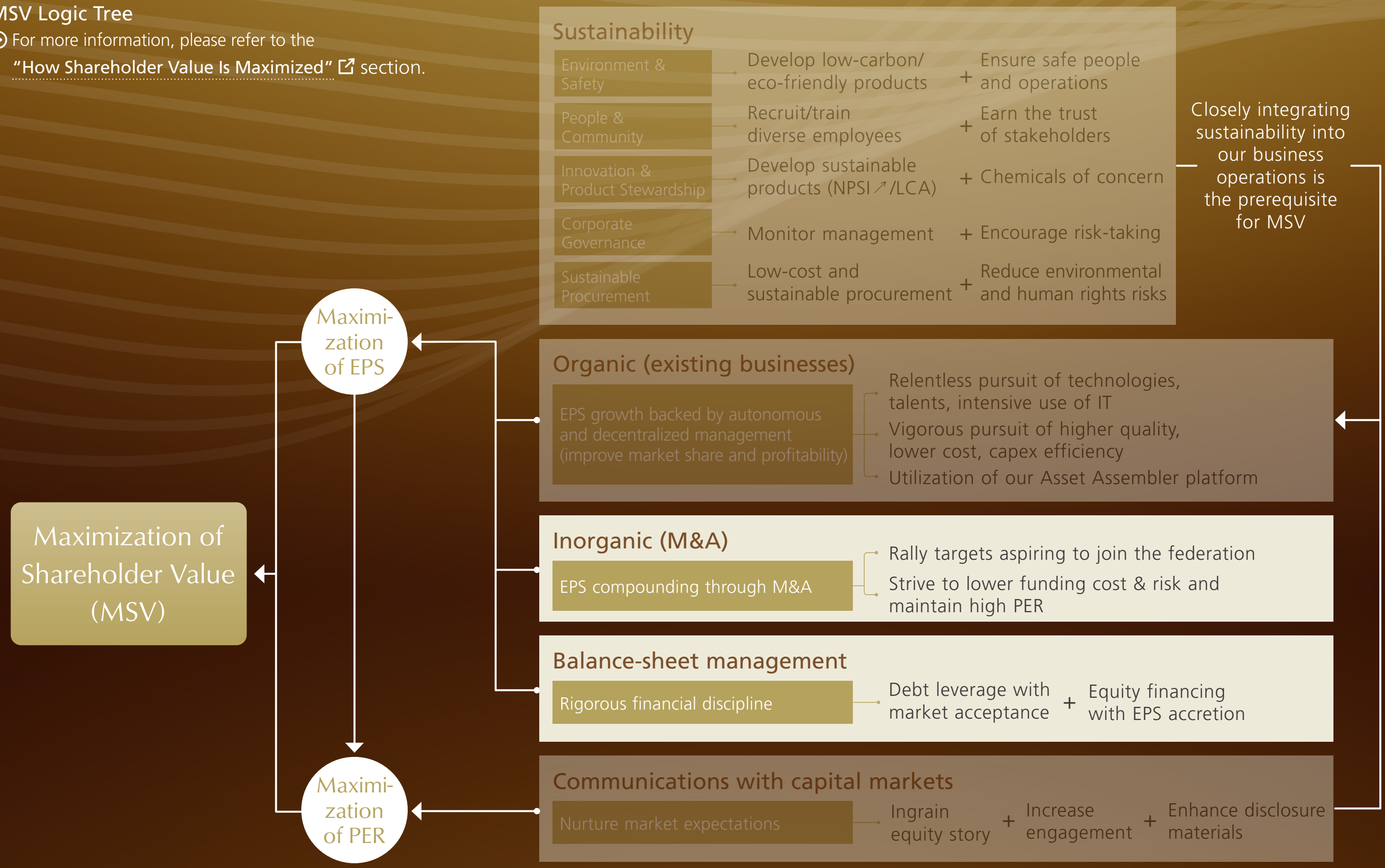
Medium-Term Strategy

MSV Logic Tree

For more information, please refer to the "How Shareholder Value Is Maximized" section.

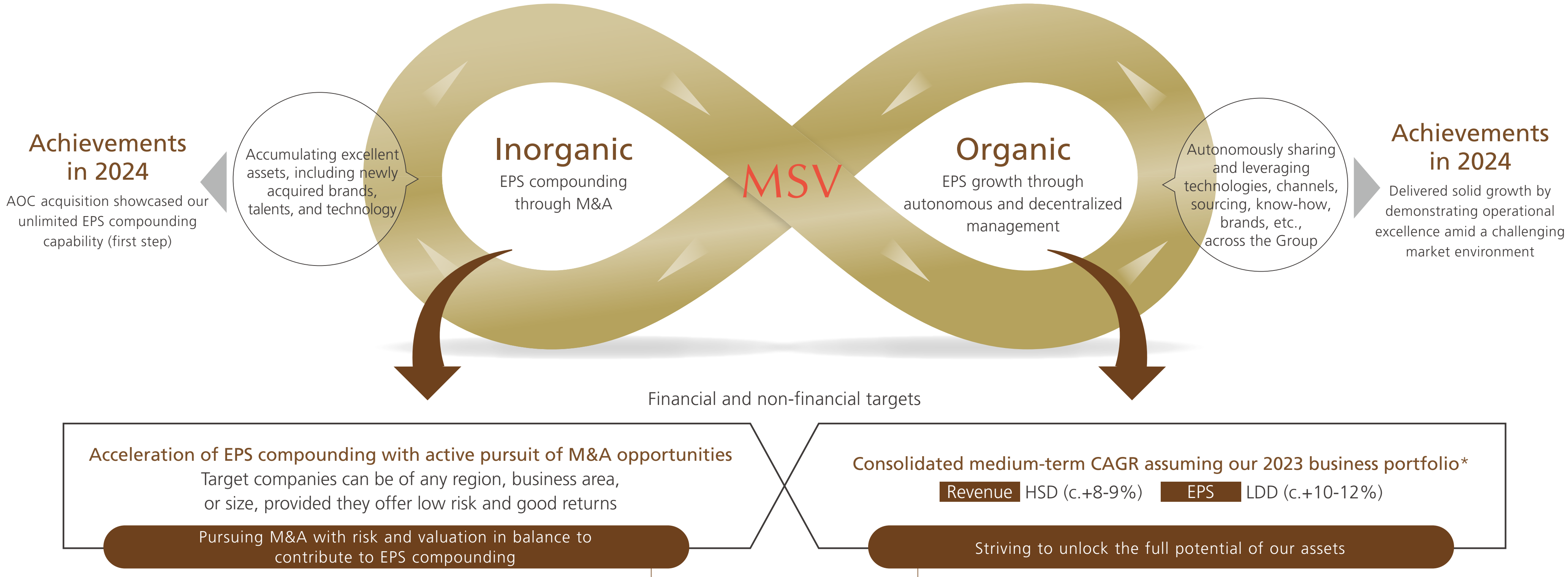


Medium-Term Strategy Updates (released in April 2025)

The enduring strength of our Asset Assembler model enables MSV in the long term

The acquisition of AOC — announced in October 2024 and completed in March 2025 — in accordance with the Medium-Term Strategy unveiled in April 2024, demonstrated our unlimited EPS compounding capability under the Asset Assembler model. Even amid a business environment that proved more challenging than anticipated, our organic businesses have demonstrated solid performance, driving steady growth through operational excellence. We are confident that, across all regions and business segments, our Group is well positioned to achieve the medium-term growth forecasts.

