



NIPPON PAINT HOLDINGS CO., LTD.

October 5, 2026

Acquisitions of Akzo Nobel's Decorative Paints Business in Southeast Asia

~ Expanding Our Decorative Paints Platform Across Southeast Asia ~

1. Executive Summary

- ▶ On October 3, Nippon Paint Group signed definitive agreements to acquire Akzo Nobel's decorative paints business in Southeast Asia for USD 1.35 billion (c. JPY 216 billion^{*1}).
- ▶ Nippon Paint Group has shown superior track record of growth in the region with robust distribution networks, strong brand recognition, and reliable supply systems through the NIPSEA Group. These transactions will further reinforce the Group's presence across Southeast Asia, particularly Vietnam, Indonesia, Malaysia, and Thailand.
- ▶ These acquisitions will add the well established Dulux brand — which is already owned by DuluxGroup in ANZ — into Southeast Asia, further enhancing its product portfolio. By offering a comprehensive lineup that includes Dulux and Maxilite and Aquatech, together with its existing brands, the Group will cover products across a broad range of customers and enhance its ability to meet customer needs across the region.
- ▶ These acquisitions are not Asset Assembly acquisition but "bolt-on" acquisitions, expected to generate significant synergies with existing businesses through close collaboration across procurement, manufacturing, logistics, and sales functions.
- ▶ The acquired businesses are expected to be EPS^{*2} accretive from Year 1, with ROIC exceeding our WACC by Year 3. The acquisitions will be fully financed through debt, with no plans for equity financing.

2. Overview of the Acquisitions

Overview of transactions

- ▶ Akzo Nobel's decorative paints business in Vietnam, Malaysia, Thailand, Australia, Papua New Guinea and Singapore (including the Dulux brand in the region)
- ▶ Acquisition of 100% of Akzo Nobel's decorative paints joint venture in Indonesia, which is a separate transaction and is distinct from the other Share Acquisitions and Business Transfers
 - Businesses including three production sites and one R&D center (Malaysia)
- ▶ 2026 projections: Revenue in excess of USD c.330 million, EBITDA margin of c.26%

Considerations and Schedules

- ▶ Acquisition Price across all contemplated transactions is: USD 1.35 billion (EV/EBITDA: c.16x) ^{*1}
- ▶ Financing: Funded through bank borrowings and cash on hand, with no equity financing planned
- ▶ Schedule: Closings are expected to take place in late 2026 (Indonesia) and mid-2027 (All other countries, following regulatory approvals and completion of carve-out procedures) ^{*2}

Financial Impact

- ▶ Expected to be EPS ^{*3} accretive from Year 1, with ROIC > WACC by Year 3
- ▶ Pro forma leverage at the end of fiscal year 2026 is expected to be c.2.8x
- ▶ Annual run-rate synergies ^{*4} expected at minimum HSD(high single-digit)% to sales

^{*1} Based on 2026E EBITDA ^{*2} The process of separating the target business from Akzo Nobel in preparation for its sale or transfer.

^{*3} Reflects PPA-related depreciation and amortization (under review, including a one-off inventory step-up charge in Year 1) and interest costs on acquisition financing.
Excludes deal-related transaction expenses

^{*4} Annualized estimate of synergies expected at this time

3. Strategic Significance of the Acquisitions

1 Highly strategic acquisitions in decorative paints, one of our core businesses

2

The Dulux brand is expected to play an increasingly important role as the market grows and consumer preferences shift toward premium products

Offering products across a broad range of customer preferences. Supporting long-term value creation through an enhanced product mix and brand positioning

3

Expanding the Group's customer reach across regions and channels through "bolt-on" in the rapidly growing Southeast Asian market

Supporting future growth through additional manufacturing and R&D capabilities
Expanding coverage in both retail (small and large stores) and project. Driving cross-selling through dealer network and strong project acquisition capabilities. Strengthening customer touchpoints with color services

