



Nippon Paint Holdings Co., Ltd.

INVESTOR BOOK

NIPPON PAINT GROUP

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Glossary

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Company Overview

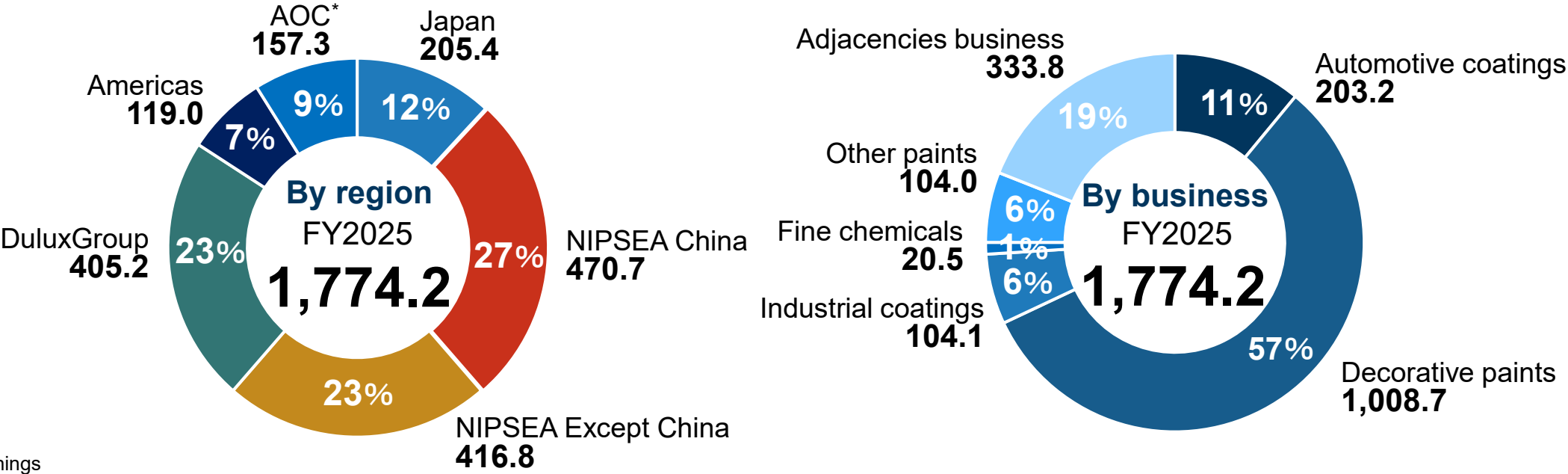
Photo: DuluxGroup The Ivanhoe Grammar School Senior Years and Science Centre, Australia, by McBride Charles Ryan Architects, a finalist in the 2017 Dulux Colour Awards. Photographer: John Gollings



- Growing across boundaries of operating companies with focus on paint and coatings market
- Operating in 48 countries and regions around the world including China and other Asian countries

 Date founded	March 14, 1881	Market presence	 Revenue	¥1,774.2 bn (FY2025)
 Number of employees	34,393 (consolidated)	 48 countries/ regions	 Sales ranking	4th globally / 1st in Asia

 Revenue breakdown (billion yen)



*10-month earnings

- The Board of Directors is comprised of Directors with experience and skills in corporate management, global business operations, M&A, and other areas
- 63% of the board members are Independent Directors (5 out of 8)

N Nominating Committee **C** Compensation Committee **A** Audit Committee



Yuichiro Wakatsuki

Director
Representative Executive
Officer & Co-President



Wee Siew Kim

Director
Representative Executive
Officer & Co-President



Goh Hup Jin

Chairman



Hisashi Hara

Independent Director



Lim Hwee Hua

Independent Director



Masataka Mitsuhashi

Independent Director



Masayoshi Nakamura

Lead Independent Director
Board Chair

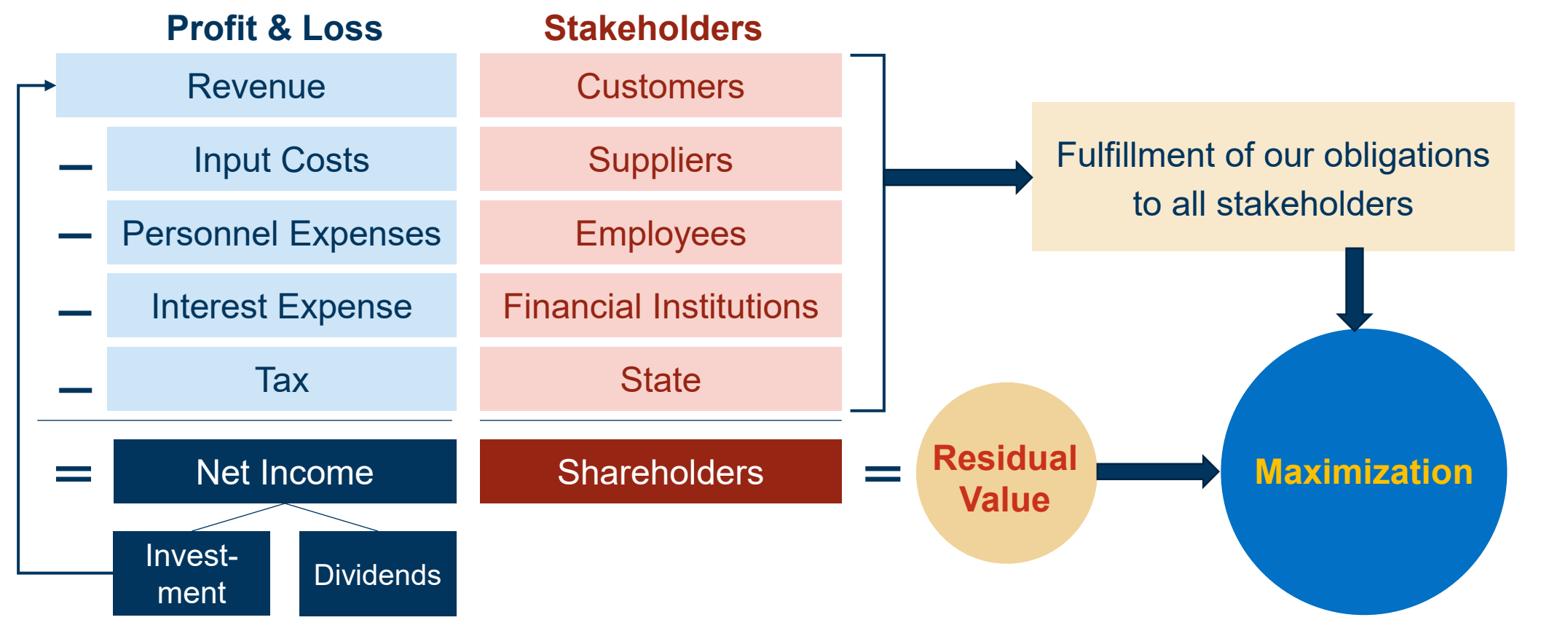


Andrew Larke

Independent Director

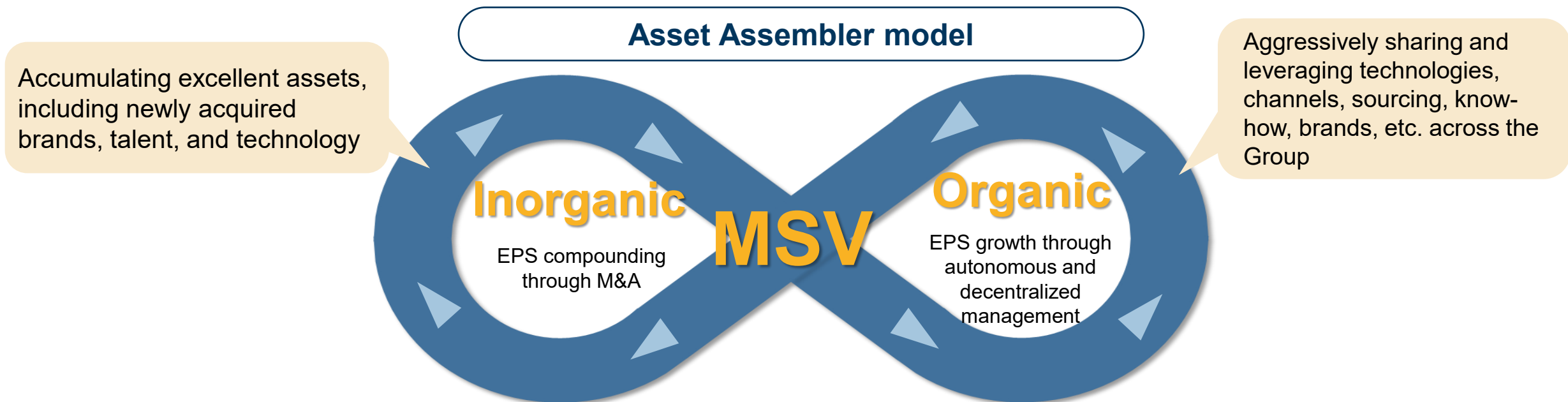


Maximization of Shareholder Value (MSV) as a sole mission, creating wealth



Maximizing the residual shareholder value that remains after fulfilling our obligations to customers, suppliers, employees, society, and other stakeholders

Asset Assembler is about EPS compounding through organic and inorganic initiatives



Assumptions (Medium/ long-term outlook)

- Ever-present macroeconomic uncertainty
- Low-risk, good-return targets globally
- Japan-based advantage (Japan-US interest rate gap, consumer trust in Japanese brands, etc.) are likely to persist



Features

- A model focused on low-risk and steady EPS compounding via organic and inorganic initiatives
- Capital markets' conviction in Asset Assembler model will boost PER, enabling MSV
- Unlocks unlimited growth potential for us

Competitive Advantage

Inorganic ~Advantage of a lean headquarters~		Organic ~Advantage of autonomous and decentralized management~
1. Our ability to harness the low-funding cost	✕	1. Driving autonomous growth of top-tier assets through low cost, strong cash generation, and operating leverage
2. Our ability to maintain and boost the EPS contribution from assets companies without intervention		2. Accelerating growth by leveraging our platform, including financing capabilities and brand strength
3. Our unique appeal to management-class talents who empathize with our modus operandi		3. Realizing synergies and breakthroughs through collaboration projects among excellent assets
Accelerating EPS compounding by leveraging the combined advantage of a lean headquarters and autonomous and decentralized management		

Financial and Non-Financial Targets

Inorganic		Organic
Acceleration of EPS compounding with active pursuit of M&A opportunities Target companies can be of any region, business area, or size, provided they offer low risk and good returns	✕	Consolidated CAGR (medium-term) based on current business portfolio* • Revenue: HSD (c.+8~9%) • EPS: LDD (c.+10~12%)
Achieving MSV in the long term, not bound by a three-year timeframe		

*2023 portfolio including the two India businesses (NPI and BNPA) and Alina (Kazakhstan)

Elevate capital markets' expectations by effectively communicating our equity story as Asset Assembler

PER Maximization

Conviction from capital markets of our sustainable EPS compounding

Effectively communicating our equity story as Asset Assembler

Enhanced engagement
(700+ companies annually)

Enhanced disclosure
(integrated report, etc.)

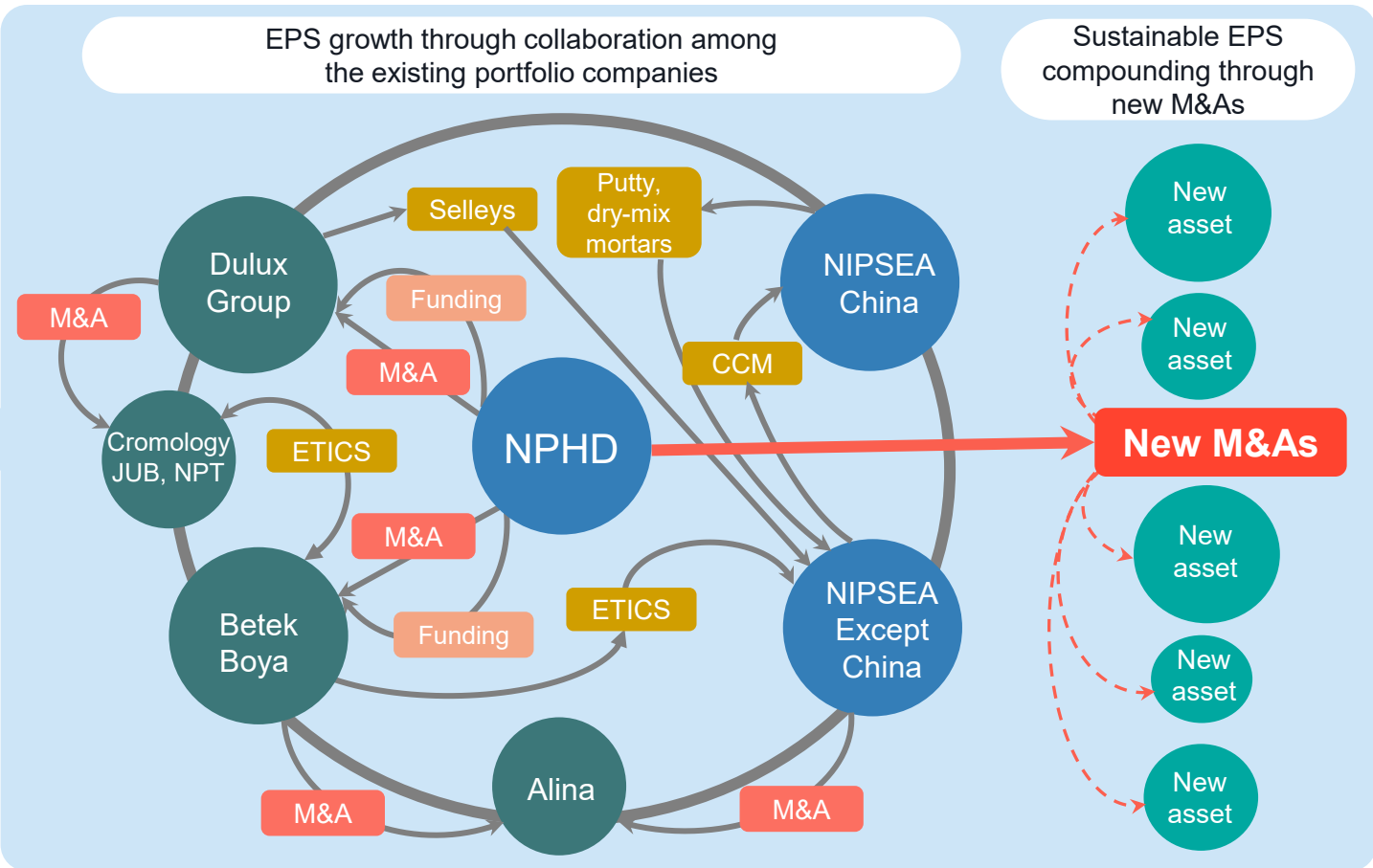
Showcase our safe M&A track record and potential for EPS compounding through M&A