We remain committed to low-risk and stable EPS compounding, driven by both organic and inorganic initiatives. By consistently demonstrating our ability to deliver and sustain EPS compounding, we aim to earn strong conviction from the capital markets to enhance PER and achieve MSV over the long term.



* Including the two India businesses (NPI and BNPA) and Alina in Kazakhstan

By maintaining sustainable EPS compounding, we aim to gain conviction from the capital markets in our capacity and track record of compounding EPS, thereby serving to enhance PER

HOME
Why Invest in Nippon Paint?
Message from the Management
Our Initiatives for Maximization of Shareholder Value (MSV)
Medium-Term Strategy
Medium-Term Strategy Updates (released in April 2025)
Our Finance Strategy Presented by Co-President Wakatsuki
M&A Strategy
Case Study 1: How Joining Nippon Paint Group Unlocks Growth and Opportunity
Performance Highlights
Execution of Autonomous and Decentralized Management
Governance in Support of Risk-Taking
Corporate Information

EPS compounding through inorganic growth initiatives

AOC's acquisition embodies our Asset Assembler strategy

The consolidation of AOC, following the completion of its acquisition in March 2025, is expected to contribute significantly to EPS growth from the first year. This exemplifies our approach to M&A, where we capitalize on the advantage of a lean headquarters to pursue opportunities in any region, business domain, or scale, provided they present low risk and offer good returns, thereby enabling unlimited EPS compounding. Moving forward, we will continue to carefully balance risk and returns as we strive for safe and sustainable EPS compounding.

Asset Assembler Model P17　M&A Strategy P33

Finance strategy aimed at accelerating EPS compounding
Our Finance Strategy Presented by Co-President Wakatsuki P30
As an Asset Assembler, pursue a finance strategy to drive EPS compounding

Sustainability initiatives that drive EPS and PER
Sustainability as the Prerequisite for MSV P23
Aim to achieve MSV by increasing the earnings and capital markets' expectations via sustainability activities

Our approach to maximizing PER
Stock-Price Conscious Management P25
Elevate capital markets' expectations by effectively communicating our equity story as an Asset Assembler

EPS compounding through organic initiatives

Delivering robust growth through operational excellence amid a challenging market environment

Although the market environment in 2024 was more challenging than anticipated, our Group achieved solid growth by leveraging the strong brand power and technological capabilities of each asset through effective marketing and pricing strategies. Our Group has continued to achieve resilient growth by capitalizing on the advantage of autonomous and decentralized management. Looking ahead, we remain committed to compounding EPS by delivering market+α growth.

Growth forecast by asset

For further details including the medium-term strategy by asset, please refer to the "Medium-Term strategy Update Briefing" materials on our website.

			2024 results		Medium-term forecast (in LCY)		Market growth forecast*2	
			Revenue (YoY) (in LCY)	OP margin (Tanshin)	Revenue CAGR	OP margin (vs 2023)*1	Volume basis	Value basis
Japan			+0.1%	9.6%	+0–5%	↗	-1% (Decorative)	+1% (Decorative)
NIPSEA China	Segment total		+6.3%	11.1%	c.+10%	→		
		Decorative (TUC)	+6%		+10–15%		+3%	+1%
		Decorative (TUB)	-15%		c.+5%		+1%	+2%
NIPSEA Except China	Segment total		+13.1%*3	17.2%	+5–10%	→		
		Malaysia Grp. Singapore Grp. Thailand Grp.			+5–10%	→	Singapore +1% Malaysia +3% Thailand +2%	Singapore +1% Malaysia +5% Thailand +2%
		PT Nipsea (Indonesia)	+3.4%	34.9%	c.+10%	→	+3%	+6%
		Betek Boya (Türkiye)	+34.9%	13.2%	c.+10%	(→)*4	+1%	+7%
		NPI/BNPA (India)	(For reference) +0.8%*5	(For reference) 4.2%*5	c.+10%	→	+5% (Decorative)	-2% (Decorative)
		Alina (Kazakhstan)	(For reference) +8.1%*6	13.2%*7	c.+10%	→	+3%	+4%
DuluxGroup	DGL (Pacific)		+4.5%	13.3%	c.+5%	→	~+1%	+2–2.5%
	DGL (Europe)		-2.3%*8	4.9%	+5–10%	↑	~+1% (France)	+1–3% (France)
Dunn-Edwards			+4.8%		c.+5%	↑	+2% (overall U.S.)	+5% (overall U.S.)
AOC*9			(For reference) -8.9%	(For reference) 30.7%	c.+5%	→	+3% (U.S.) / +3% (Europe)	+5% (U.S.) / +5% (Europe)

*1 ↑: ≧+2%, ↗: +1%–+2%, →: -1%–+1%, ↘: -1%–-2%, ↓: ≦-2% *2 Internal estimates and value basis include the impact of volume changes *3 Excluding India businesses (NPI/BNPA) and Alina *4 Subject to change due to the impact of hyperinflationary accounting *5 Pro-forma figures (unaudited). The 2024 results are annualized figures *6 The 2023 results are Pro-forma figures (unaudited) *7 Including inventory step-up costs (one-off expenses) associated with PPA *8 Excluding six-month earnings of NPT
*9 FY2024 results are pro-forma figures (unaudited). PPA reflects our current assumptions but excludes one-off costs such as inventory step-up. M&A expenses related to the AOC acquisition are excluded. To align with our post-acquisition profit and loss profile, expenses such as payments to India businesses in EMEA and affiliated companies of former shareholders are also excluded

Our Finance Strategy Presented by Co-President Wakatsuki

Driving EPS Compounding Through Our Finance Strategy

Yuichiro Wakatsuki
Director, Representative Executive Officer & Co-President

MSV Logic Tree

For more information, please refer to the "How Shareholder Value Is Maximized" section.

Our pursuit

Rigorous financial discipline | Debt leverage with market acceptance + Equity financing with EPS accretion

Executive Summary

1. ROIC is one of our key financial metrics, and the capital efficiency of both acquired and existing businesses has been improving year by year
2. With M&A as a cornerstone of our growth strategy and ROIC being affected by goodwill recognized in acquisitions, an approach overly focused on ROIC does not align with MSV
3. Our capital allocation policy prioritizes growth-oriented investments (M&A), and we have adopted a progressive dividend policy
4. While share buybacks remain an option, we have determined that allocating capital to M&A contributes more to MSV, given the abundance of attractive investment opportunities

Our consolidated ROIC performance

In 2024, our consolidated Return on Invested Capital (ROIC) was 7.3%, representing a slight improvement over the previous year (see Figure A). This improvement was primarily attributed to (1) an improvement in ROIC due to limited increment in goodwill absent large-scale M&A activities in 2024, and (2) higher after-tax operating profit driven by business growth. Our Weighted Average Cost of Capital (WACC) is estimated to be around 5-6%.