4

High visibility on unlocking of synergies across our network in Southeast Asia



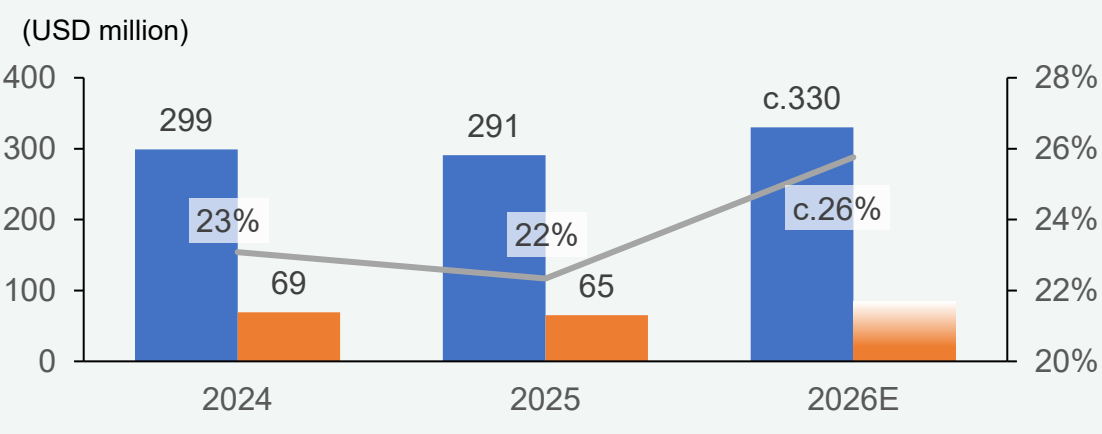
Basic & New

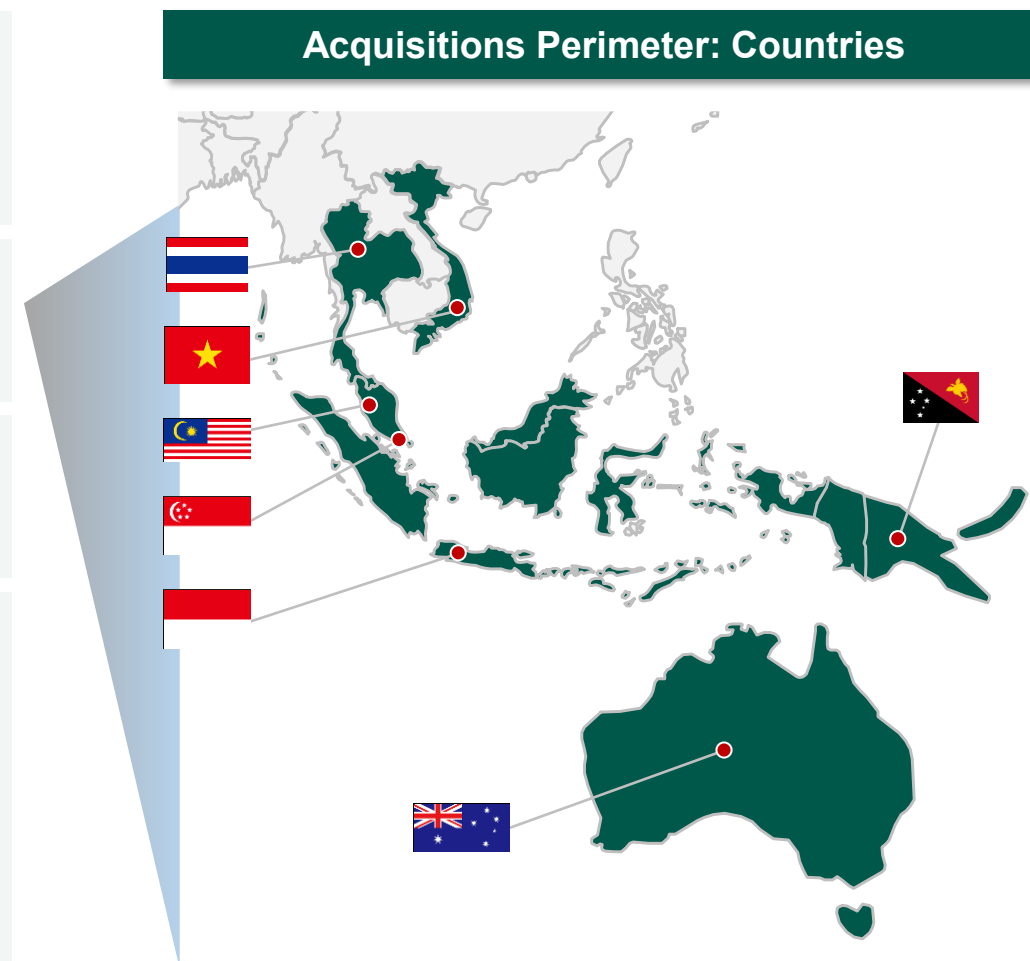
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AkzoNobel