Showcase the potential for future EPS growth within our current portfolio

Clearly present our business model and proven track record

Market concern for China

Underestimation of our growth prospects



Transitions of PER (2021-2023)*

NPHD: 48.3x→21.1x (-27.2pp), peer avg.: 37.8x→24.5x (-13.3pp), TOPIX chemical avg.: 32.8x→20.8x (-12.0pp)

* Source: FactSet, Bloomberg. PER (for the next 12 months) is calculated by the stock price divided by EPS (for the next 12 months)
Peers covered are Sherwin-Williams, BASF, Asian Paints, PPG Industries, AkzoNobel, Berger Paints India, Axalta, SKSHU Paint, Kansai Paint, TOA Paint, and Asia Cuanon

Medium-Term Management Strategy Update Figures (February 2026)

Segment	Our Medium-Term Growth							
	2024 guidance (in LCY)		2023-2025 Results			Current guidance (in LCY)		
	Revenue CAGR	OP margin (vs 2023)* ¹	Revenue CAGR	Adjusted OP CAGR	Adjusted OP margin (2025)	Revenue CAGR	Adjusted OP CAGR	Adjusted OP margin (vs 2025)* ¹
Japan	+0~5%	↗ (2023: 9.5%)	+1.0%	+6.3%	10.7%	+LSD	+MSD	↗
NIPSEA China	c.+10%	→ (2023: 12.5%)	-1.3% (+1.1%)* ²	+5.9%	14.7%	+MSD	+MSD	→
NIPSEA Except China	+15~20%	→ (2023: 17.4%)	+20.1%	+20.7%	19.6%	+HSD	+HSD	→
DuluxGroup	c.+5%	↗ (2023: 9.6%)	+6.0%	+6.1%	11.1%	+MSD	+DD	↑
AOC	-	-	-	-	34.1%* ³	+MSD	+MSD	↗

*1 ↑ : ≥+2%, ↗ : +1%~2%, → : -1%~+1%, ↘ : -1%~-2%, ↓ : ≤-2%

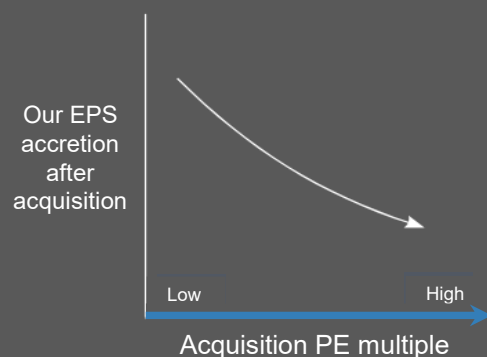
*2 Assuming the change of the agent model for the trading business in China's decorative business had been implemented in FY2023

*3 10-month earnings

Our M&A model, premised on EPS accretion in Year 1 even with large scale acquisitions, allows for unlimited EPS accretion

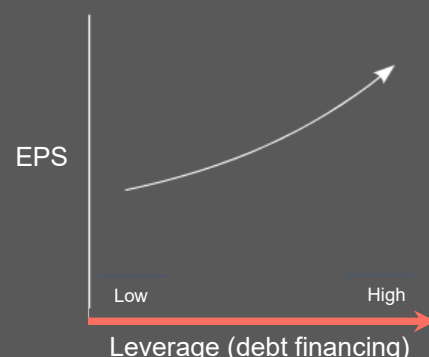
Demonstrating sustainable EPS growth through acquisitions of excellent low-PER assets

Valuation of acquisition targets

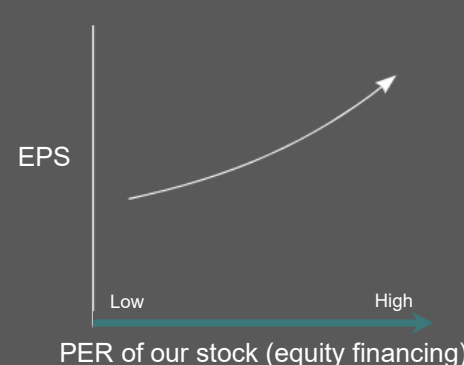


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Our funding mix



and/or



(Example)

Target companies

- Net profit : ¥50 bn
- Acquisition PE Multiple : 10-15x (times)



Projection of our EPS growth*

- EPS with full debt financing : +c. ¥20
- EPS with full equity financing : +c. ¥10
- EPS accretion with debt and equity mix : +c. ¥15-20

These figures are subject to change based on factors such as interest rates, debt level of the acquired company, amortization of intangible assets and valuation of our shares used

Acquisition target

- Low-risk and good returns
- Cash generative
- Can be of any region, business area, or size
- Balance between risk and valuation

Assumptions

- Sustainable EPS accretion from Year 1
- Profit generation capabilities not reliant on specific individuals (emphasis on the brand, talent, technology, etc.)

Our strength

- Our ability to assess and identify suited targets
- Maintain and boost motivation of talent who join our Group
- Our platform balancing autonomy with accountability, proactively avoiding standardization
- Low cost funding/debt financing a priority but with possibility of equity financing premised on EPS accretion in Year 1

Our M&A model allows for continuation of sustainable EPS compounding through our funding, asset identification and potential maximizing capabilities

1 (7) Inorganic Growth 2

Our track record of key acquisitions*1

	NIPSEA Group	Dunn-Edwards	DGL (Pacific)	Betek Boya	PT Nipsea	Vital Technical
						
Year	2014: Consolidation 2021: Full integration	2017	2019	2019	2021	2021
Country/ Region	Asian countries	USA	Pacific	Türkiye	Indonesia	Malaysia
Business activities	Decorative paints/ automotive coatings/ industrial coatings, etc.	Decorative paints	Decorative paints/ adjacencies business	Decorative paints/ adjacencies business	Decorative paints/ automotive coatings	Adjacencies business
Market presence (NPHD's estimates)	No. 1 in decorative paint China, Malaysia, Singapore, Sri Lanka	-	No. 1 in decorative paint Australia, Papua New Guinea	No. 1 in decorative paint	No. 2 in decorative paint	-
Growth since acquisition (revenue in JPY bn)	2014: 236.5 ▼ 2025: 887.5 +275%	2018: 44.6*2 ▼ 2025: 72.3 +62%*2	2019: 134.9*3 ▼ 2025: 251.2*3 +86%	2019: 28.8 ▼ 2025: 94.8 +223%	2020: 30.3 ▼ 2025: 65.9 +117%	-

►Please refer to our website for press releases and presentation materials regarding M&As at the following link: <https://www.nipponpaint-holdings.com/en/ir/library/m-and-a/> (M&A Information)

*1 Performance comparisons with the time of acquisition are estimates, as the assumptions used to calculate market share at the time of acquisition differ from current assumptions due to changes in accounting standards.

*2 Dunn-Edwards' performance was compared using the 2018 figures because the 2017 figures, the first year post acquisition, only covered 10 months following its acquisition in March 2017

*3 The 2019 figures are pro forma. The 2024 figures do not include Craig&Rose and Maison Deco due to a change in reporting segments within DuluxGroup

1 (7) Inorganic Growth 2

Our track record of key acquisitions*1

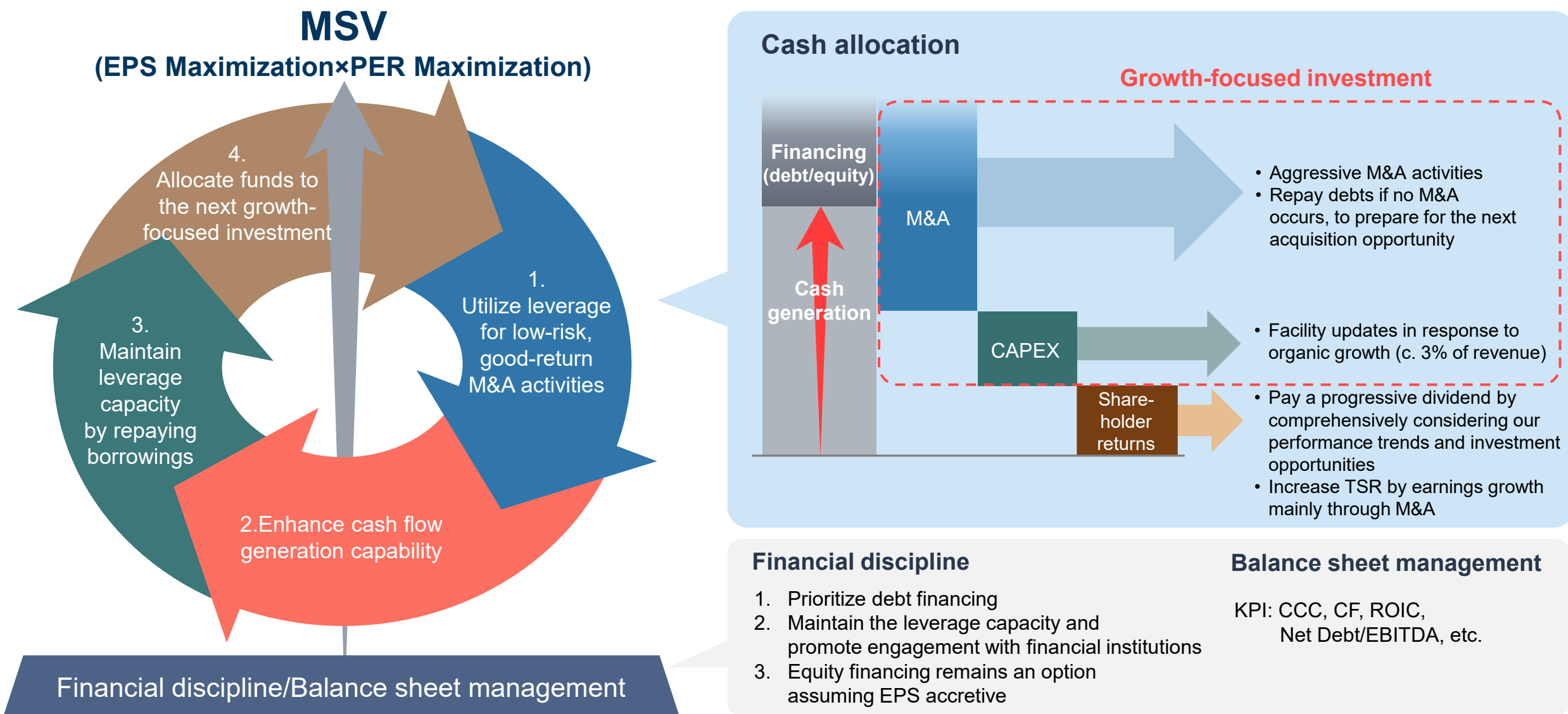
	Five Chinese automotive subsidiaries	DGL (Europe)			Alina	NPI	BNPA	AOC
		Cromology	JUB	NPT				
								
Year	2022	2022	2022	2023	2024	2024	2024	2025
Country/Region	China	Europe	Europe	Italy	Kazakhstan	India	India	Americas, Europe, and Asia
Business activities	Automotive coatings	Decorative paints	Decorative paints/adjacencies business	Adjacencies business	Decorative paints/adjacencies business	Decorative, industrial, and auto refinish businesses	Automotive coatings	Specialty Formulator*3
Market presence (NPHD's estimates)	-	No. 1 in decorative paint Italy No. 2 in decorative paint France, Portugal	No. 1 in interior paint Slovenia, Croatia, Bosnia and Herzegovina, Kosovo	-	No. 1 in dry-mix mortar and paint market	No. 2 in decorative paint Tamil Nadu, Karnataka	No. 4 in automotive coatings	The leader in North America A leading presence in the more fragmented European market
Growth since acquisition (revenue in JPY bn)	-	2021: 109.1*2 2025: 153.9*2 +41%			2024: 25.8*2 2025: 24.3*2 ▲6%	2024: 9.0 (2-month earnings) 2025: 49.4 -		2025: 157.3 (10-month earnings)

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*1 Performance comparisons with the time of acquisition are estimates, as the assumptions used to calculate market share at the time of acquisition differ from current assumptions due to changes in accounting standards.