Over the past five years, while EPS has steadily increased, ROIC has remained static in the range of 5-7%. This stability is largely due to the recognition of goodwill associated with our active M&A activities. We consider this to be inevitable for a company that places M&A as a pillar of its growth strategy. Furthermore, invested capital has increased annually, and after-tax operating profit has risen steadily over the five years through 2024.

Figure A ROIC/Invested capital/After-tax operating profit

	2020	2021	2022	2023	2024
ROIC (disclosed basis)	6.6%	5.5%	5.4%	7.2%	7.3%
Invested capital (billion yen)	1,008.2	1,398.0	1,729.7	1,852.5	2,081.2
After-tax operating profit (billion yen)	68.0	68.1	85.1	124.3	133.0

* ROIC: After-tax operating profit/(Net Debt + Total equity)
* A uniform effective tax rate of 24% is applied to each year, based on the average consolidated effective tax rate for prior years
* Invested capital = Net debt + Equity (including ownership of non-controlling shareholders)
* Net debt = "Bonds and borrowings" + "Total other financial liabilities (current and non-current)" – "Cash and cash equivalents" – "Other financial assets (current)"

Our approach to ROIC

We have noticed increased interest from our investors concerning our approach to ROIC. To address this, I would like to clarify our basis by answering the following questions.

— Are we acquiring companies with high capital efficiency?

Our strength as an Asset Assembler lies in our ability to consistently make safe acquisitions. While our goal is to maximize long-term and sustainable EPS through these acquisitions, we believe that a strategy overly focused on improving ROIC does not optimally utilize our platform nor align with our overall strategy. I would like to emphasize that the companies we acquire (1) operate their businesses with high capital efficiency relative to the invested capital, such as working capital and capital expenditure, and (2) generally present low business risks and high safety due to their stable business models, strong brand power, and quality management teams.

Please refer to Figure B "ROIC of major acquired assets." Since we are allocating capital entrusted to us by investors for acquisitions, our standard procedure is to examine the respective ROIC of each acquisition. Our goal is to achieve an ROIC that surpasses the assumed WACC within a few years post-acquisition. Indeed, the major five companies we acquired since 2019 have either already seen their ROIC exceed the WACC or are on a steady path towards this goal, with all demonstrating year-on-year improvements in their ROIC.

There is a common perception that companies actively engaged in M&A carry significant risk. However, a unique characteristic of our business is its high efficiency: we generate cash and profits locally, and our capex requirements are relatively low. As we consistently acquire such safe companies, our Group, even with the inclusion of goodwill in our consolidated accounts, can be confidently described as a collection of very low-risk assets.

— How should we interpret your strategy for returning value to shareholders? Are there any plans to enhance shareholder payouts?

During our dialogues with investors, some have expressed a desire for double-digit expected growth rates. We note that our business domain generates substantial cash flow that can be deployed towards share buybacks, rather than undertaking M&A, which will consistently improve ROIC. Indeed high-ROIC paint manufacturers can demonstrate a scenario of achieving double-digit growth through a combination of single-digit organic EPS growth and share buybacks.

On the other hand, as outlined in our Medium-Term Strategy, we already have the potential for double-digit growth, with a medium-term consolidated CAGR target of 10-12% organic growth in EPS without any share buybacks. The substantial cash flow generated is primarily allocated towards M&A that contribute to the maximization of long-term EPS. We aim for exceptional growth with 10-12% organic EPS growth, plus additional upside through M&A contributing to EPS from Year 1 post-acquisition.

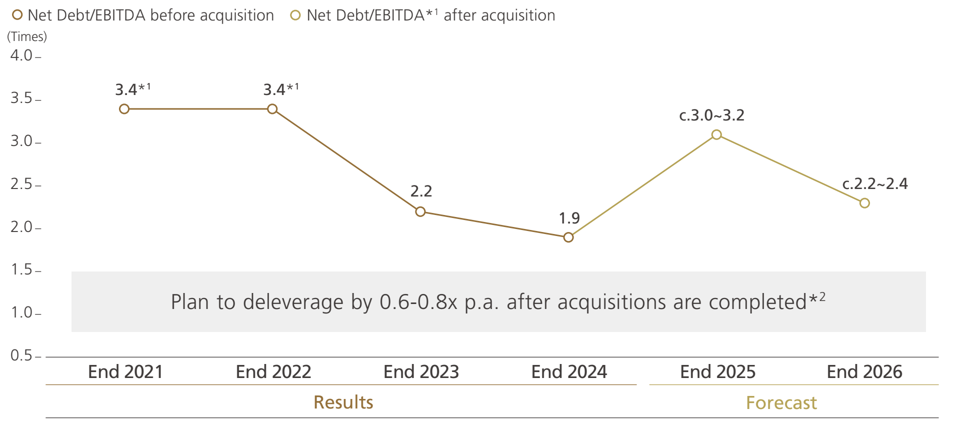
Based on this strategy, our approach to returns is twofold: (1) to expand the basis of EPS growth through M&A rather than focusing on short-term shareholder returns, and (2) to reserve cash flows as dry powder (standby funds) for future M&A, even if this reduces leverage in the short term.

Figure B ROIC of major acquired assets*

	2020	2021	2022	2023	2024
DGL (Pacific)	3.7%	4.4%	5.6%	5.8%	7.0%
Betek Boya	7.4%	9.9%	7.9%	11.8%	16.4%
PT Nipsea	-	3.8%	5.3%	6.6%	7.1%
Cromology	-	-	2.5%	2.9%	2.8%
JUB	-	-	-	5.7%	6.6%

* ROIC after-tax operating profit (after PPA amortization of intangible assets)/acquisition cost (excluding goodwill but including transfer consideration and subsequent capital increase, etc.), converted into Japanese yen using actual exchange rates
* The ROIC calculation for DGL (Pacific), Betek Boya, and JUB excludes Year 1 as these companies were acquired during the fiscal year
* None of these companies incurred any acquisition-related costs in Year 1
* Until 2023, the DuluxGroup figures represented the consolidated total excluding Cromology and JUB. For 2024, the figure represents DGL (Pacific) only, with DGL (Europe) excluded from the consolidated total
* For Betek Boya, the statutory tax rate for 2024 is applied to each fiscal year, due to abnormal tax rates resulting from the application of hyperinflationary accounting. For other companies, the average statutory effective tax rate for prior years is applied to each year

Figure C Pro-forma leverage



*1 Excluding one-off items
*2 Assuming no additional acquisitions

Within our Asset Assembler model, we do not set limitations on the business areas, regions, or scale of our M&A targets as long as they are low-risk and offer good returns. Given the abundance of safe targets that contribute to EPS, we believe our policy and strategy are justifiable. As we naturally consider ROIC as one of the key indicators, we are dedicated to achieving organic profit growth and shortening Cash Conversion Cycle (CCC). However, we believe it is not appropriate to rely solely on consolidated ROIC to evaluate the potential of our Company.