Decorative Paints Business
in Southeast Asia

4. Profile of the Acquisitions

Overview	▶ Business Overview: Manufacturing and sales of decorative paints in Southeast Asia. ▶ Core Brand: Dulux ▶ Market position: One of the larger decorative paints businesses in Southeast Asia																
Region	▶ Regions: 7 countries (Indonesia, Malaysia, Singapore, Thailand, Vietnam, Australia, Papua New Guinea) ▶ Locations: 3 production sites, R&D center (Malaysia)																
Distribution Channel	▶ Retail: In-store sales through small and large outlets ▶ Projects: Direct sales and project support for developers and contractors ▶ Both channels: Integrated retail and project approach, driving cross-selling																
Performance Trends (Total)	(USD million)  <table><thead><tr><th>Year</th><th>Revenue (USD million)</th><th>EBITDA (USD million)</th><th>EBITDA Margin (%)</th></tr></thead><tbody><tr><td>2024</td><td>299</td><td>69</td><td>23%</td></tr><tr><td>2025</td><td>291</td><td>65</td><td>22%</td></tr><tr><td>2026E</td><td>c.330</td><td></td><td>c.26%</td></tr></tbody></table> ■ Revenue ■ EBITDA — EBITDA Margin	Year	Revenue (USD million)	EBITDA (USD million)	EBITDA Margin (%)	2024	299	69	23%	2025	291	65	22%	2026E	c.330		c.26%
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5. Medium- to Long-Term Growth Strategy Post-Acquisitions

Accelerating growth through country-specific and group-wide initiatives

Country-Specific Initiatives

- ▶ Expanding store and dealer networks, especially in Indonesia and Vietnam

Accelerating new store openings and new retailer development in major cities

Improving product availability and customer choice at existing stores

Shortening lead times with supply systems near customer locations

Reducing supply costs and improving operational efficiency through local production and procurement synergies

Gradual expansion to neighboring countries after establishing foundations in Indonesia and Vietnam

- ▶ Delivering value through a balanced product portfolio and operational improvements
- ▶ Ensuring business continuity during integration via migration service contracts, and maintaining key locations and personnel to avoid customer impact

Production & Procurement

- ▶ Reducing fixed costs by optimizing production site operations and integrating production plans; and eliminating overlapping capital investments and improving capacity utilization
- ▶ Achieving economies of scale and cost reduction through procurement synergies of raw materials

Brands & Products

- ▶ Offering products across a broad range of customer needs and preferences, with differentiated brand positioning
- ▶ Improving product mix with high value-added products
- ▶ Broadening customer base and accelerating new product launches by selling alongside existing brands

Channels

- ▶ Expanding coverage in both retail (small and large stores) and in project segments
- ▶ Driving cross-selling and new customer acquisition by combining dealer network with project acquisition capabilities

6. Synergy and Integration Strategy

Annual run-rate synergies expected at minimum HSD(high single-digit)% to sales

Main Sources of Synergy

1

Procurement & Raw Materials

Improved unit prices through joint procurement and supplier consolidation

2

Production & Logistics

Optimized site operations and logistics network restructuring

3

Sales (Cross-Selling)