*2 The 2021 figures are the simple sum of Cromology and JUB and converted to JPY at the following exchange rate: EUR/JPY=138.5 yen.
Due to a change in reporting segments within DuluxGroup, figures for 2024 include Cromology, JUB, NPT, Craig & Rose, and Maison Deco

*3 As a specialty formulator, the company is engaged in the formulation development, manufacturing, and distribution of unsaturated polyester (UP), vinyl ester (VE), and other solutions for CASE (Coatings, Adhesives, Sealants, and Elastomers), colorants, and composites. These products are used in construction, infrastructure, transportation, marine and other applications



Aim to achieve MSV by increasing the earnings and markets' expectations through sustainability activities

MSV (EPS Maximization × PER Maximization)



Contributing to MSV with a sustainability strategy that has stronger links to business activities

Materiality (Related SDGs)	ESG Agenda	ESG Action Examples
Climate change 	- Reduction of greenhouse gas (GHG) emissions - Identification of risks and Opportunities	- CO₂ reduction (Scope 1&2) - Scope 3 emissions calculation - TCFD-based disclosures - Renewable energy utilization
Resources and environment 	Waste/water resource consumption/pollution management	- Formulate the global policy statements for waste materials and water - Consider endorsement of the Task Force on Nature-related Financial Disclosures (TNFD)
Safe people and operations 	- Disaster (fire accident) prevention and process safety - Fatality and injury prevention	- Prepare for the development of safety and other standards - Promote the introduction of a reporting system for potential major accidents
Diversity & Inclusion 	- Increase the percentage of women in management posts - Improvement of employee engagement	- Promote gender diversification for directors/managers - Initiate a D&I working program at each partner company - Human rights risk assessment
Growth with communities 	Strategic implementation of social contribution activities	- Promote "Happy Paint Project" in Japan Group - Implement 3E (Education/Empowerment/Engagement) action policy
Innovation for a sustainable future 	- Promotion of cross-industrial collaboration - Development of products that benefit society - Stricter management of chemical substances	- Calculate the lifecycle assessment of selected products at each partner company - Implement a phased-out plan for Chemicals of Concern (CoC) - Socially beneficial and eco-friendly products - Open innovation

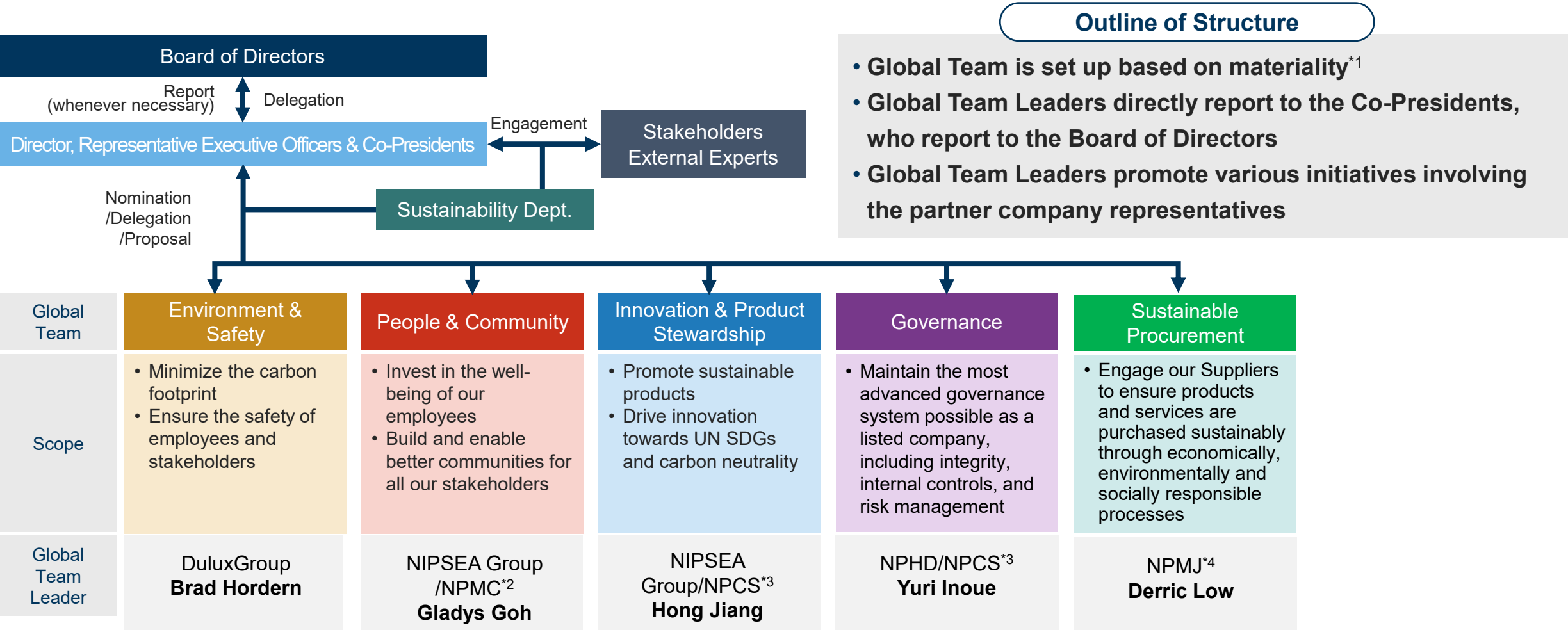
Contribution to MSV

- Revenue/earnings expansion from low-carbon-footprint products
- Sustained growth through human capital investment
- Reinforce branding through community investment
- Risk reduction through safety education and technology
- Revenue growth through innovation

(Example)

- Initiated a women's mentorship program
- Host the AYDA Awards international competition
- Sales expansion of insulating powder coating for EV battery packages
- Accelerate innovation by combining Electronic Laboratory Notebook (ELN) with AI
- Sales expansion of FASTAR next-generation antifouling paint

Autonomous sustainability structure



*1 Governance team advances discussions on the best direction for enhancing our good governance and autonomy in line with each materiality

*2 Nippon Paint Marine Coatings *3 Nippon Paint Corporate Solutions *4 Nippon Paint Materials

1 (10) Overview of Asset Companies

Nippon Paint China

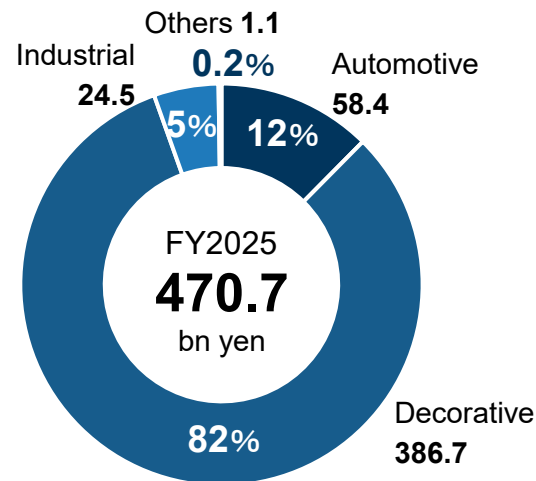
Corporate Data

Location : Shanghai, China

Ownership Ratio: 100.0%

Company overview :
Since its founding in 1992, Nippon Paint China has risen to the fore as a respected leader in the paint and coatings industry. The company has steadily expanded its reach across China in tandem with the country's rapid economic and social growth

Revenue breakdown by business



Market share*

TUC					
2021	2022	2023	2024	2025	
23%	24%	25%	25%	25%	

TUB					
2021	2022	2023	2024	2025	
9%	8%	9%	9%	8%	

Strengths

- Achieved organizational optimization and transformation through streamlined business groups and HQ functions
- Cutting-edge production systems, including fully automated production lines
- Established a dominant distribution network for TUC through strong distributor partnerships and high-quality distribution store resources
- Achieved a high market share, further strengthening brand power

Opportunities

- Market concentration for Paints & Coatings is still relatively low, with much room for improvement
- Obtain in-depth market insights to scope out new opportunities in infrastructure, especially as investment in the next few years is set to scale up
- Leverage changes in consumer consumption patterns, especially a rise in online consumption
- Adopt digitalization to revolutionize operational efficiency, organizational structure and business model development

Weaknesses

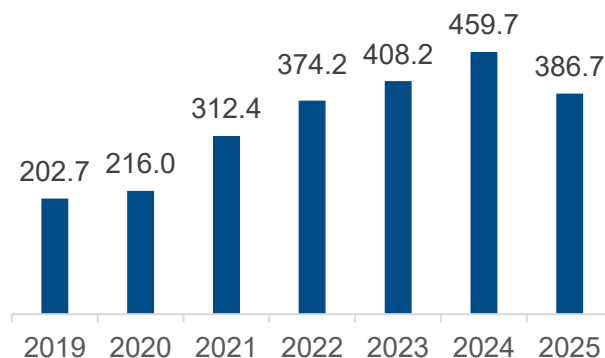
- Organizational structure and business model need to adapt to match the existing market and customer needs
- Boost operational efficiency with greater investment in technology
- Build a people management strategy that enhances performance incentives and rewards valuable talent

Threats

- Other manufacturers are developing products that could encroach on Nippon Paint's market share, e.g. coating manufacturers are producing waterproofing products, waterproofing manufacturers are producing coating products
- The real estate cycle is in a less than ideal phase, with a slowdown in growth rates of new housing developments and a drop in property speculation
- Geopolitical tensions have impacted supply chains, affecting both downstream and upstream processes

Performance (Decorative)

■ Revenue (billion yen)



*NPHD's estimates

Competitive Advantage of Nippon Paint China

Organizational optimization and transformation

- Streamlining and optimizing business groups and HQ functions based on the core structure of front, middle, and back office operations
- Enhanced product lifecycle management through the establishment of IPMT (integrated group management team) and PDT (product development team)



Cutting-edge production systems

- The new factory was built incorporating the principles of “Smart Manufacturing” and “Industry 4.0” (the Fourth Industrial Revolution), with the goal of creating an environmentally friendly facility leveraging advanced digital technologies
- Installed fully automated production lines for water-based paints
- Driving significant reductions in manual labor while enhancing production efficiency



Dominant Distribution Network (TUC)

- Expanding the distribution network, strengthening human resources, and maintaining strong partnerships with distributors and high-quality distribution store resources
- Ensuring consistent service quality by improving the standards of existing distribution stores

- Number of distribution stores: c. 270,000 (2025)
- Number of CCM units installed: c. 22,000 (2025)



Strong Brand Power

- Consistently winning numerous brand awards every year
- Focusing on enhancing the recognition and reputation of the LiBang brand
- Ranked No.1 for nine consecutive years in the “China Brand Power Index (C-BPI)” for wall paints and 13 consecutive years for wood coatings (2025)
- Top of Mind score: 50%/No.1 (2025)



Realigned the China decorative business into TUC and TUB segments based on distribution channels

TUC (Trade Use Consumer): **B2C business**

Business to consumers, DIY business, sales via dealers/distributors and e-commerce to end consumers, etc.



TUB (Trade Use Business): **B2B business**

Business transactions direct to Project customers and main contractors, etc.

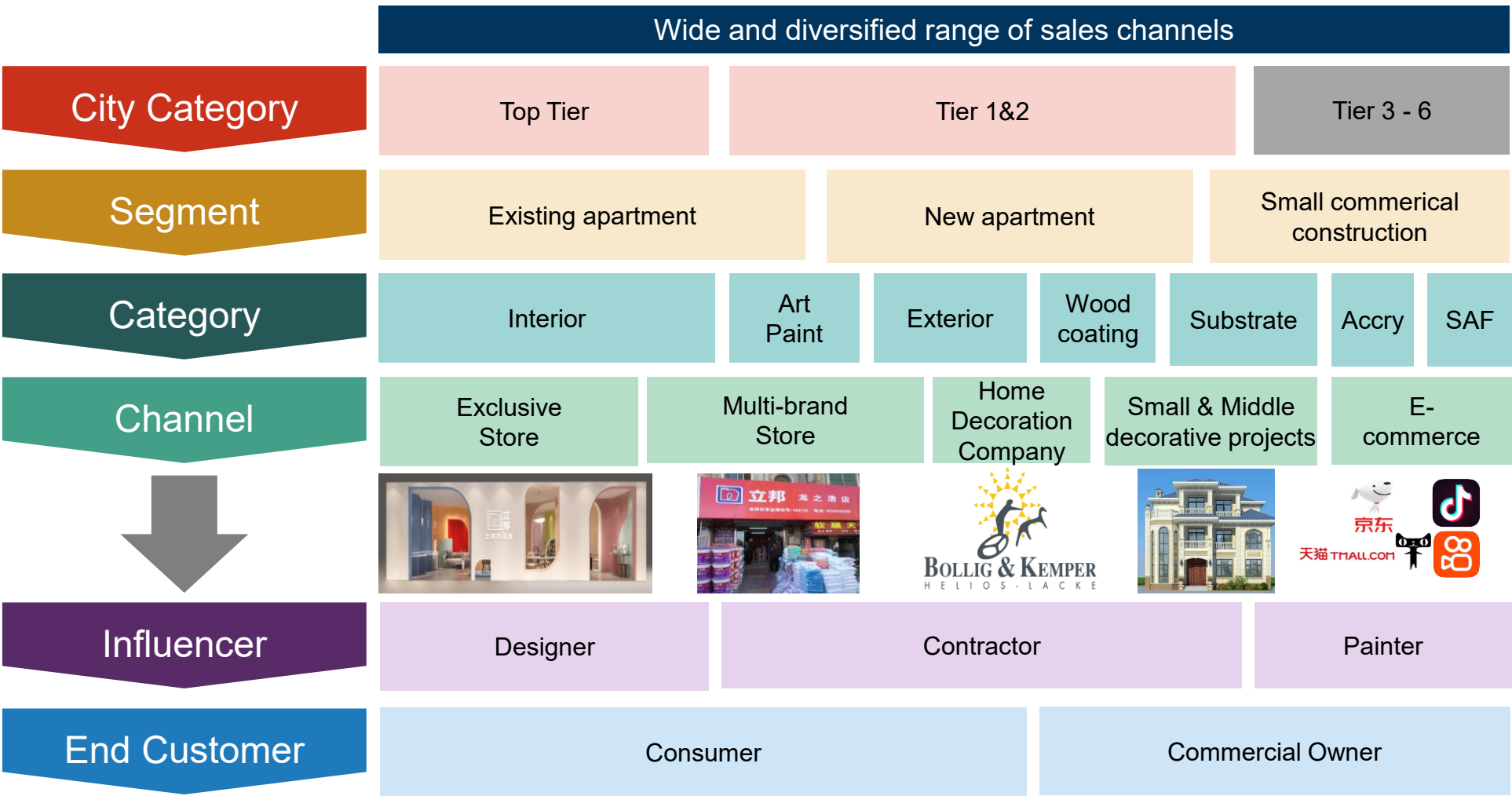


YoY change (In LCY)

(%)	2019	2020					2021					2022				
	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
DIY	+2	-27	-1	+9	+21	0	+57	+35	+32	+22	+35	+28	+15	+7	-4	+12
Project	+35	-22	+32	+33	+34	+26	+110	+24	+26	+16	+29	-5	-5	-6	-22	-10
	2022	2023					2024					2025				
	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
TUC	+10	+19	+15	+10	+8	+13	+15	+5	+1	+2	+6	+5	-11	+1	-5	-2
TUB	-14	+5	-7	-17	-1	-7	-15	-12	-16	-18	-15	-10	-19	-24	-26	-20

1 (10) Overview of Asset Companies

TUC: Achieved No.1 market share (c.25%) through unparalleled sales network and proactive promotion



Proactive promotion



TUB: Secured top market share (c.8%) through strategic alliances with TOP100 real estate developers

	Items				
Channel	Real Estate	Architectural renewal	Social security housing	Industry	
Customer	TOP 100 Developers in Country	TOP Developers in City	General Contractor	Hospital	School
Coating Solution	Wall Coating System		Floor Coating System	Thermal Insulation System	
Region	National Center City		Sub-center City	Outer City	
Partner	Constructor	Designer	Distributor	Project Dealer	
Business Model	Material Sales		Design + Product + Application Service (Partnership)	Design + Product + Application Service (Direct)	