Our financial discipline

Our financial discipline focuses on prioritizing debt financing while preserving leverage capacity to maintain access to low-cost funding. Recognizing the crucial importance of fostering a clear understanding of our risk profile among financial institutions and rating agencies, we are facilitating active dialogue with these entities and enhancing our disclosure materials.

Balance sheet management

In terms of balance sheet management, we have established CCC as one of the key performance indicators. Each partner company is working to shorten CCC by reviewing transaction terms within each region and business segment. While our CCC in 2024 reflects a rebound following significant improvement in NIPSEA China's CCC in 2023, we have continued to see a steady historical improvement, particularly in Japan and Asia.

Our fixed assets (tangible and intangible assets, goodwill) have been increasing primarily due to M&A activities, and we proactively monitor these assets with an emphasis on efficiency and profitability. Regarding goodwill, we strive to minimize impairment risks by selecting cash-generating target businesses, ensuring smooth post-merger integration (PMI) through our autonomous and decentralized management approach, and consistently pursuing high-quality M&A at reasonable valuations.

We have maintained strong cash generation capabilities, and our asset portfolio consists entirely of partner companies that are fundamentally capable of autonomous growth and stable cash generation. In terms of financial leverage, strong cash generation driven by revenue growth in 2024 brought our net debt/EBITDA ratio down to 1.9 times at year-end (see Figure C). Although this ratio is expected to rise to 3.0-3.2 times at the end of 2025 due to the acquisition of AOC, we anticipate it will return to 2.2-2.4 times by end of 2026, roughly in line with the level at the end of 2023, prior to the AOC acquisition. Our financial soundness remains robust, even compared to the track record of our competitors. Moving forward, while retaining ample debt capacity to seize new opportunities, we will strive for an optimal capital structure and work towards fostering trust and creditworthiness with financial institutions and rating agencies.

Capital allocation

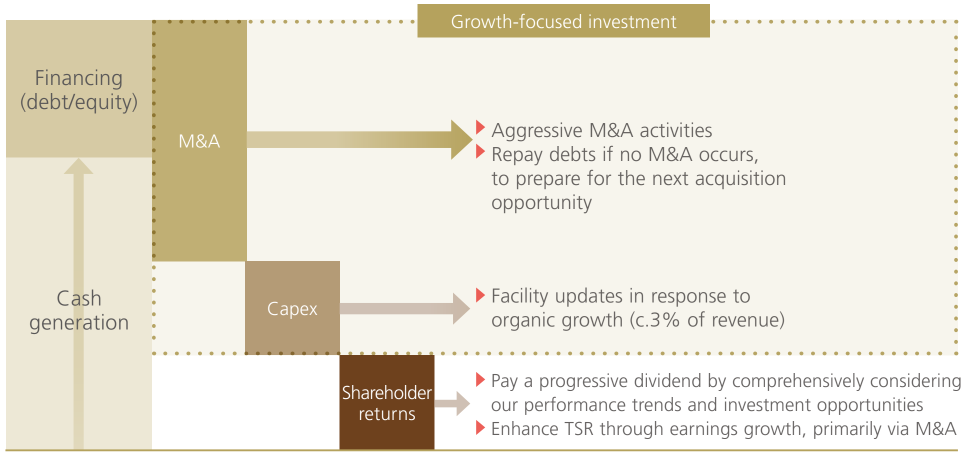
Our capital policy prioritizes growth-oriented investments while maintaining financial discipline, with the primary objective of sustainable and long-term maximization of EPS, ultimately leading to the maximization of PER (see Figure D).

We deploy capital expenditures aimed at securing future sustainable growth noting the burden of capital investment is relatively small, accounting for only around 3% of revenue, mostly in maintenance capex. We maintain a disciplined approach to new investment initiatives aimed at enhancing production capacity, reinforcing digital transformation (DX), and advancing research and development across all regions and business segments. Consequently, M&A remains our most capital-intensive investment. In line with our Asset Assembler model, we will continue to focus on accumulating high-quality, low-risk M&A at reasonable valuations.

Regarding dividends, we currently follow a progressive dividend policy, whereby dividends will be maintained or increased with no reductions as a general principle, taking into comprehensive consideration our performance trends and investment opportunities. With significant EPS growth anticipated from the AOC acquisition, we are prioritizing debt repayment to prepare for future acquisition opportunities that can contribute to EPS, rather than adhering to our previous target payout ratio of 30%.

Share buybacks remain an option; however, we objectively assess the relative contribution to MSV by comparing investment in our own shares with investments in potential M&A candidates. Given the abundance of attractive investment opportunities currently available, the appeal of share buybacks is lower, hence no buyback was implemented last year.

Figure D Our capital allocation strategy



M&A Strategy

Harnessing the competitive advantage of our Asset Assembler model to accelerate EPS compounding through active pursuit of M&A opportunities

MSV Logic Tree

For more information, please refer to the "How Shareholder Value Is Maximized" section.

Rigorous acquisition criteria

Acquisition targets

- Companies that present low-risk and good returns
- Companies led by excellent teams
- EPS accretion from Year 1

Our strengths

- The ability to identify good acquisition targets
- Autonomy and accountability
- Sustaining and enhancing the motivation of management talents who join our Group
- Access to low funding costs

No limitations on M&A target areas, regions, or scale

We believe, by leveraging the competitive advantage of our Asset Assembler model, we should be able to compound EPS with limited risk, without setting limitations on the business areas, regions, or scale of our M&A targets. Our strategic considerations are not confined to the paints and adjacencies areas. We remain open to every opportunity that promises to contribute to MSV. In that context, the acquisition of AOC, announced in October 2024, represents a significant milestone in fully realizing the Asset Assembler strategy and demonstrating its potential.

Rigorous acquisition criteria that minimize risk

When selecting M&A targets, our sole criterion is whether they contribute to MSV. We specifically focus on companies that: 1) present low-risk and good returns, 2) have an excellent management team, and 3) generate good cash flows. Essentially, our acquisitions are centered around what we term "good companies." We place considerable emphasis on financial discipline, particularly ensuring that a newly acquired company contributes to EPS accretion from Year 1. This reflects our meticulous approach to pursuing low-risk M&A.

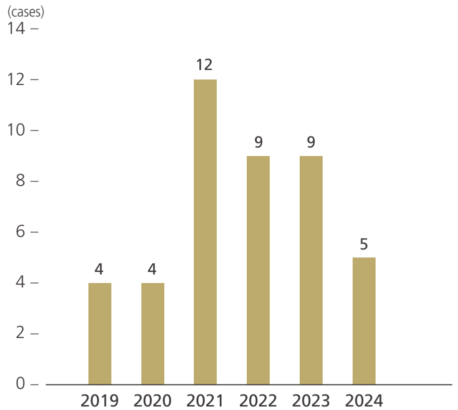
Our strengths driving inorganic growth

Our strengths in M&A lie in four areas: 1) the ability to identify good targets, 2) maintaining autonomy and accountability, 3) sustaining and enhancing the motivation of management talents that join our Group, and 4) proactively leveraging low funding costs. By capitalizing on these strengths, we have successfully avoided any impairment losses on acquisitions made since 2019. Our Co-Presidents and Directors with extensive experience in M&A apply their sharp judgment to discern the true potential of acquisition targets and the qualifications of their CEOs. Additionally, by empowering partner companies to fully utilize our Group's platform, we unlock their growth potential. This approach drives synergies that fuel the growth of both our existing businesses and newly acquired companies.