Expanding the portfolio across a broad range of customer needs

4

SG&A

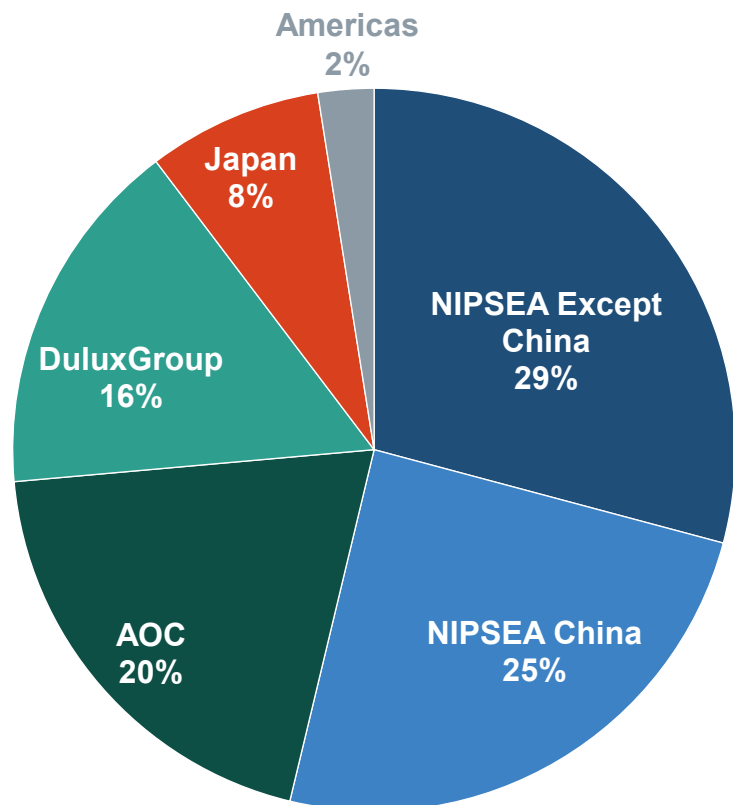
Integration of overlapping functions, increased efficiency in indirect/common functions

7. Post-Acquisitions Adjusted Operating Profit Breakdown

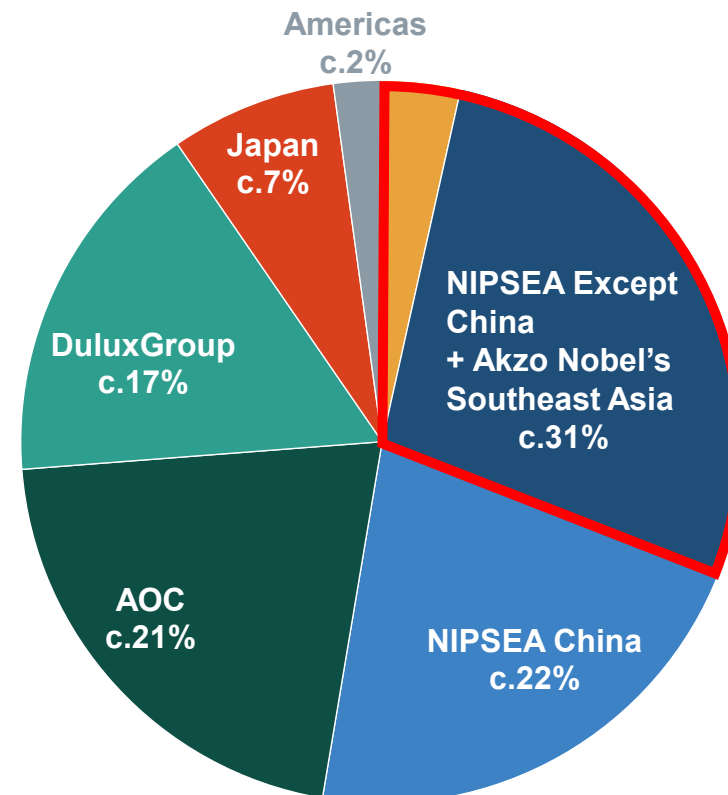
Broadening the company's regional footprint, resulting in a more balanced and diversified portfolio