1 (10) Overview of Asset Companies

Nippon Paint Singapore

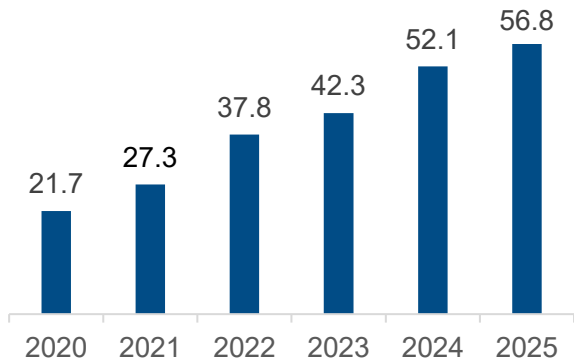
Corporate Data

Location : Singapore
Ownership Ratio: 100.0%

Company overview :
Since its founding in 1962, Nippon Paint Singapore has developed a business portfolio that spans decorative paints, auto refinish paint, industrial coatings, and protective coatings in Singapore. The company expanded its business portfolio into the adjacencies area following its acquisition of the Selleys business in FY2020. A renewed focus into Total Coating & Construction Solution that started in 2018, via introduction of floor coatings, water proofing, building materials, sealants and protective coating

Performance (Singapore Group)

■ Revenue(billion yen)



*NPHD's estimates

Market share* (TU-Consumer)

2021	2022	2023	2024
75%	75%	75%	75%
2025			
75%			

SWOT Analysis

Strengths

- Leading market name with strong brand equity and 71% 'Top of Mind' brand recall
- Established and largest network of dealerships, strong partnerships with designers and contractors, and painter engagement programs have contributed to the growth of a large customer base in Singapore
- Market leader in the decorative paints segment with full range of products available
- Accelerate and focus Total Coating & Construction Solution (TCCS) with Full suite of products
- Locally based manufacturing and operations facilities

Weaknesses

- Relatively new player in the protective coatings segment with lack of certifications to establish market credibility
- Business operations are subject to external factors such as global economy and the pandemic, competitive forces
- Learning how to manage non-paint business and accelerate the Total Coating & Construction Solution business

Opportunities

- Drive market opportunities to broaden product portfolio into building materials, construction chemical and floor coatings
- Leverage Nippon Paint's integration with Selleys to expand into the Sealants, Adhesives, and Fillers (SAF) segment
- Expand customer base for innovative consumer products like anti-viral and anti-mosquito products
- Providing waterproofing, floor coating and sealants as part of total coating solutions to customers
- Enhance our product portfolio & resources into TCCS

Threats

- Competitive pricing from other established players in the project market
- Increased activity seen in competitors
- Lack of experienced resources in the construction market
- The shift to e-commerce in retail market lowers barriers for smaller entrants

1 (10) Overview of Asset Companies

Nippon Paint Malaysia

Corporate Data

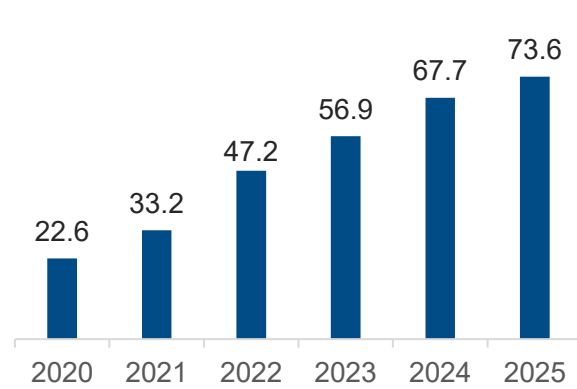
Location : Selangor, Malaysia
Ownership Ratio: 100.0%

Company overview :

Established in 1967, Nippon Paint Malaysia has grown in leaps and bounds and today, has emerged as a significant market leader with presence in Pakistan, Bangladesh, the Philippines, Thailand, and Indonesia. The company prides itself as a total coating & construction solution and service provider, serving several sectors including decorative paints, automotive coatings, industrial coatings, marine coatings, and refurbishment markets

Performance (Malaysia Group)

■ Revenue(billion yen)



*NPHD's estimates

Market share* (Decorative)

2021	2022	2023	2024
39%	40%	41%	42%
2025			
43%			

SWOT Analysis

Strengths

- Leading brand name in the paint and coatings industry with a strong brand awareness and a wide distribution network
- Wide range of solutions & only company that provides total compatible solutions from bare to finish; includes waterproofing, drymix, flooring, tools and accessories
- Strong focus on customer service, building further brand loyalty for Nippon Paint

Weaknesses

- Factors such as long production lead times, changing international market dynamics, and global economic conditions impact business. Steps are being taken to optimize processes and revisit strategies to drive growth.
- As a leader with significant market penetration, it is challenging to offer substantial preferential treatment (e.g., higher profit margins) to specific dealers, potentially affecting partner relationships. To mitigate this, we are focusing on providing consistent support, training, and marketing resources to all dealers, while also exploring alternative incentive programs for high-performing partners

Opportunities

- Positioned to cater to customers' increasing needs for holistic solution - total coatings and construction solution as a key communication
- Enhance market opportunities by creating customer centric awareness programs to differentiate Nippon Paint from other industry players
- Drive brand messaging via CSR campaigns to build strong corporate branding
- Drive efficiencies with CONNECT PLATFORM, internal digital app to better manage stakeholders and business

Threats

- Current global conditions have led to changes in consumer behavior and buying habits, with preference for value for money products
- Heightened competitive pressure from Chinese entrants driven by the overseas expansion of Chinese contractors

1 (10) Overview of Asset Companies

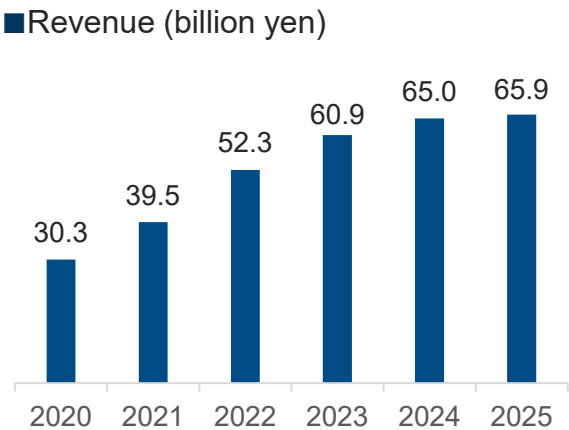
PT Nipsea Paint and Chemicals

Corporate Data

Location : Jakarta, Indonesia
Ownership Ratio: 100.0%

Company overview :
Acquired by NPHD in 2021, PT Nipsea Paint and Chemicals has a dominant position in the Automotive OEM coatings field. In addition, the company is a market leader in decorative paints as consumer’s preferred brand in Indonesia for over 50 years. With over 7,000 employees, the company has more than 70 distribution points across Indonesia

Performance



Market share*1 (Decorative)

2021	2022	2023	2024
17%	18%	19%	19%
2025			
20%			

SWOT Analysis

Strengths

- Dominant market position in Decorative Retail, Automotive & Motorcycle coatings - backed by 3 production sites and a large distribution network of 70 locations
- Trusted brand with Japanese heritage and long operating history in Indonesia since 1969
- Market leading decorative paint brands with strong brand awareness and heritage with the largest distribution coverage of CCM*2
- Strong support from established global customers in Automotive OEM segment

Weaknesses

- External shocks from increasing raw material price pressures though steps have been taken to mitigate this through relentless cost optimization and streamlining
- Intense competition in local paint market limits pricing flexibility, requiring continuous efficiency improvements to protect profitability

Opportunities

- Growth potential of Indonesian market to drive demand for premium and environmentally friendly products
- Broaden the product and service spectrum to include painting accessories and tools, Sealants, Adhesives, and Fillers (SAF) as well as waterproofing segments
- Further entrenching distribution reach into 2nd and 3rd tier cities by increasing the number of depots/sales offices and trading partners

Threats

- Increasing uncertainties due to escalating trade war pressures, negatively impacting all economic sectors, dampening foreign investment and delaying infrastructure projects
- Downward price pressure due to intense competition by other established players and new entrants into the Indonesian market

*1 NPHD’s estimates *2 Computerized Colour Matching

1 (10) Overview of Asset Companies



Corporate Data

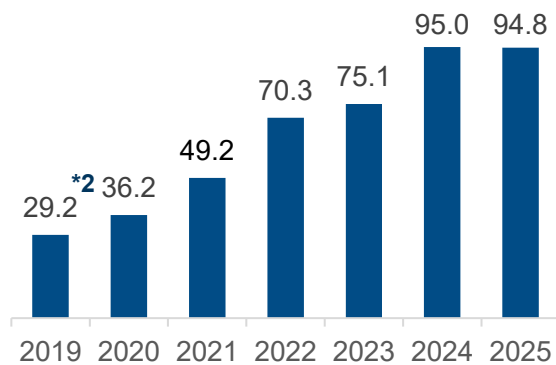
Location : Istanbul, Türkiye

Ownership Ratio: 99.6%

Company overview :
Acquired by NPHD in 2019, Betek Boya is a leading Turkish paint and ETICS company. Its multi-brand portfolio covers premium brands to budget options in the Turkish paint market. Betek Boya, a longstanding leader in the Turkish decorative paint sector, is proudly listed every year as the highest-ranked paint brand among Türkiye’s Top 500 Industrial Enterprises (ISO 500), which ranks the nation’s largest industrial companies based on revenue, production, and overall performance. With an annual production capacity of 350K tons of paint and 30 million sqm of insulation materials, Betek stands as the leading company in Türkiye.

Performance

■ Revenue (billion yen)



Market share*1 (Decorative)

2021	2022	2023	2024
34%	34%	35%	35%
2025			
36%			

*1 NPHD’s estimates *2 2019 revenue is pro forma

SWOT Analysis

Strengths

- Leading company that is customer-centric and has an operations strategy to respond to varying customer needs
- Wide range of product portfolio, multi-brand strategy and extensive market collaborations that accelerate growth, business resilience and innovation
- Consistent investments in strategic marketing and consumer engagements that have built market leadership and top of mind recall for consumers

Weaknesses

- Like other players, Betek Boya is subject to external factors such as economic conditions, fluctuating demand, volatility in raw material cost and uncertainty from the escalating trade war pressures
- However, with Betek Boya’s operation strategies, the company has been able to mitigate these effects as much as possible and continues to drive resilient growth and innovation

Opportunities

- Recently announced new regulation change of ETICS will create new market potential in 31 mild-hot southern climate cities in Türkiye by 2026
- Help to strengthen Betek Boya’s position in Project business with recently launched breakthrough innovation products - leveraging on Betek Boya strength and leadership in traditional consumer channel to increase share in Project

Threats

- Prevailing economic conditions and decreasing purchasing power have led to sharper demand contraction in the economy and mid-range segments
- Price pressure from competition has increased in the mid and premium segments, threatening profit margins
- Competition with strong established multinational companies

1 (10) Overview of Asset Companies



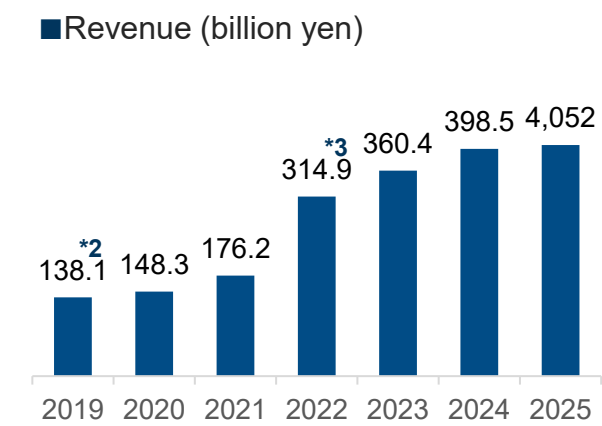
Corporate Data

Location : Melbourne, Australia

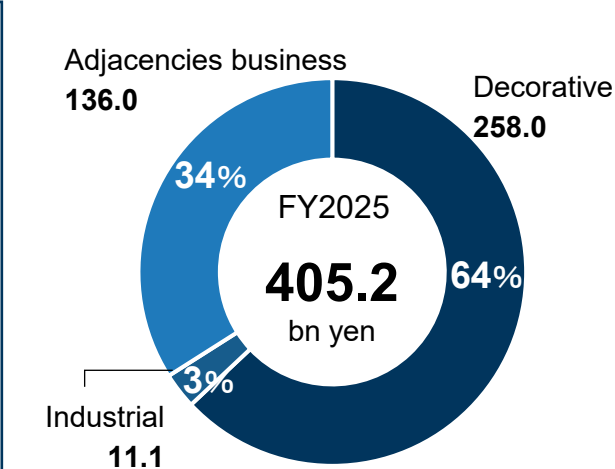
Ownership Ratio : 100.0%

Company overview:
Acquired by NPHD in 2019, DuluxGroup is Australia and New Zealand's market leader in paint, coatings, sealants and adhesives, as well as other home improvement products. DuluxGroup also has a leading decorative paints position in Papua New Guinea, as well as in Europe through its recent acquisitions of Cromology and JUB, and a growing presence in sealants and adhesives in Europe through its recent investment in NPT in Italy.