New M&A opportunities brought about by Asset Assembler model

Unlike the cost-cutting approach typically seen in Western companies, our approach has been generating new opportunities thanks to our proven track record and solid reputation. We have observed a growing interest from growth-focused local CEOs in joining our Group, as this allows them to fully demonstrate their management skills. Additionally, our commitment to respecting the legacy, brands, and leadership of target companies—more so for private ones—appeals to asset owners who have a strong attachment to their companies and are seeking a seamless transition to the next generation. We remain committed to pursuing M&A transactions, provided they present low risk and offer good returns aligning with MSV.

M&A* transactions



* Including small-scale business acquisitions (undisclosed) across different regions and business segments

Growth since joining our Group

	2019-2024		
	CAGR of revenue	CAGR of operating profit	Market share
DGL (Pacific)	+13.0%	+15.7%	48% → 50%
Betek Boya	+27.0%	+30.7%	27% → 35%
PT Nipsea*	+21.0%	+22.1%	17% → 19%

* Comparison covers 2020-2024

1 *Case Study*

How Joining Nippon Paint Group Unlocks Growth and Opportunity

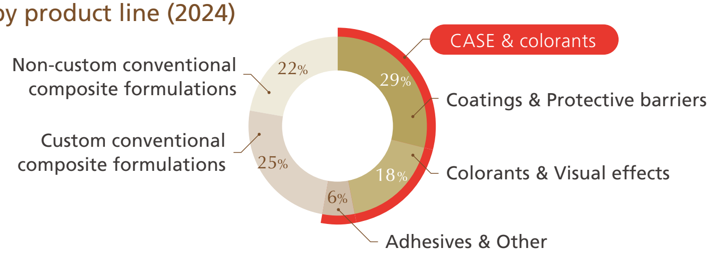
What were the context and decisive factors behind joining Nippon Paint Group? How do partner companies aspire to thrive under the Group's MSV mission?
–In Case Study 1, CEOs of recently acquired partner companies reflect on the journey leading up to the acquisition and share their vision for future growth.

AOC at a glance

Key operational and financial profile

1. AOC is a leading formulator of CASE (Coatings, Adhesives, Sealants, and Elastomers) & colorants solutions
2. Excellent margin profile consistent with highly-customized products, an advantaged offering, and differentiated service
3. Scalable business systems poised for further value creation
4. Controllable and multi-faceted growth opportunities in excess of the market
5. Best-in-class cash-flow generation and financial profile
6. Exceptional management team with a strong track record of value creation

Volume by product line (2024)



AOC

AOC Trusted Solutions

Joe Salley
Chief Executive Officer

In the first meetings with Chairman Goh Hup Jin and Co-Presidents Yuichiro Wakatsuki and Wee Siew Kim, I immediately recognized there would be a good cultural fit between NPHD and AOC. For example, we share a strong belief that, after first taking care of the needs of our customers, colleagues, and other stakeholders, our singular focus is maximizing shareholder value. We encourage initiative, entrepreneurship, and collaboration.

I was particularly impressed with Nippon Paint Group's strong appetite and ability to grow. Leadership recognizes the merits of high-quality companies with strong management teams and allows them to operate with relative autonomy in pursuit of organic and inorganic growth. I asked Chairman Goh, "What would you like us to accomplish?" He replied, "The better questions are what would you like to accomplish and why? And how can we help?"

I anticipate that AOC will thrive under the Nippon Paint Group umbrella. Immediately upon joining Nippon Paint Group, our discussions with leadership have focused on maximizing shareholder value and accelerating EPS growth. In parallel, we received inbound calls from leaders within the partner companies around the globe offering to help, inviting us to pursue joint opportunities, and seeking shared learning.

AOC has demonstrated that our Business Systems can drive organic and inorganic growth while delivering superior value for our customers, growth opportunities for our associates, and strong returns for our shareholders. But we have much further to go on this journey. Harnessing Nippon Paint Group's resources, access to capital, and the Asset Assembler model will help ensure our continued success in this journey.

DuluxGroup

Patrick Houlihan
Chairman and
Chief Executive Officer

With origins going back to 1918, DuluxGroup has grown through a range of ownerships including as part of global giant ICI world paints up until 1997. DuluxGroup had been a successful company listed on the Australian Securities Exchange (ASX) for almost ten years, consistently growing profit and dividends every half-year and outperforming the market in terms of total shareholder returns, when Nippon Paint Holdings approached us in 2019. Given our success and growth plans, we weren't looking to sell the company. But when we sat down with Mr. Goh Hup Jin, Mr. Wee Siew Kim and other executives from Nippon Paint Holdings we were presented a compelling offer which our shareholders ultimately accepted. At the same time, it was made clear we would have the opportunity to in fact accelerate our growth ambitions aligned to Nippon Paint Group's sole mission: Maximization of Shareholder Value (MSV). That has proven to be true.

I remember meeting with Mr. Goh and he asked me what we (as the DuluxGroup management team) wanted to do and why, with Nippon Paint Holdings as the shareholder. As long as it was consistent with the MSV mission, we knew we would have the support and resources needed to pursue our strategic growth ambitions. Based on the Asset Assembler model, which is about decentralized management, partner companies have strategic autonomy alongside accountability. Accountability is important, it is how we are accustomed to operating – with discipline, rigor and strong governance to ensure that we deliver what we say and that we do it in a way consistent with our values and our obligations to our stakeholders, including our shareholders, customers, employees and the communities in which we operate.

Nippon Paint Group's global scale and resources, combined with its autonomous partner company model, has provided us opportunities to leverage DuluxGroup's capability to grow in a way that would have been very challenging previously. This has been embraced by our top 200 leaders, almost all of whom remain with us today. Just five years later, DuluxGroup has doubled in size, added more than 25 new businesses, established a material paints & coatings position in Europe and grown from approximately 4,000 to more than 8,000 employees. In the five years leading up to joining Nippon Paint Group in 2019, DuluxGroup's operating profit CAGR was approximately 4%; in the five years following 2019, it increased to approximately 12%. The majority of that growth has come from year-on-year organic growth, which has been complemented by bolt-on acquisitions and transformational acquisitions such as JUB Group in central Europe and Cromology in western Europe.

We have retained that long-established ability to generate above-market growth in our existing businesses, year in, year out. For the 15 years leading up to being acquired by Nippon Paint Holdings, our Dulux business in Australia consistently delivered compound annual revenue growth of just under 5% in a mature market that grows at about 1% a year in volume terms, and it has consistently maintained its solid operating profit margin throughout, while growing its market share. Delivering that "granularity of growth" remains critical and we have continued that as part of Nippon Paint Group.

The fundamentals of what drives our success have not changed. Investment in premium brands, innovation, strong relationships with our retail and trade customers all supported by highly skilled and engaged employees are at the heart of DuluxGroup's track record of profitable growth.