Adjusted Operating Profit*1

2025 Earnings Results



2026 Earnings Forecast + Akzo Nobel Proforma Combined



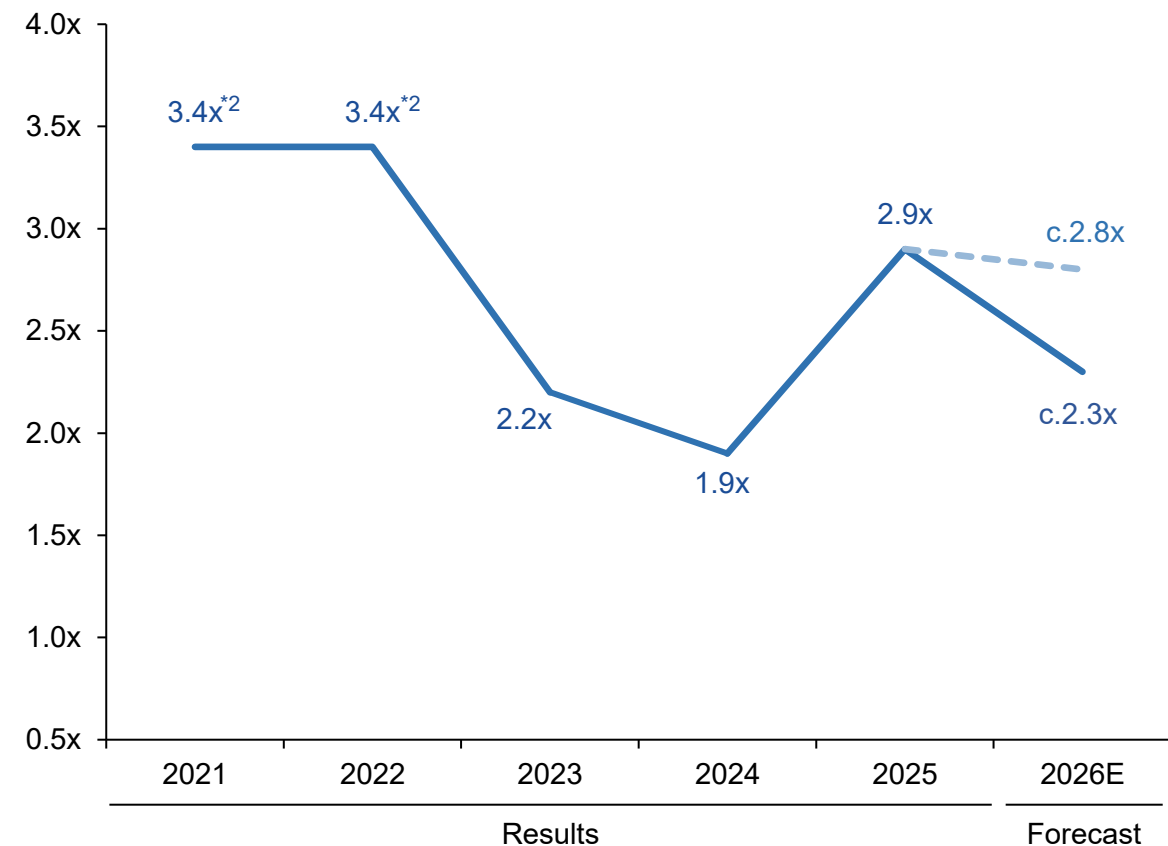
8. Financials

EPS accretive from Year 1; ROIC expected to exceed WACC by Year 3

Key Points

- 1 **Performance Outlook**
 - ▶ EPS^{*1} accretive from Year 1
 - ▶ ROIC projected to surpass WACC by Year 3
- 2 **Financing**
 - ▶ Acquisitions fully funded by debt (bank borrowings and cash on hand)
 - ▶ No equity financing planned
- 3 **Financial Discipline**
 - ▶ Leverage maintained at levels that preserve credit rating and financial soundness