Performance



Revenue breakdown by business



Market share^{*1} (Australia Decorative)

2021	2022	2023	2024
~50%	~50%	~50%	~50%
2025			
~50%			

SWOT Analysis

Strengths

- Leading positions in well structured, resilient markets
- Market leading brands, underpinned by continuous focus and investment in marketing and innovation – driven by consumer insights
- Unrelenting focus on customer service, underpinned by sales, marketing and supply chain capability

Weaknesses

- Like all businesses, DuluxGroup is subject to prevailing external economic and market conditions such as volatility in raw materials pricing. However, DuluxGroup has deliberately shaped its business, operations and end market focus to seek to mitigate such factors as much as possible, and it has a strong track record of resilient earnings growth

Opportunities

- Continue to drive growth in the Pacific through relentless focus on brands, innovation and customer service in decorative paints and coatings, sealants and adhesives, and adjacent categories
- Leverage these capabilities to drive growth over time in Europe through the Cromology and JUB businesses, and through the recent NPT joint venture in sealants and adhesives
- Help to grow Nippon Paint Group's position in Asia with Selleys' sealants and adhesives capabilities

Threats

- Core Pacific and Western European markets are relatively mature, traditionally low growth and, in the short term, may be constrained by cost-of-living impacts on consumers, increased energy costs and general economic uncertainty
- Compete against strong, established multi-national companies

^{*1} NPHD's estimates of decorative paint market volume ^{*2} 2019 revenue is pro forma ^{*3} Earnings include Cromology and JUB from 2022 onward

1 (10) Overview of Asset Companies



Corporate Data

Location : California, USA

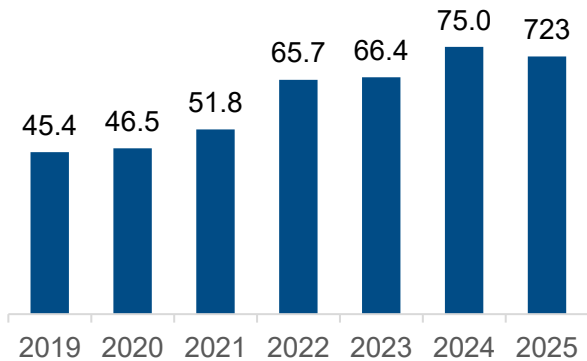
Ownership Ratio: 100.0%

Company overview:

Acquired by NPHD in 2017, Dunn-Edwards has been a leading paint supplier in the Southwestern U.S. since 1925, providing a complete line of paint, sundries and equipment. Dunn-Edwards has an estimated 13% share in California markets, and 10% to 20% in other adjacent regions

Performance

■Revenue (billion yen)



*NPHD's estimates

Market share * (Decorative)

2019	2020	2021	2022
2.4%	2.4%	2.5%	2.5%
2023	2024	2025	
2.5%	2.5%	2.5%	

SWOT Analysis

Strengths

- Strategically positioned retail store network and highly trained salesforce focused on providing superior customer service
- Diverse portfolio of high quality and innovative products provides meaningful, measurable performance advantages versus the competition

Weaknesses

- For over 100 years, Dunn-Edwards has successfully focused on serving the professional painting industry. However, continued actions by national brands and changing demographics could impact preferences
- The company is taking proactive steps to influence customer behavior and drive new sales growth through channels and to new market segments

Opportunities

- Furthering our relationships with professional painting contractors in the Southwest United States, especially in Northern California
- Develop omni-channel e-commerce solutions to drive sales growth to professionals and consumers alike
- Help to grow the Nippon Paint Group's position in the United States through channel and product growth initiatives

Threats

- Large marketing and advertising investments by national brands continue to impact brand selection

1 (10) Overview of Asset Companies

Nippon Paint Automotive Coatings Co., Ltd. (NPAC)



Corporate Data

Location : Osaka, Japan

Ownership ratio: 100.0%

Company overview:

NPAC is the world's leading automotive coatings manufacturer capable of seamlessly providing the entire spectrum of automotive coatings from pretreatment, electrodeposition coating, primer, base coat, and clear coat coatings for auto bodies to coatings for plastic bumpers and interior components. Additionally, the company has been focusing on decorative films, where demand has been increasing in recent years

SWOT Analysis

Strengths

- Solid business foundation as a major global player in automotive coatings
- Comprehensive ability to provide the entire spectrum of automotive coatings from coatings for auto bodies to interior and exterior plastic components
- Customer support system with a global sales network expanding from Asia

Weaknesses

- Weak competitiveness in Europe and America (business restructuring in Europe and construction of a new production base in the U.S. are in process to become more competitive)

Opportunities

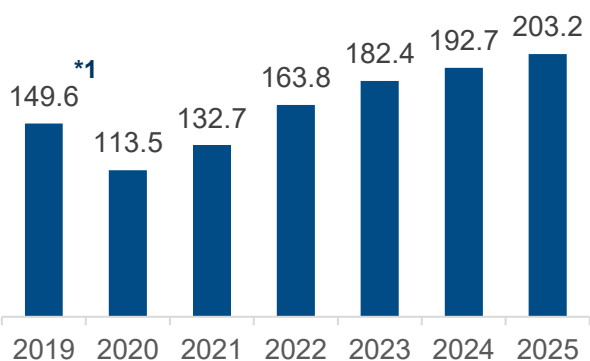
- The automotive industry continues to show significant growth potential, particularly in emerging markets
- Growing need for environmental products and alternative coating technologies due to tightening environmental regulations in many countries
- Numerous opportunities for business expansion from new technological innovations, such as CASE (Connected, Autonomous, Shared & Services, and Electric)

Threats

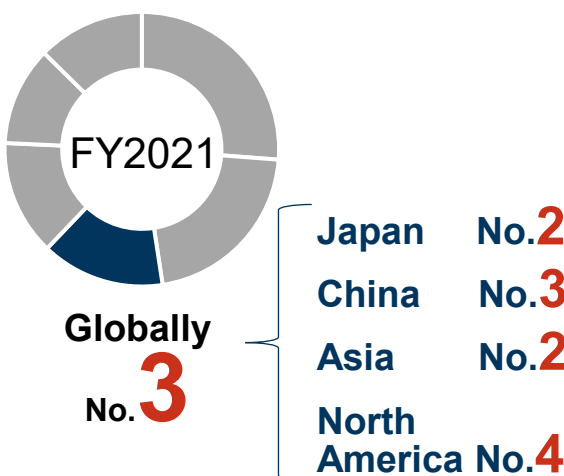
- Decreasing opportunities for existing business due to new alternative coating methods
- Impact on earnings from changes in raw material market conditions

Automotive Business Performance

■ Revenue (billion yen)



Market share *2



*1 Including discontinued operations *2 NPAC's estimates

1 (10) Overview of Asset Companies

Nippon Paint Co., Ltd. (NPTU)



Corporate Data

Location: Tokyo, Japan
Ownership ratio: 100.0%

Company overview:

NPTU manufactures and sells decorative paints for houses and office buildings, paints for large structures such as bridges and plants, and automotive refinish coatings. NPTU boasts the top share in the decorative paints market in Japan by supplying paints with excellent designability and coatings technologies using the largest sales network in Japan

SWOT Analysis

Strengths

- Top share in the domestic decorative paints market
- A strong sales network and history underpinning leading market position
- A wide variety of products offered as a comprehensive paint manufacturer (construction, heavy duty, auto refinishes, household use, etc.)

Opportunities

- Growing need for ultra-durable, process-saving paints due to population decline and labor shortage
- Growing need for DX (Digital Transformation) to address labor shortage
- Growing need for environmental products

Weaknesses

- Slowing market growth across business segments due to the maturation of the domestic market

Threats

- Slowing domestic market growth due to population decline, labor shortage
- Rising raw material and logistics costs

Nippon Paint Industrial Coatings Co., Ltd. (NPIU)



Corporate Data

Location: Tokyo, Japan
Ownership ratio: 100.0%

Company overview:

NPIU specializes in coatings for non-automotive, general industrial applications and manufacturers and sells paints and coatings for industrial products ranging from building and home exterior materials, home appliances, office furniture, to construction & agricultural machinery, and railroad cars. The company also manufactures and sells functional materials in the fine chemicals field and engages in the design of facilities and sales of equipment for paint application.

SWOT Analysis

Strengths

- Top share in the domestic industrial coatings market
- Diverse business portfolio in various segments enabling quick response to market growth and opportunities

Opportunities

- Development of high value-added products that address the demand for environmentally friendly solutions and improve productivity meeting needs for environmental and labor-saving products
- Creation of new market accompanied by social changes such as next-generation mobility services (MaaS) and electrification (EV)

Weaknesses

- Slower growth of existing businesses due to maturation of the domestic market

Threats

- Increases in raw material, freight, and labor costs
- A shift from exporting to local production

1 (10) Overview of Asset Companies

Nippon Paint Surf Chemicals Co., Ltd. (NPSU)



Corporate Data

Location: Tokyo, Japan
Ownership ratio: 100.0%

Company overview :
NPSU provides pretreatment agents for automobiles, general-use industrial products, steel, and aluminum cans, and functional agents which provides various functions in very thin film such as hydrophilic coatings. The company offers technologies created through its three-region R&D system in Japan, China, and South Korea and industry-academia collaborations to customers in Asia and worldwide

SWOT Analysis

Strengths

- High customer responsiveness enabled by developing paint products and technologies together
- Differentiated technologies created in a three-region R&D structure in Japan, China, and South Korea and industry-academia collaborations
- One-stop product supply combining paints and related products for global customers

Weaknesses

- High purchase ratio of raw materials subject to local market conditions, making stabilizing raw material costs an issue

Opportunities

- Growing need for eco-friendly products and process transformation in automotive coatings and other business fields
- Growing demand for surface treatment driven by the expansion of overseas markets in Asia and other emerging markets

Threats

- Shrinking domestic market
- New entrants by competitors driven by customers' technological innovation

Nippon Paint Marine Coatings Co., Ltd. (NPMC)



Corporate Data

Location :
Osaka, Japan
Ownership ratio : 100.0%

Company overview :
NPMC has been at the forefront of marine coatings innovation for 145 years, serving customers in more than 40 countries. Our antifouling & protective systems have been applied to 40,000+ vessels worldwide across major commercial ship segments. Supported by a robust global supply and service network, we deliver reliable solutions wherever our customers operate. With advanced R&D and deep maritime expertise, Nippon Paint Marine goes beyond coatings—supporting vessel performance, operational efficiency and sustainability throughout the entire lifecycle of ships. Through data-driven insights and technical support, it helps shipowners reduce fuel consumption, emissions and operating costs while maximising asset value.

SWOT Analysis

Strengths

- Nippon Paint Marine leads in ultra-low friction antifouling systems and self-polishing coatings (SPC), including AQUATERRAS, the only biocide-free SPC on the market. These technologies enhance hull smoothness, improve fuel efficiency, support CII performance, and reduce emissions, offering shipowners both operational and environmental advantages.
- Extensive global supply and technical service network across the Nippon Paint Group, enabling reliable support for shipowners and shipyards worldwide

Weaknesses

- Earnings exposure to raw material price volatility and cost fluctuations inherent in a materials-intensive coatings business
- Fierce competition from global players is driving strong price and technological rivalry.

Opportunities

- Continued demand from newbuild programs and dry-dock maintenance cycles, supporting long-term coating demand
- Increasing industry focus on decarbonisation, fuel efficiency, and ESG compliance, driving adoption of advanced antifouling and low-friction hull coating technologies

Threats

- Evolving environmental regulations, including restrictions on biocides and biofouling management requirements, increasing compliance complexity and development costs
- Cyclical shipping markets and operational uncertainties such as irregular vessel schedules and dry-dock delays impacting coating demand timing

Numerous strong brands in the paint and adjacencies areas are offered

Nippon
Paint
(Japan)

Paint & Coatings

Nippon Paint



PROTECTON



Dunn-
Edwards

Paint & Coatings

Dunn-Edwards



NIPSEA

Paint & Coatings

NIPPON PAINT



NIPSEA CHEMICAL



LiBang



CRF



SUPE



臻捕材



雅士利漆



Acratex



Paint & Coatings

BK&NP



Alina Group



Bollig & Kemper



Adjacencies

SELLEYS



V-tech



Alina Group



CMI



Betek
Boya

Paint & Coatings

BETEK



NIPPON PAINT



FILLI BOYA



FAWORI



ETICS

FAWORI



DALMACYALI



Dulux
Group

Paint & Coatings – Pacific

Dulux



Paint & Coatings – Europe

Cromology



JUB Group



Sealants, Adhesives & Fillers and Construction Chemicals

SELLEYS



PARCHEM



※Licensed brand

Other Home Improvement Businesses

YATES



B&D GROUP



LINCOLN SENTRY



* Distributed brand

2

Business Environment

Photo: Singapore / REFLECTIONS AT KEPPEL BAY



2 (1) Roles of Paint and Coatings in Society

NIPPON PAINT GROUP

Protecting the social infrastructure that underpins our daily lives

Beautifying

Protecting

**Adding
functionality**



Structures (buildings, stadiums)

Fire-proofing coatings prevent buildings from fire accidents and provide design flexibility



Housing (interior paint)

Interior paint protects people's health with its anti-viral, anti-bacterial, and anti-mildew properties and provides innumerable color options for home interior design



Automobiles

Automobile paint enables brilliant colors and high gloss finish with coated 0.1 mm film protecting against UV ray degradation, rust and scratches



Vending machines

Powder paints applied to surfaces contain no volatile organic compounds (VOCs), which are a source of air pollution



Ships

Marine coatings contribute to preventing global warming by reducing CO₂ emissions during ship operations



Road

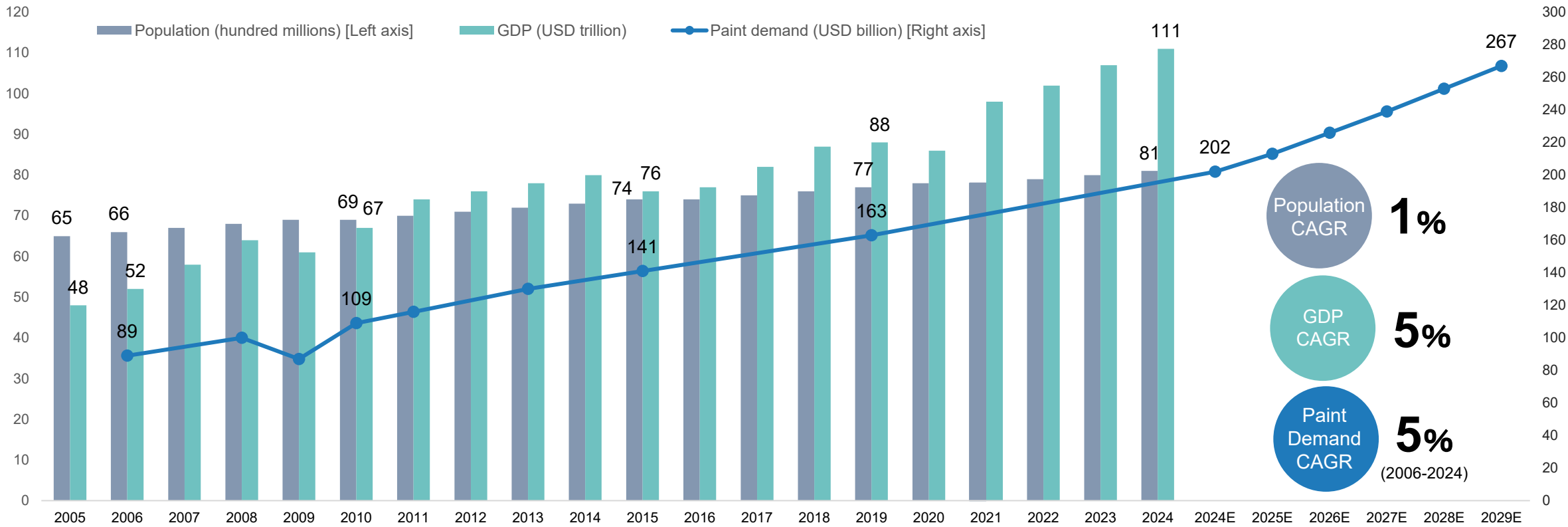
Heat shielding coatings for asphalt road surfaces help create pleasant urban environments by preventing heat accumulation