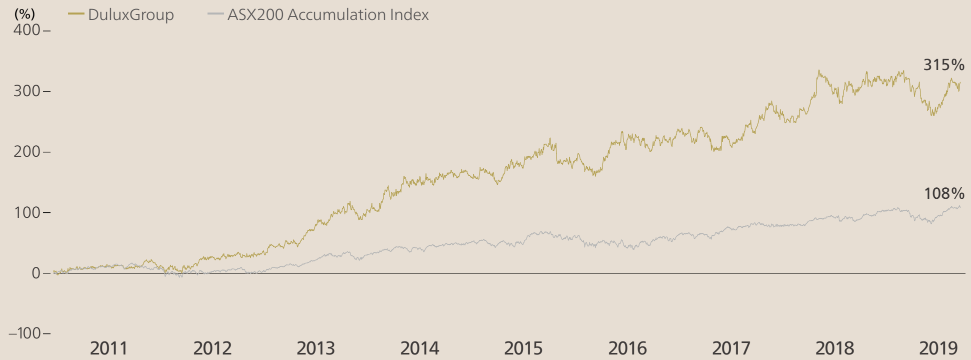
That existing capability is now complemented by the ability to collaborate with other Nippon Paint Group partner companies – accessing the combined strength of the entire group - to drive success in our existing and more recently acquired businesses. For example, our ANZ leading Selleys business has combined its technological knowhow and extensive product portfolio with NIPSEA Group's superior local market knowledge, reach and expertise to accelerate Nippon Paint Group's growth into Asia's sealants, adhesives and fillers (SAF) markets.

With our minds firmly set on *profitable* growth, we are energized about the opportunities ahead. We have ambitious targets and our medium-to-long-term growth strategy, aligned to the MSV mission, is focused on three clear pillars:

1. Continue our consistent track record of delivery in **Dulux Pacific Paints & Coatings**, focusing on the fundamentals and granularity of growth.
2. Accelerate **DGL Europe Paints & Coatings** growth platform, including step-changing Cromology France (leveraging Dulux Pacific capabilities) while continuing to grow both Cromology in Southern Europe and JUB in Central Europe.
3. Support **Nippon Paint Group's global SAF growth**, including by leveraging Selleys ANZ capability and NPT Italy's technology platform and enabling NIPSEA Group's growth of Selleys Asia.

In doing so, we will continue to collaborate across Nippon Paint Group in terms of best practice and capability sharing.

TSR since demerger and prior to Nippon Paint takeover premium



Performance Highlights

Consistent results driven by resilient business model and earnings power across assets

Achievement rate of original guidance (2020-2024)

Revenue (billion yen)	2020*	❶ 2021	❷ 2022	2023	2024
Original guidance	720.0	890.0	1,200.0	1,400.0	1,600.0
Year-end results	781.1	998.3	1,309.0	1,442.6	1,638.7
Overachievement rate	+8%	+12%	+9%	+3%	+2%

Operating profit (billion yen)	2020*	❶ 2021	❷ 2022	2023	2024
Original guidance	63.0	87.0	115.0	140.0	184.0
Year-end results	86.9	87.6	111.9	168.7	187.6
Overachievement rate	+38%	+1%	-3%	+21%	+2%

EPS (yen)	2020*	❶ 2021	❷ 2022	2023	2024
Original guidance	15.59	29.17	34.49	41.73	52.80
Year-end results	27.83	29.41	33.82	50.45	54.22
Overachievement rate	+79%	+1%	-2%	+21%	+3%

❶ 2021: Guidance revised downward at mid-term
(Factors) COVID-19, raw material inflation, chip shortage, etc.
❷ 2022: Guidance revised downward at mid-term
(Factors) Increase in provision in China, hyperinflationary accounting in Türkiye, etc.

* Original guidance announced in May 2020; EPS was calculated using the number of shares after stock split; year-end results are before retroactive adjustments

Agile execution of corporate actions

- Asian JVs fully integrated and Indonesia business acquired (January 2021)
- Adopted a Co-President structure led by Yuichiro Wakatsuki and Wee Siew Kim (April 2021)
- European automotive and India businesses transferred to Wuthelam Group (August 2021)
- International secondary offering (January 2022)

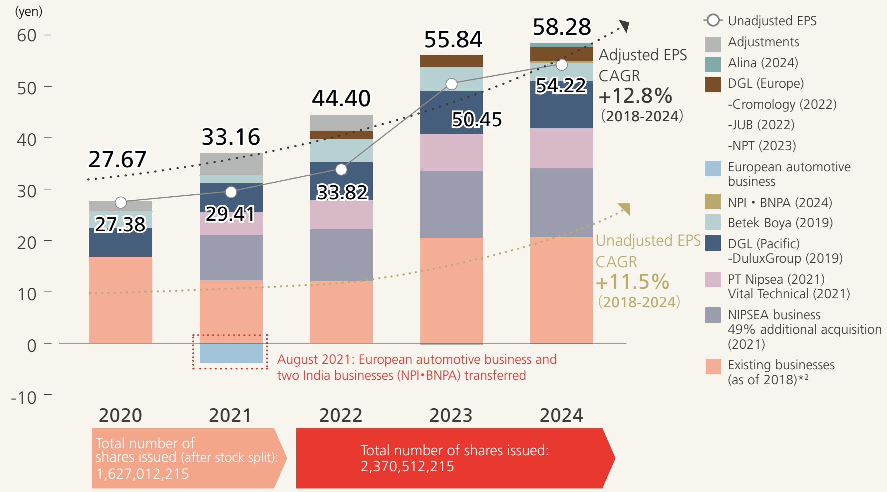
Japan Group profitability improvement
- Nippon Paint Corporate Solutions (NPCS) established (January 2022)

Asset accumulation through M&A
- Vital Technical (March 2021)
- Cromology (October 2021)
- JUB (October 2021)
- Chinese automotive JVs (November 2021)
- NPT (February 2023)
- Buyback of India businesses from Wuthelam Group (August 2023)
- Alina (November 2023)
- AOC (October 2024)

Sustainability
- Endorsement of the TCFD recommendations (September 2021)
- Strengthened autonomous sustainability structure (January 2022)

Substantial EPS compounding driven by organic and inorganic initiatives

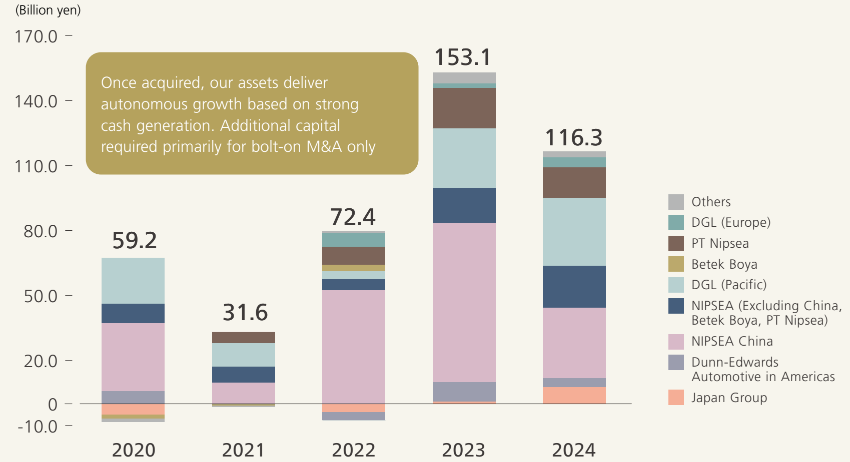
Adjusted EPS*1 compounding by asset



*1 Calculated using a simple sum of earnings after excluding major one-off factors (impairment, M&A expenses, provisions, hyperinflationary accounting, etc.) and dividends received from the Group subsidiaries; for 2018-2020, calculated using the number of shares adjusted for the stock split in 2021
*2 Japan Group, automotive in Americas, automotive in Asia, overseas marine, Dunn-Edwards, European automotive business, NIPSEA business (51% ownership)

