary, has committed to acquire 51 percent of the share capital of N.P.T. s.r.l. (NPT) and NPT's subsidiaries (the "Acquisition") through DGL International (UK) Ltd, a UK-based specified subsidiary established by DuluxGroup. NPT is an Italy-based manufacturer and distributor of sealants and adhesives.

DuluxGroup has entered into various transaction documents (together the "Transaction Documents") including a conditional share transfer agreement, a shareholders agreement and a put and call agreement whereby the seller and DuluxGroup can sell/acquire the remaining 49 percent over time on agreed terms and conditions.

The Board of Directors of NPHD decided during its meeting held on December 16, 2022 to entrust the decision-making on the signing of the Transaction Documents to the Representative Executive Officers & Co-Presidents. Since all Transaction Documents have been agreed, we formally concluded the agreements on February 3, 2023.

1. Reasons for the acquisition of shares

Toward achieving Maximization of Shareholder Value as its sole mission, the Nippon Paint Group is relentlessly pursuing growth based on Asset Assembler model by building up strong brands and excellent talent through the expansion of our existing businesses and aggressive M&A, effectuating accelerated growth with limited risk. Our strategy is to go beyond paint and coatings area to expand into adjacencies arena in the medium and long term. The global market for Sealants, Adhesives and Fillers (SAF) is estimated to be 60 bn USD<sup>\*1</sup>, and we are striving to increase our market share in key segments of this global market by steadily building operating bases in each operating region over time.

NPT is engaged in the manufacture and sale of sealants and adhesives. Besides selling those products in Italy, the company exports their products to more than 60 countries around the world, leveraging their leading sealants and adhesives technology, strong brands, well-invested European manufacturing base and an extensive distribution network. The Acquisition will allow NPT to further expand its growth in the European market whilst also generating growth opportunities more broadly across the Nippon Paint Group, including leveraging Nippon Paint Group's extensive distribution network in Asia as well as the expertise DuluxGroup owns through its Selleys brand of sealants and adhesives in Australia and New Zealand. The Acquisition is expected to contribute to be EPS accretive from the first year of acquisition.

\*1 Source: Fortune Business Insights

## 2. Overview of DGL International (UK) Ltd

(1)	Name	DGL International (UK) Ltd	
(2)	Address	Suite 1, 3rd Floor, 11-12 St James's Square, London SW1Y 4LB UK	
(3)	Names and positions of representatives	Andrew John Ryan, Director Richard Paul Stuckes, Director Ian Rowden, Director	
(4)	Description of business	A holding company	
(5)	Share capital	GBP 1,237 million (JPY 187,516 million)	
(6)	Date of establishment	October 4, 2021	
(7)	Major shareholders and ownership ratio	DuluxGroup (Investments) Pty Ltd : 100%	
(8)	Relationship with the listed company	Capital relationship	The Company indirectly owns 100% of the shares of DGL International (UK) Ltd
		Personnel relationship	There are no personal relationships to be stated.
		Business relationship	There are no business relationships to be stated.

Note: The exchange rate used to prepare this document is GBP 1.0 = JPY 151.6

## 3. Overview of NPT

(1)	Name	N.P.T. s.r.l.	
(2)	Address	Via Guido Rossa n.2 – Loc. Crespellano 40053 Valsamoggia (BO) – Italy	
(3)	Description of business	Manufacturing and sale of sealants, adhesives and other paint related products	
(4)	Share capital	EUR 3 million (JPY 410 million)	
(5)	Date of establishment	1993	
(6)	Major shareholders and ownership ratio	3G Group S.p.A : 100%	
(7)	Sales results in the most recent fiscal year	Fiscal year ended December 31, 2021	Net sales : approx. EUR 53 million (approx. JPY 7,242 million)
(8)	Relationship with the listed company	Capital relationship	There are no capital relationships to be stated.
		Personnel relationship	There are no personal relationships to be stated.
		Business relationship	Our subsidiary DuluxGroup and NPT engage in business transactions involving adjacencies products.

Note: The exchange rate used to prepare this document is EUR 1.0 = JPY 136.65

#### 4. Overview of the counterparties in the share transfer

(1)	Name	3G Group S.p.A	
(2)	Address	Via Guido Rossa n.2 – Loc. Crespellano 40053 Valsamoggia (BO) – Italy	
(3)	Description of business	Family-owned holding company of N.P.T. s.r.l.	
(4)	Relationship with the listed company	Capital relationship	There are no capital relationships to be stated.
		Personnel relationship	There are no personal relationships to be stated.
		Business relationship	Our subsidiary DuluxGroup and 3G’s subsidiary NPT engage in business transactions involving adjacencies products.
		Applicability of related party transactions	Not applicable.

#### 5. Changes in shareholding structure

(1)	Shareholding ratios before acquisition	0.0%
(2)	Shareholding ratios after acquisition	51.0%

Note: The acquisition price will not be disclosed due to confidentiality agreement with the Seller. The acquisition price was determined based on an arms-length negotiation, an internal valuation methodology consistent with general market practice, and by reference to relevant market transaction multiples, and the Board is satisfied that the price is fair and reasonable.

#### 6. Schedule

(1)	Acquisition decision date	February 3, 2023
(2)	Signing date for the Transaction Documents	February 3, 2023
(3)	Execution date	H1 2023 (scheduled) The acquisition is subject to regulatory approval in 4 countries within Europe.

#### 7. Future outlook

We plan to release our consolidated earnings forecast for FY2023 on February 14, 2023, and the impact of the Acquisition on our consolidated earnings is expected to be insignificant.

End