2 (2) The Global Paint and Coatings Market 1

The global paint and coatings market is growing proportionally to population and GDP growth

► For more detailed data, please refer to the Global Market Data page of our website at the following link:
<https://www.nipponpaint-holdings.com/en/ir/results/market/>

Population/GDP/Paint demand

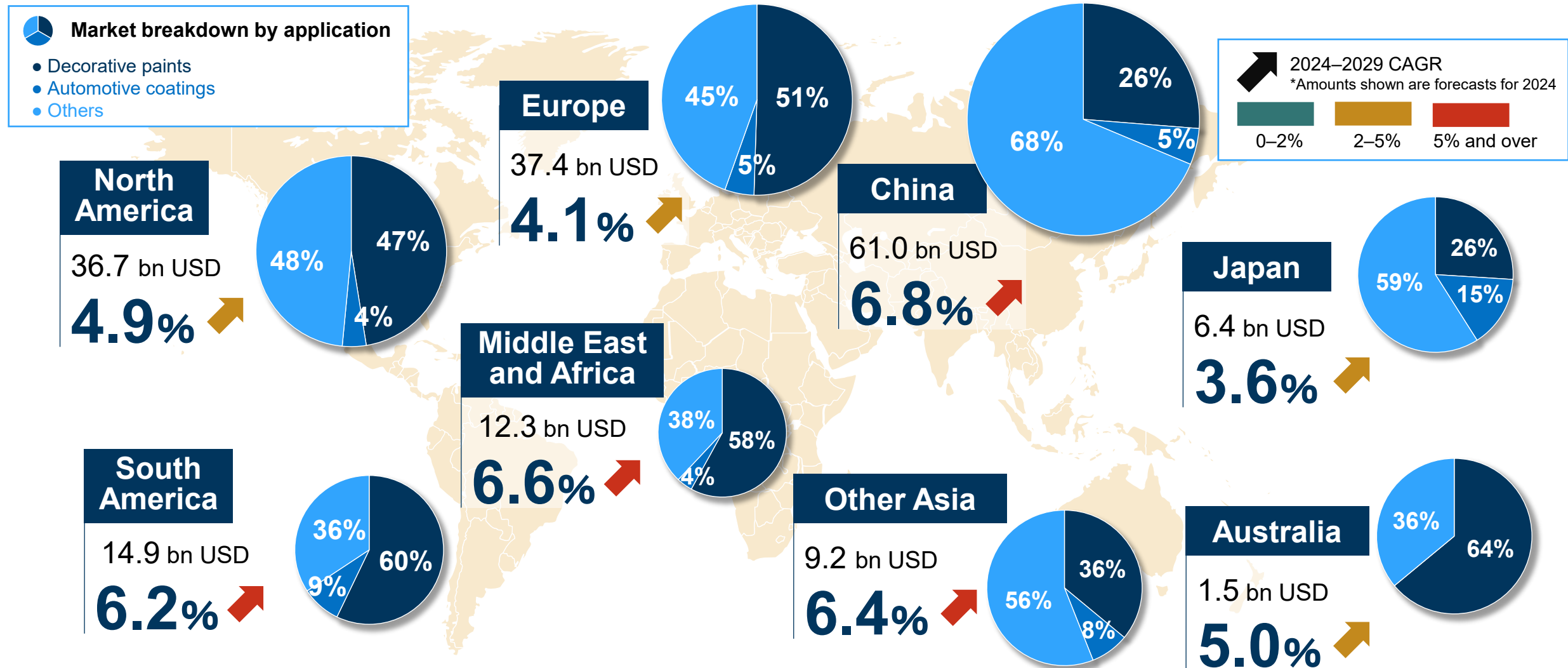


- The global paint and coatings market is a growth industry, with paint demand increasing proportionally to population and per-capita GDP growth
- The paint and coatings market has stable growth opportunities unlike the much more volatile general chemical industry

Source: Population: US Census Bureau / GDP: World Bank / Paint demand (data up to 2018): ACA-published Global Market Analysis for the Paint & Coatings Industry (2019 -2024); <https://paint.org/market>
Paint demand (data from 2019 onward): ACA-published Global Market Analysis for the Paint & Coatings Industry (2024 -2029); <https://paint.org/market>

2 (2) The Global Paint and Coatings Market 2

Driven by anticipated increases in both sales volume and prices, sustainable growth is expected in all regions over the medium to long term



2 (3) The Global Adjacencies Market

A huge market with significant growth opportunities due to the expansion of construction demand, as with the paint and coatings market



Global market value
60.0 bn USD^{*1}

SAF (Sealants, Adhesives and Fillers)



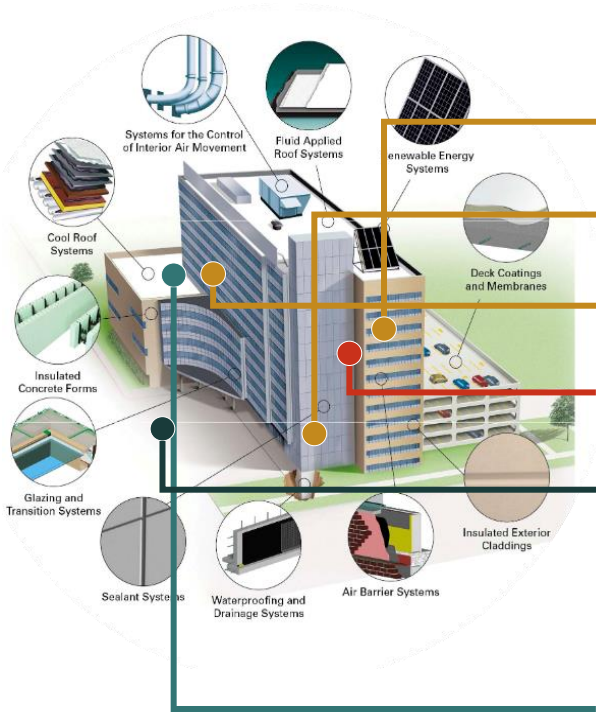
Global market value
71.5 bn USD^{*2}

CC (Construction Chemicals)



European market value
3,500 mmEUR^{*3}

ETICS (External Thermal Insulation Composite System)



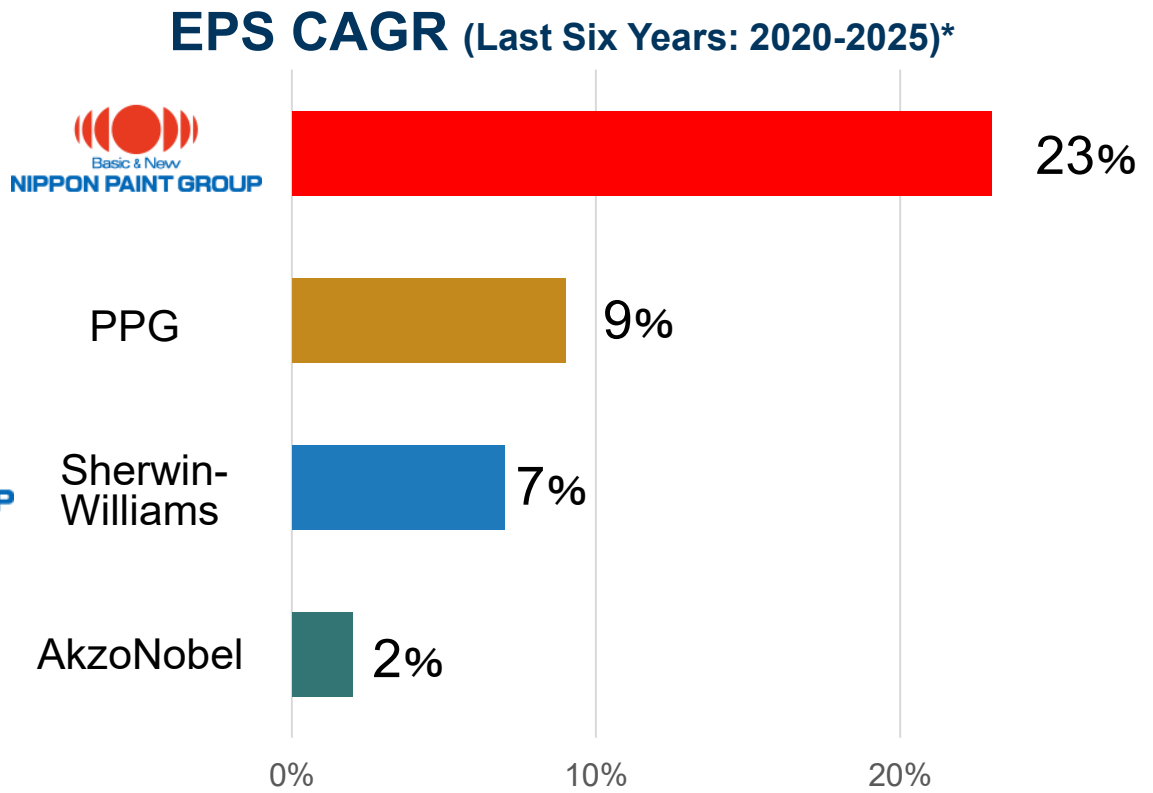
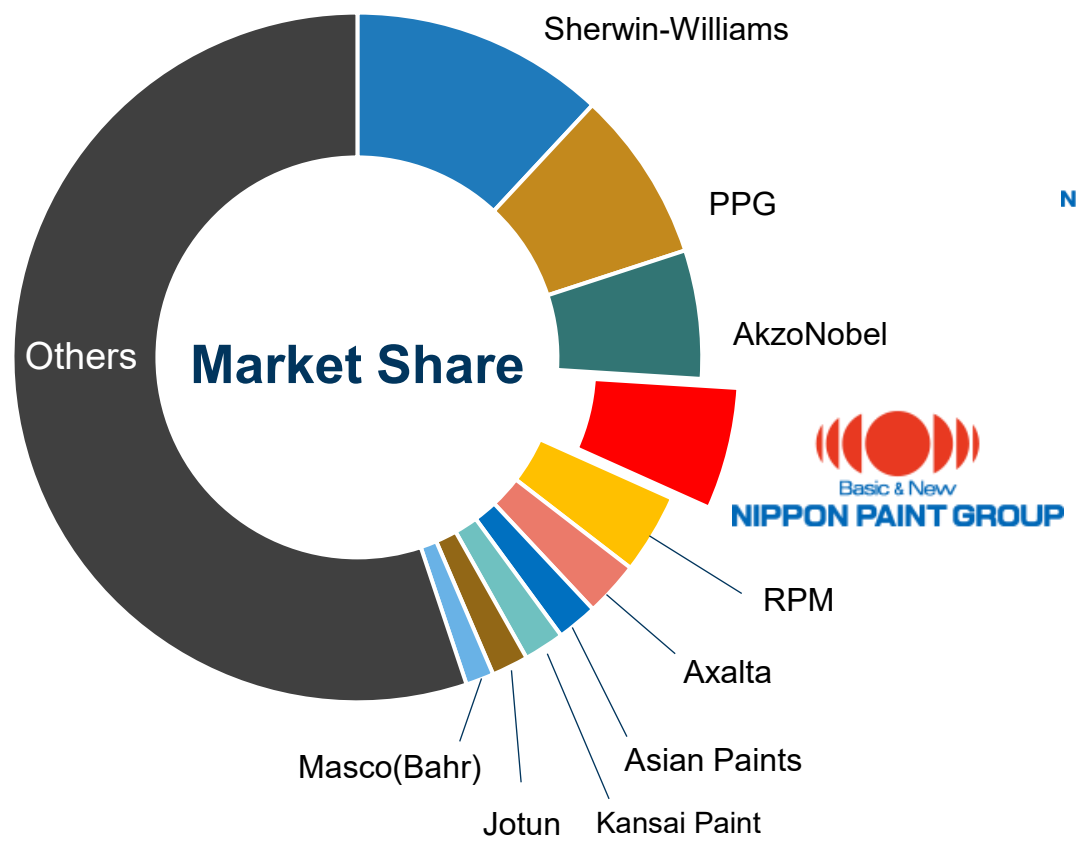
Concrete repair + Performance enhancement	Grinding aids
	Admixtures
	Surface treatments
	Grouts & Repair
Adhesives	SAF
Sealants	
Fillers	
Waterproofing Membranes	
Industrial floor coatings	Coatings
Protective coatings for concrete	
Decorative coatings	



*1 Source: Fortune Business Insights *2 Source: ReportLinker *3 Source: European Commission Paper

2 (4) The Global Competitive Landscape

The world's largest paint manufacturers have a combined market share of nearly 50%. The Nippon Paint Group is No.1 in Asia and No.4 in the world

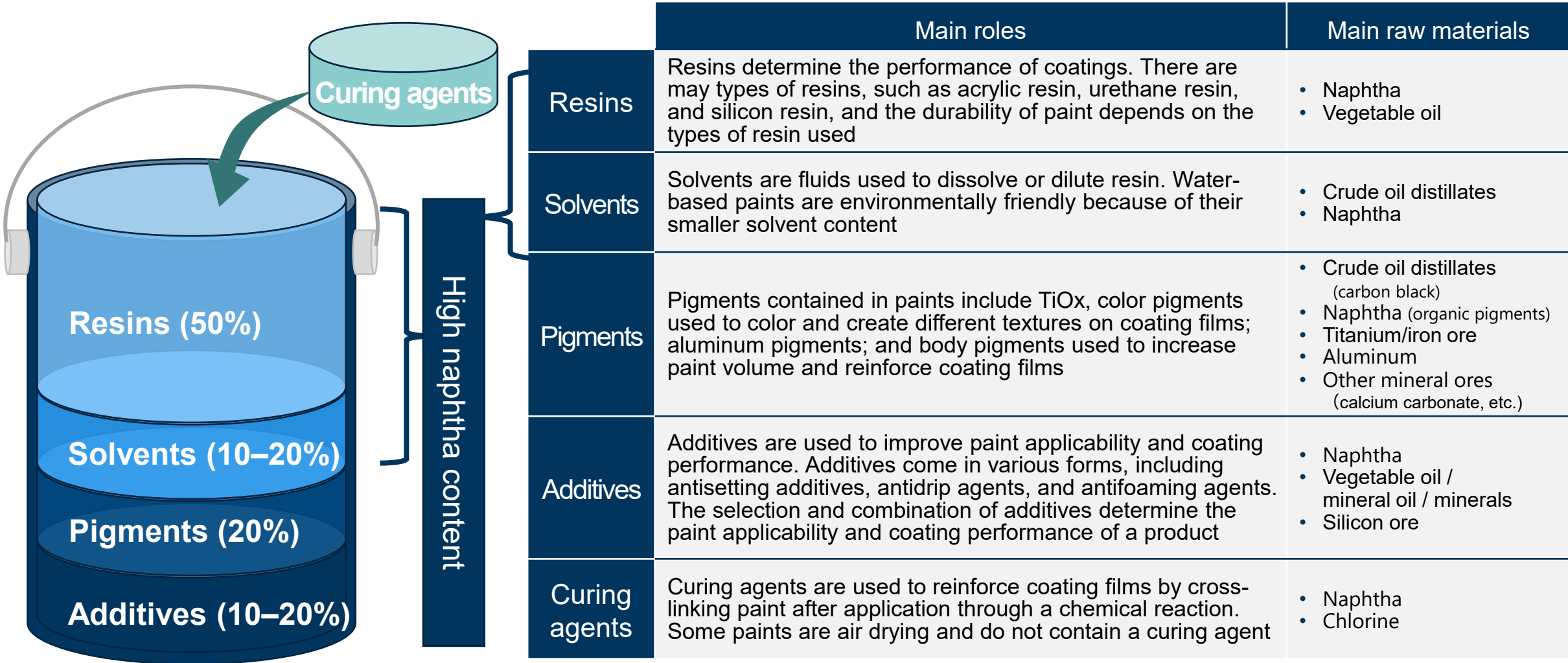


Source: NPHD's estimates (Sales basis)