Robust cash generation enabled by high margins and low capex requirements

Cash flow* generation by asset



* Calculated as a simple sum of Operating CF (excluding dividend income from Group subsidiaries) – Capex (excluding M&A and lease costs)

For financial and non-financial data for 2019 and earlier, as well as other financial and non-financial data, please refer to the "Financial and ESG Data" section on our website.

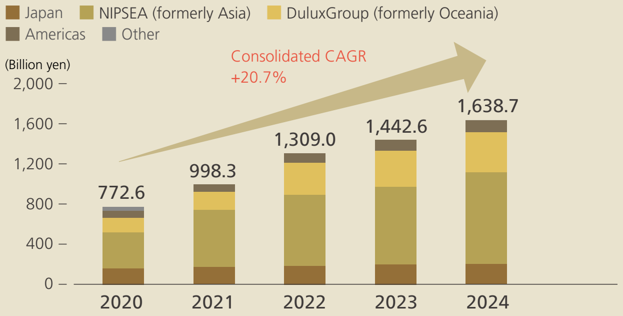
Record-high performance driven by organic growth and M&A

Financial base

Revenue growth accelerated through active M&A and organic growth. In 2024, revenue rose for the eighth consecutive year to a record high, driven by new consolidations, higher sales volumes mainly in the decorative segment, growth in adjacencies, and yen depreciation.

Medium-Term Strategy Updates (released in April 2025) P28

Revenue



* Key changes from the 2021 segment reclassification:

- Japan Group now includes the overseas marine business, previously included in the Asia segment
- NIPSEA Group now includes Betek Boya and Nippon Paint Turkey, previously included in Other

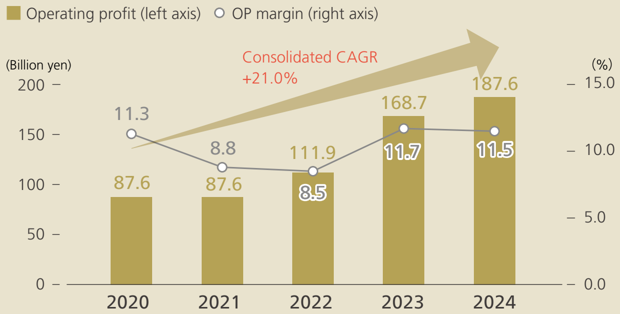
Record high achieved through revenue growth and profitability improvement

Financial base

Despite a challenging market, operating profit has grown for five consecutive years, reaching a record high in 2024 on higher revenue and an improved gross profit margin. Our operating profit margin stayed in the 11% range for a second year.

Medium-Term Strategy Updates (released in April 2025) P28

Operating profit/OP margin



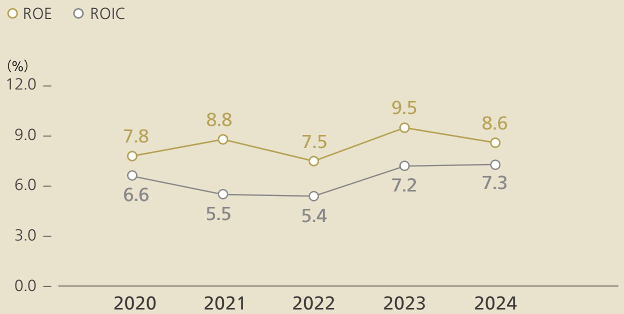
Balancing capital efficiency and EPS growth to expand economic value

Financial base

Since 2023, ROE has stayed at around 9%, reflecting higher net profit and margin improvements. ROIC has been significantly affected by goodwill from active M&A. In 2024, ROIC improved slightly year-on-year, reflecting both a higher invested capital turnover ratio and an increase in after-tax operating profit driven by business growth.

Our Finance Strategy Presented by Co-President Wakatsuki P30

Return on equity (ROE)/Return on invested capital (ROIC)*



* ROIC: Operating profit after tax / (net debt + total equity)

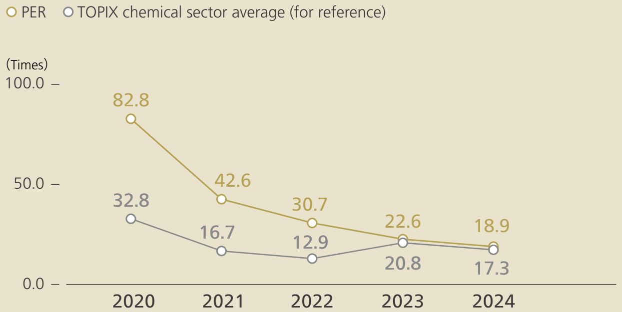
PER has consistently outperformed TOPIX chemical sector average

Financial base

PER rose sharply in 2020 reflecting investors' preference for growth stocks and our active M&A activities, among other factors, but has trended downward since 2021 due to factors including China-related market concerns.

Stock-Price Conscious Management P25

Price-to-earnings ratio (PER)



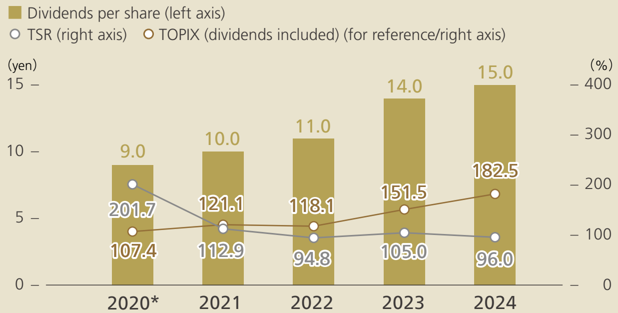
Four consecutive years of dividend increases; progressive dividend policy from 2025

Financial base

Our policy is to provide stable and consistent dividends, which we have increased for four consecutive years through 2024. Since 2021, TSR has lagged TOPIX (dividends included) due to China-related market concerns and other factors.