Leverage Level



^{*1} Reflects PPA-related depreciation and amortization (under review, including a one-off inventory step-up charge in Year 1) and interest costs on acquisition financing. Excludes deal-related transaction expenses

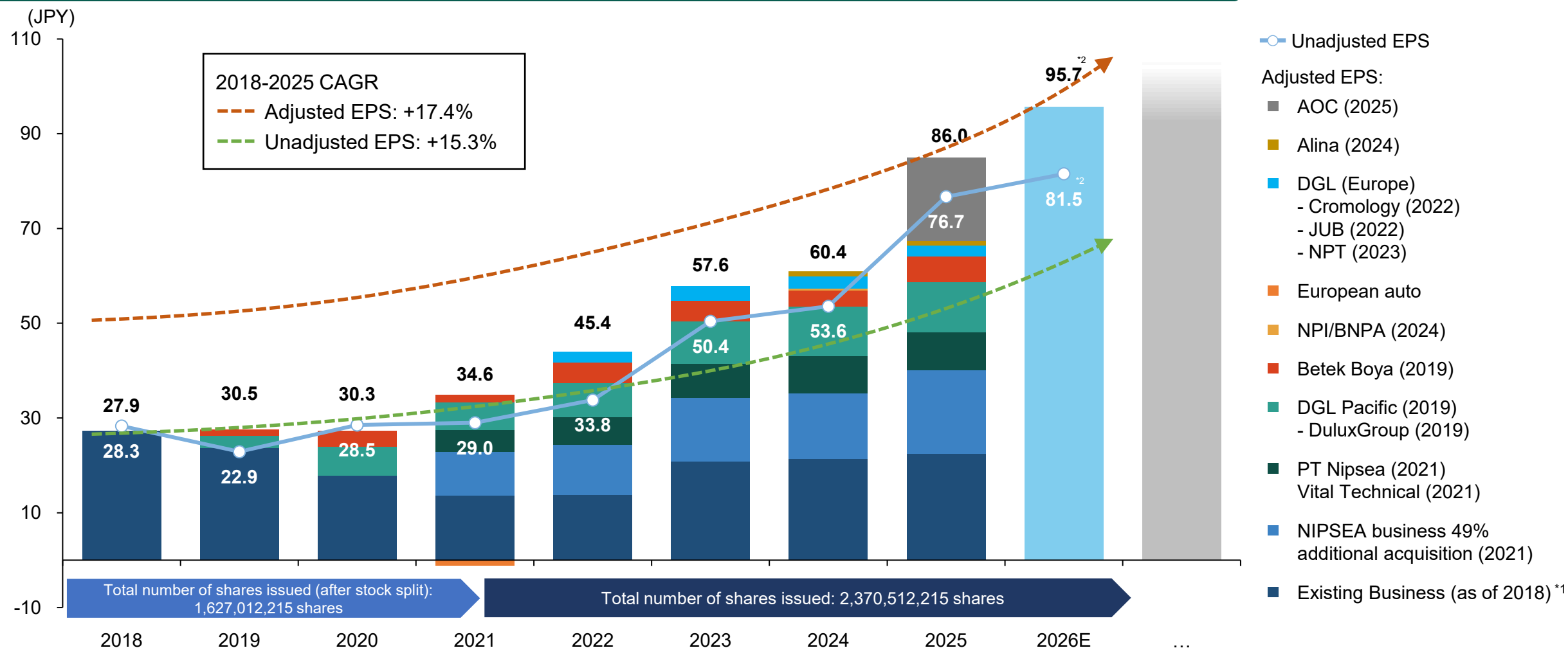
^{*2} Excluding transient items

^{*3} Net Debt / EBITDA of c.2.8x is calculated based on pro forma net debt and EBITDA, derived by simply adding Akzo Nobel's Southeast Asian business's net debt and EBITDA to NPHD's FY2026E standalone net debt and EBITDA.

9. Adjusted EPS Compounding

Consistent track record of EPS compounding through M&A and organic growth

Historical adjusted EPS compounding



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