*Comparison among the top four global paint manufacturers by sales, based on unadjusted net profit per share as reported by each company (figures compiled by NPHD)

2 (5) Raw Materials for Paint and Coatings

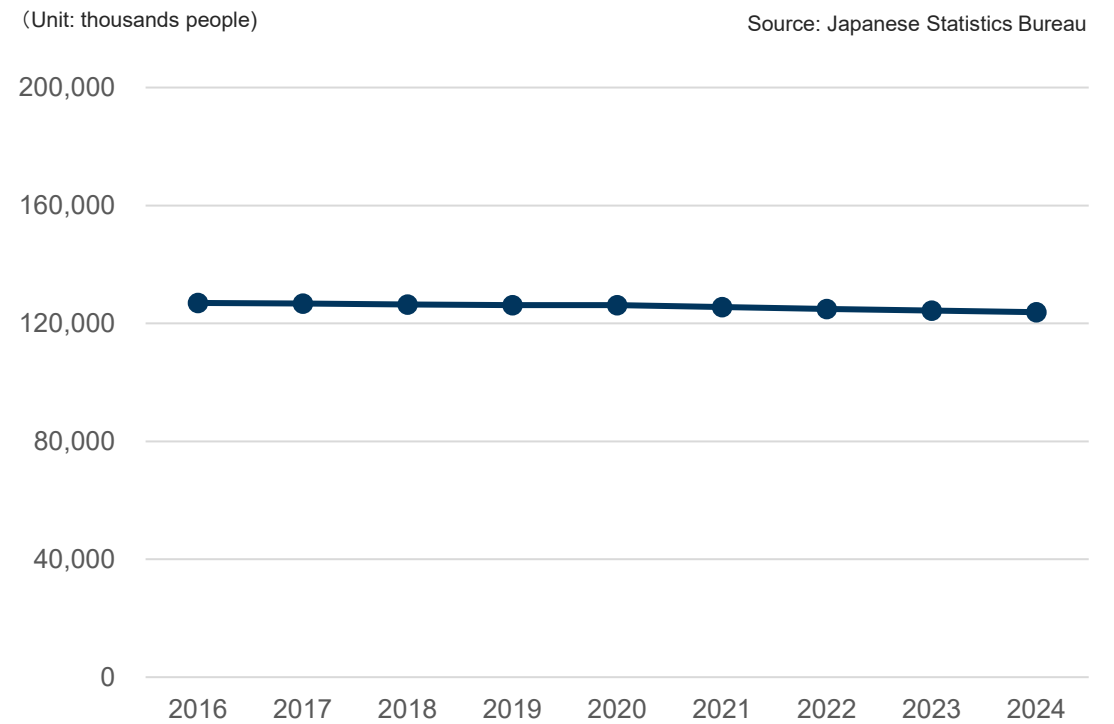
- Paint and coatings raw materials are organic chemicals derived from crude oil/naphtha as well as inorganic chemicals derived from minerals
- Many raw materials are naphtha based; Resins and solvents particularly have a high naphtha content



* Crude oil distillates: Components (naphtha, gasoline, kerosene oil, light diesel oil, etc.) obtained by fractional distillation of crude oil

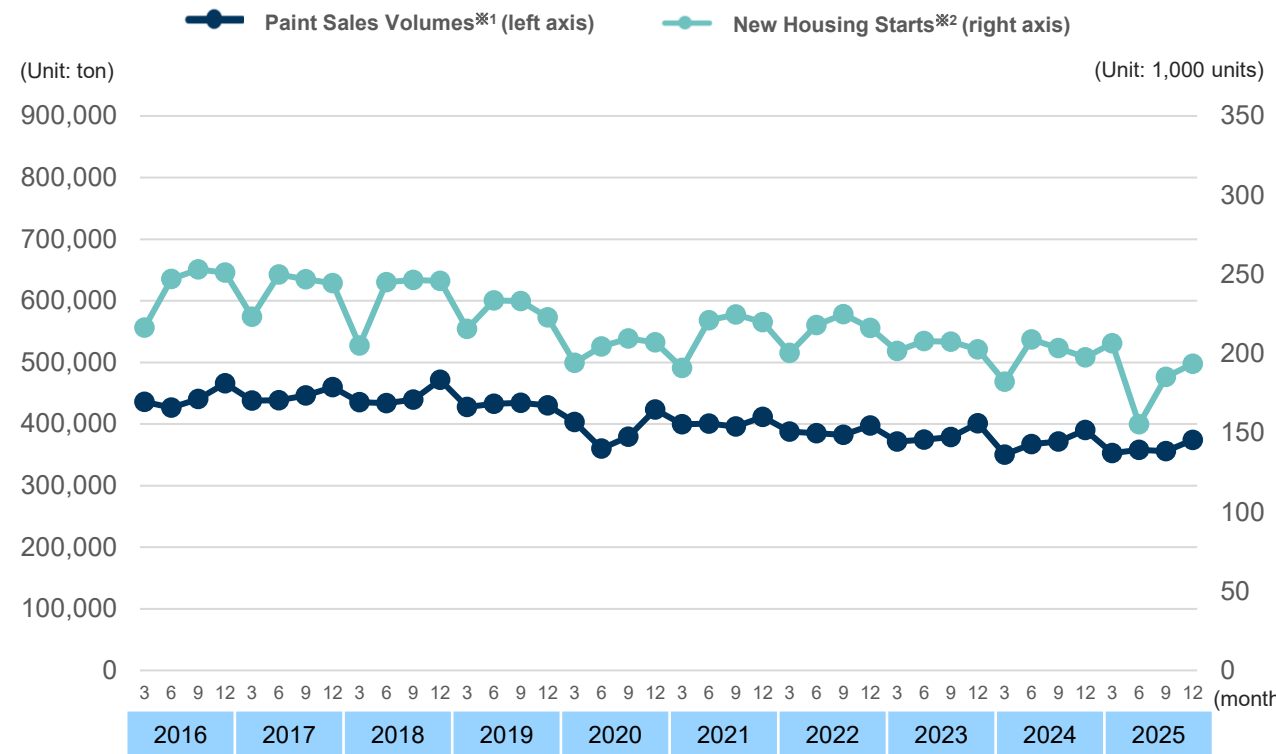
Japan Population Growth

Annual data (2016–2024)



Japan Paint Sales Volumes/
New Housing Starts

Quarterly data (2016 – 2025)

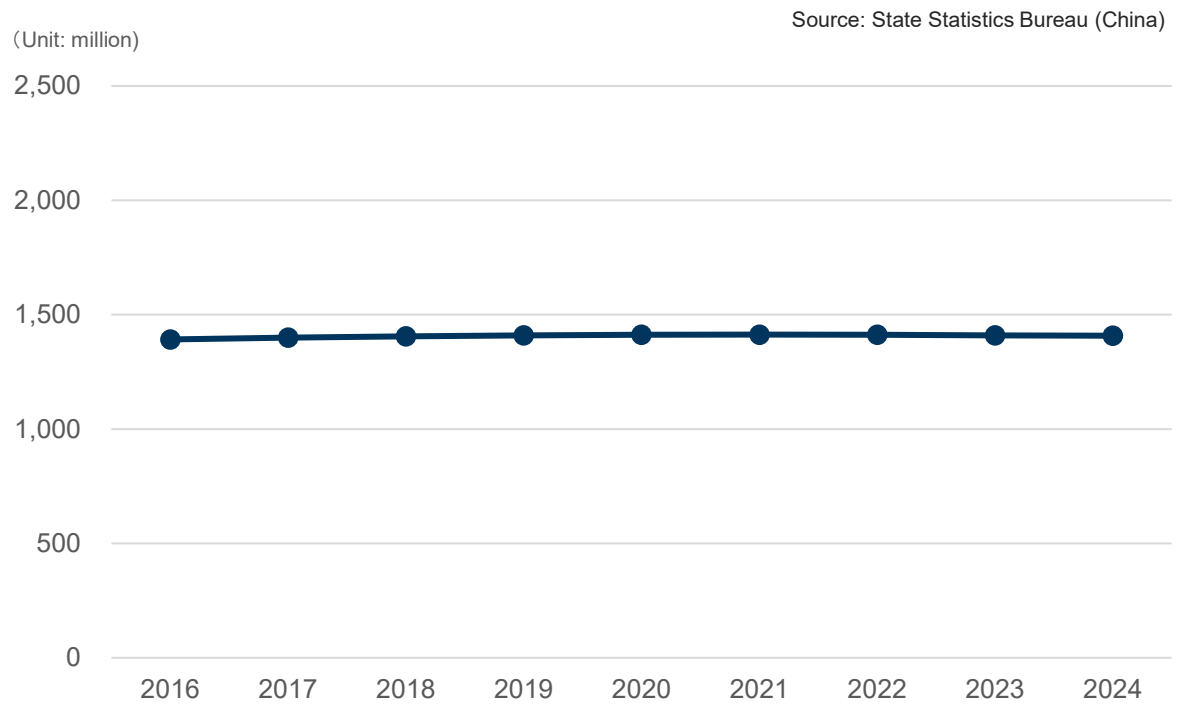


*1 Source: Japan Paint Manufacturers Association *2 Source: Ministry of Land, Infrastructure, Transport and Tourism

- Japan’s population is declining slowly due to a low birthrate and aging population
- Paint sales volumes and new housing starts have been roughly stable

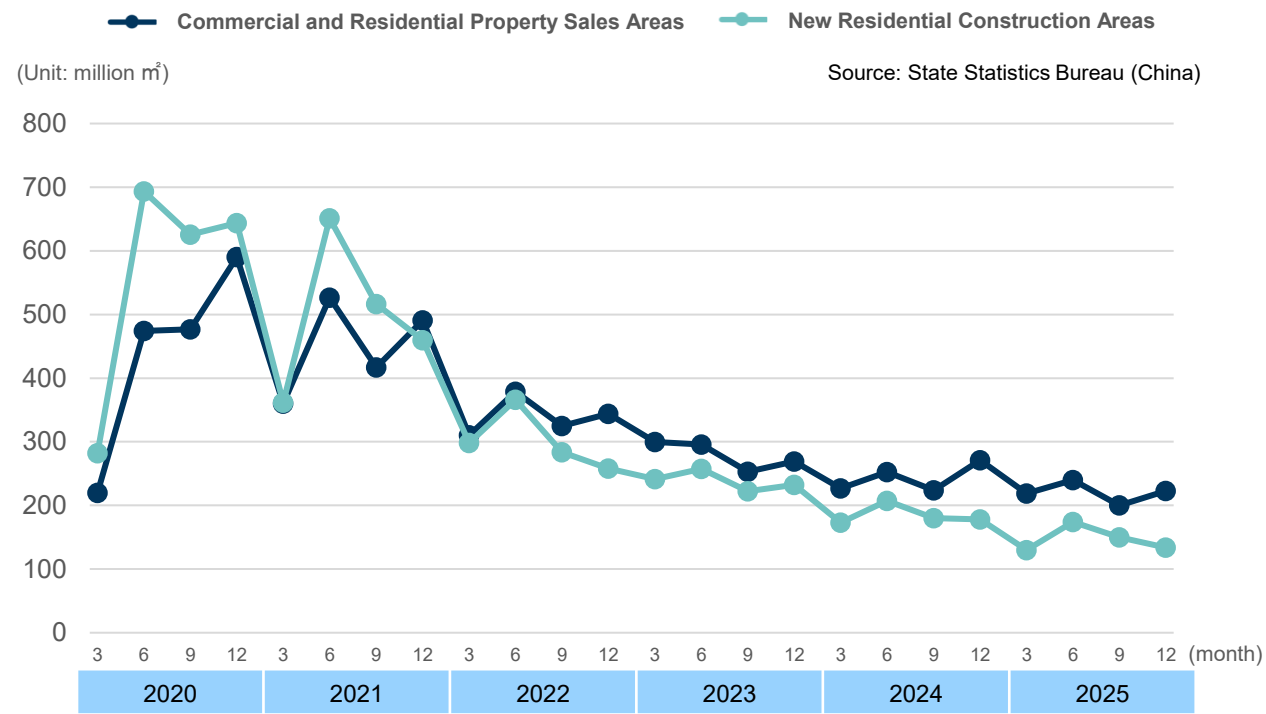
China Population Growth

Annual data (2016–2024)



China Commercial and Residential Property Sales Areas/
New Residential Construction Areas