Our Finance Strategy Presented by Co-President Wakatsuki P30

Dividends per share/Total shareholder return (TSR)



* Calculated assuming that the five-for-one stock split on April 1, 2021 was conducted in January 2020

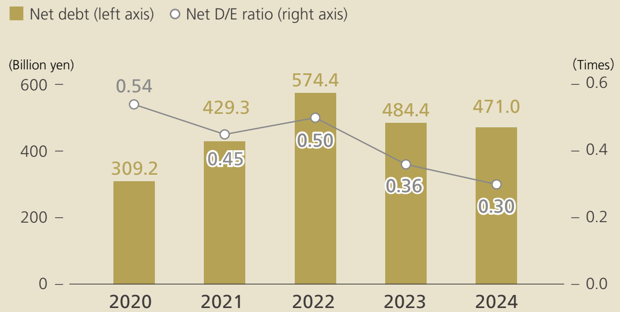
Debt financing associated with active M&A drove upward trend in net debt

Financial base

Our net debt is typically negative due to strong cash generation and low capex requirements, but has turned positive in recent years due to borrowings for M&A activity. The net D/E ratio declined through 2024, as no large-scale M&A occurred.

Our Finance Strategy Presented by Co-President Wakatsuki P30

Net debt*/Net D/E ratio



* Net debt: Interest-bearing debt (bonds and borrowings (current/non-current) + other financial liabilities (current/non-current)) – liquidity on hand (cash and cash equivalents + other financial assets (current))

For financial and non-financial data for 2019 and earlier, as well as other financial and non-financial data, please refer to the "Financial and ESG Data" section on our website.

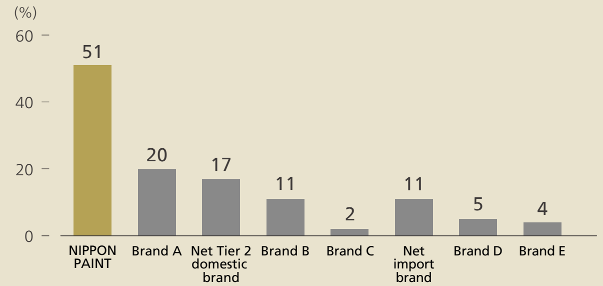
Strong recognition and trust in Asia-Pacific market

Brands/ know-how

Our Group has built strong brands, especially in decorative paints; for example, LiBang is the leading brand in China with the highest Top of Mind score.

Case Study 2: Leveraging Brand Power for Market Leadership (NIPSEA China Business Strategy) P43

Top of Mind rating (NIPSEA China)



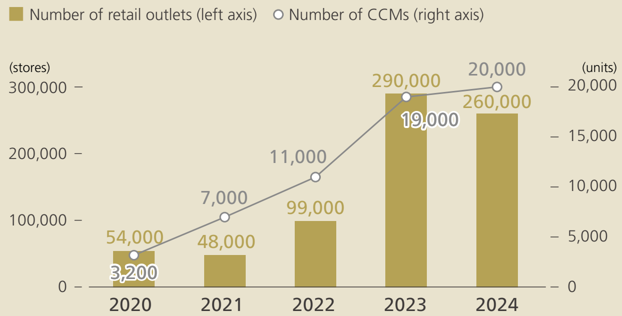
Dominant position enabled by extensive distribution channels

Customer base

Our Group has established a broad and diverse range of distribution channels, primarily targeting the B2C market (including retail, distributors, and e-commerce) in the decorative markets of each country and region. The number of retail outlets for NIPSEA China in 2024 declined from 2023 due to a detailed review of reporting criteria, such as the exclusion of dormant or non-active shops; under the previous criteria, the total number of distribution shops would have increased by approximately 5%.

Case Study 2: Leveraging Brand Power for Market Leadership (NIPSEA China Business Strategy) P43

Number of retail outlets/Number of CCMs (NIPSEA China)

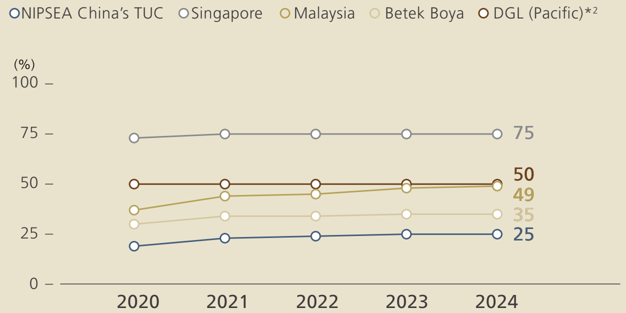


No.1 market share in 14 major countries

Customer base

Our Group works to maintain and expand market share across regions and business segments while ensuring profitability. In 2024, we prioritized balancing profitability and market share, resulting in stable share despite a challenging environment. We continue to hold strong positions in each country and market.

Trends in market share for decorative paints in key regions*1



*1 Internal estimates *2 Volume basis

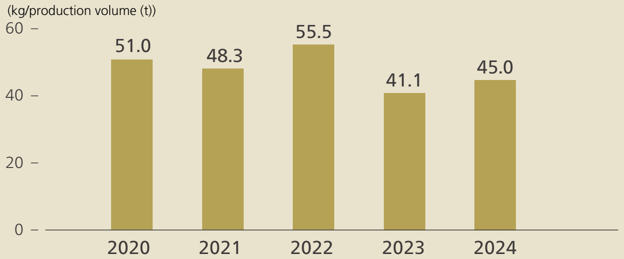
Increase mitigated by various reduction initiatives

Nature/ environment

In 2024, GHG emissions increased by 9.4% year-on-year; however, the rise was mitigated by operational and energy efficiency improvement initiatives (e.g., switching to LED lighting), solar power investments at factories, fleet transition plans, and purchasing renewable energy.

Environmental Strategy P53

GHG emissions (Scope 1 and 2) (Global)*



* The scope of coverage: Japan Group, NIPSEA Group, DuluxGroup (including Cromology and JUB beginning in 2022)

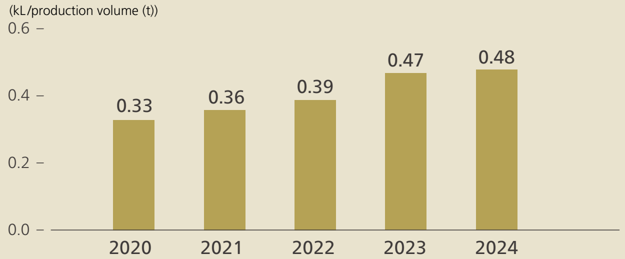
Ongoing initiatives to improve water use efficiency

Nature/ environment

Our Group continues to promote efficient use of water resources by optimizing use of water for raw materials, reducing water consumption in manufacturing processes, and recycling water. Since 2021, overall water consumption has increased due to broader data coverage, new consolidations, and changes in the production mix across multiple business segments.

Environmental Strategy P53

Water consumption (Global)*



* The scope of coverage: Japan Group, NIPSEA Group, DuluxGroup (including Cromology and JUB beginning in 2022), Dunn-Edwards (beginning in 2020)

Expanding sales of products with innovative technology

Technologies

The New Product Sales Index (NPSI) is defined as the percentage of sales revenues generated from new products commercialized in the past three years to the total sales revenue. The NIPSEA Group and the Japan Group achieved a combined NPSI of 25% and launched approximately 9,000 new products in 2024.

R&D Strategy P63

New Product Sales Index (NPSI)