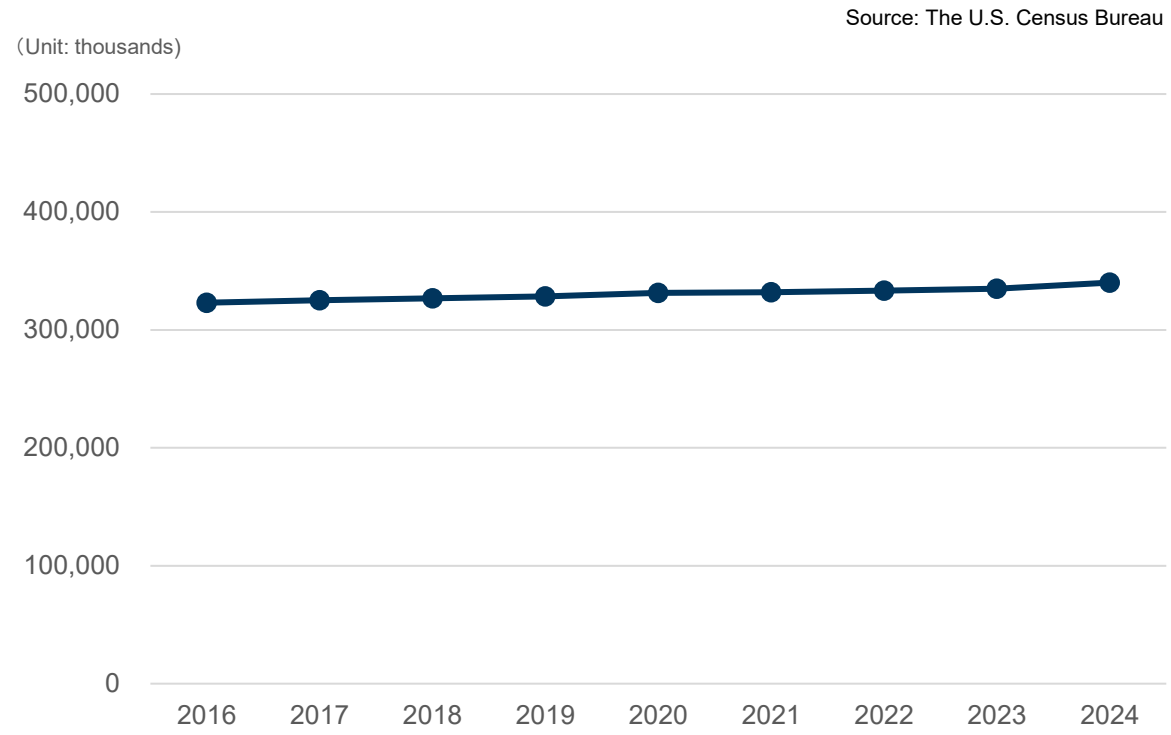
Quarterly data (2020 – 2025)



- Population growth in China has remained roughly stable
- Since 2022, the Chinese property market has experienced a prolonged downturn
- The Chinese government has introduced a variety of policy measures to stabilize market growth and build confidence in both the real estate sector and the broader economy

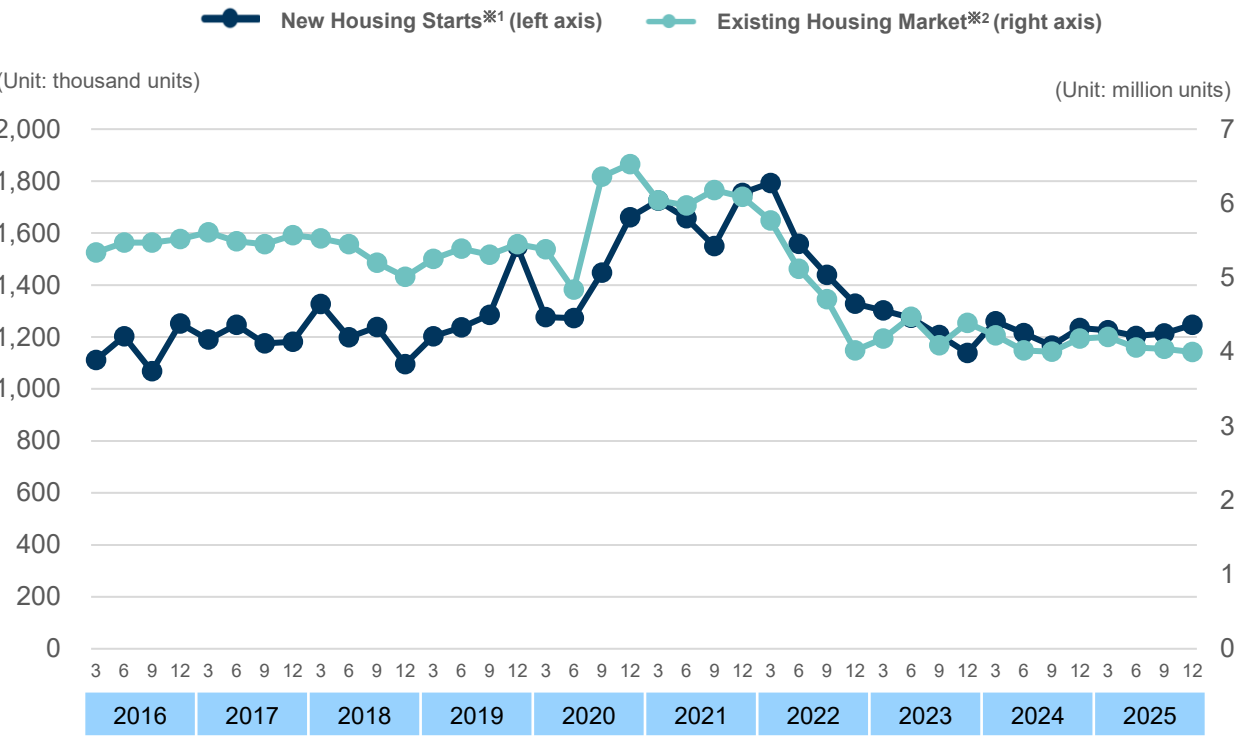
U.S. Population Growth

Annual data (2016–2024)



U.S. New Housing Starts/
Existing Housing Market

Monthly data (2016 – 2025)

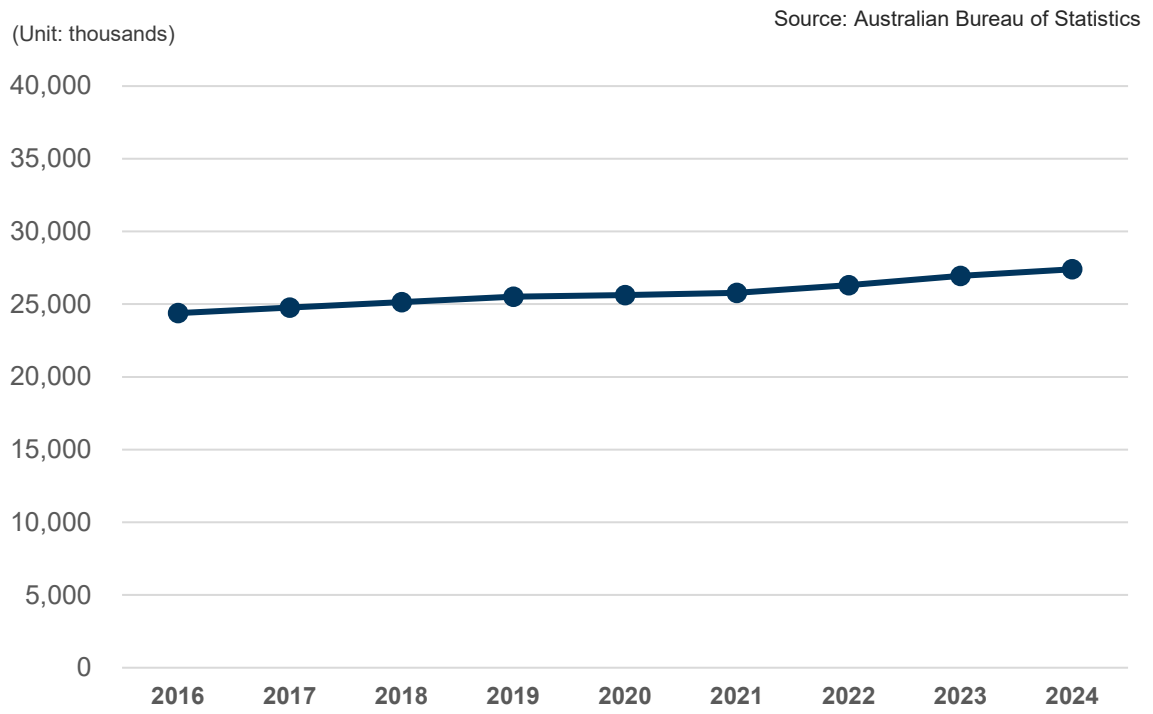


*1 Source: The U.S. Census Bureau *2 Source: The National Association of Realtors

- The population has been growing steadily because of the government’s immigration policy
- Due to high interest rates, growth in the US housing and related sectors has been softening

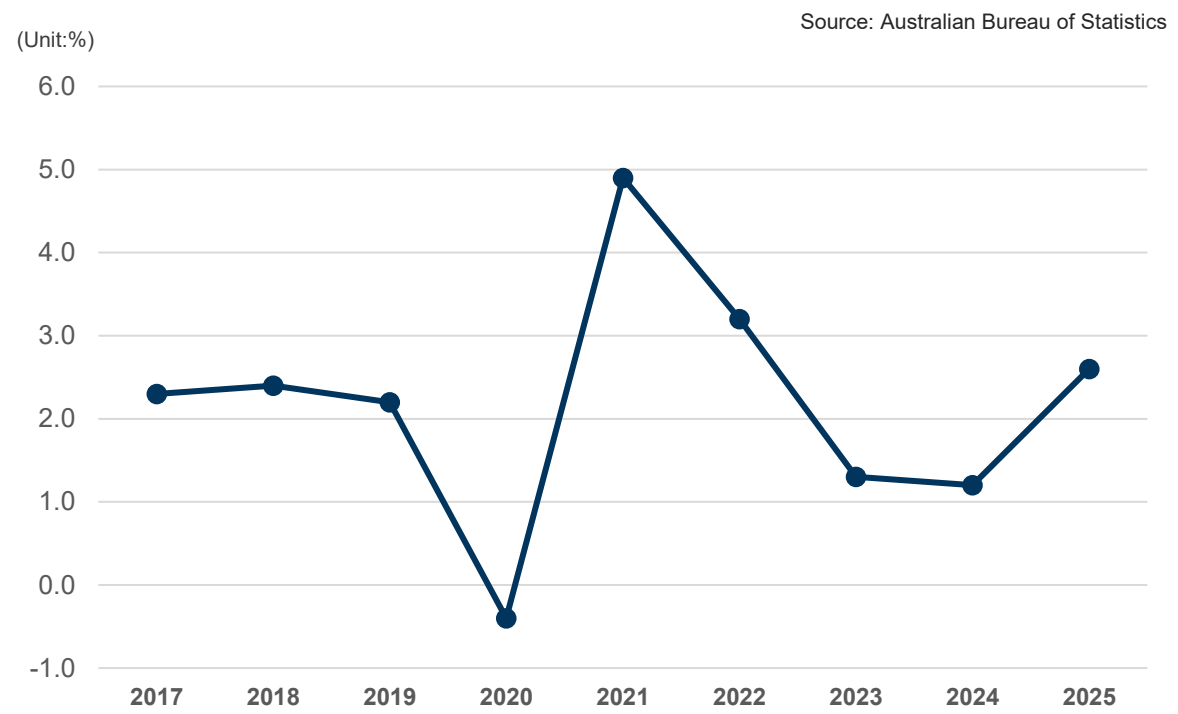
Australia Population Growth

Annual data (2016–2024)



Australia GDP, chain volume measures, seasonally adjusted (YoY growth)

Annual data (2016–2025)



- Steady population growth expected to continue
- Long term GDP average growth at approximately 2%

Asset Assembler

Asset Assembler is a business model adopted by Nippon Paint Holdings to pursue MSV. Based on this model, we will aim for accelerated growth over the medium and long term with limited risk by assembling strong brands and excellent talent through the expansion of existing businesses and aggressive M&A.

Wuthelam Group

The Wuthelam Group, founded in 1949, operates investment business. Our partnership with Wuthelam dates back to 1962, when we jointly established Pan Malaysia Paint Industries (now Nippon Paint (Singapore) Company Private Limited) in Singapore.

Maximization of Shareholder Value (MSV)

Maximization of Shareholder Value (MSV) is the sole mission of the Nippon Paint Group. We seek to create wealth by maximizing the residual shareholder value that remains after fulfilling our obligations to customers, suppliers, employees, and society.

Autonomous and decentralized management

Autonomous and decentralized management is the management structure adopted by the Nippon Paint Group. Based on Trust of Group partner companies in Japan and around the world, the Nippon Paint Group will carry out management based on delegation of authority combined with accountability, allowing our partner companies in every region to collaborate with each other pursuing autonomous growth.

Paint and Coatings Business

Our business comprises five business domains: automotive coatings, decorative paints, industrial coatings, fine chemicals, and other paints.

Adjacencies Business

Adjacencies Business provides Adjacent products, such as sealants, adhesives & fillers (SAF) and construction chemicals (CC). Similar to the paint market, the paint related market is expected to growth with construction demand. In addition, this is a capex-light business and has distribution networks that share many common features with paint distribution networks.

NIPSEA Group

NIPSEA Group is a partner company of the Nippon Paint Group and a leading paint manufacturer in Asia operating in 28 countries and regions with 114 manufacturing facilities. Established in 1962 as a joint venture between Wuthelam and NPHD in 1962, NIPSEA Group became a consolidated subsidiary of NPHD in 2014 and was fully integrated by NPHD in 2021.

Partner company

The term that refers to consolidated subsidiaries of Nippon Paint Holdings

LiBang

LiBang is the Nippon Paint Group's brand deployed in the paint market in China. This brand has been awarded the Outstanding Brand Award at the China Economic Summit for three years in a row, and has built a powerful presence backed by the Group's excellent technological and marketing capabilities, earning high levels of customer satisfaction.

NIPPON PAINT GROUP

<https://www.nipponpaint-holdings.com/en>

Contact

Nippon Paint Holdings Co., Ltd. Investor Relations

Email: ir_kouhou@nipponpaint.jp

This document is intended to provide information to investors about Nippon Paint Holdings and the Nippon Paint Group and is not prepared and released to solicit investment or any similar act in Japan and other countries. The forward-looking statements including in this document including targets, plans, estimates, forecasts, projections for Nippon Paint Holdings and the Nippon Paint Group represent our judgments and beliefs at the time of preparation.

Actual operating results, financial positions, and any other results of Nippon Paint Holdings and the Nippon Paint Group are subject to change due to risks and factors including economic conditions in Japan and other countries, business trends, competition with other companies, changes in laws and regulations, technological innovations and foreign exchange fluctuations. As a result, the actual results and performance, etc. of Nippon Paint Holdings and the Nippon Paint Group may differ significantly from the content presented herein the content inferred from the statements made herein.

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