Akzo Nobel
Pakistan Limited

AkzoNobel

The General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road, Karachi.

October 28, 2015

Re : Material Information

Dear Sir,

In accordance with Section 15D of the Securities & Exchange Ordinance, 1969 and Clause 5.19.13(c) (Code of Corporate Governance) of the KSE Rule Book, we hereby convey the following information:

The arrangements with AkzoNobel Group require ANPL to formalize royalty agreements every three years for Global brands, Local brands and for Chemicals brands. The Board of Directors in their meeting held on October 28, 2015 have approved the royalty agreements for another period of 3 years, commencing 1 January 2016 at the same royalty rates as were applicable in 2015 except for Chemical brands, which are being reduced from 4.5% to 2.75%. The terms of the agreements shall be subject to approval by the State Bank of Pakistan for payment of royalties in the following manner:

- All Global brands (other than Chemicals) supported by AkzoNobel internationally; 4.5% of net sales value
- All local brands (other than Chemicals) supported by AkzoNobel internationally; 2.5% of net sales value
- All brands for Chemicals supported by AkzoNobel internationally; 2.75% of net sales value

Yours Sincerely

Harris Mahmood
CFO / Acting Company Secretary

cc: The Managing Director
Lahore Stock Exchange (Guarantee) Ltd
19, Khayaban-e-Aiwan-e-Iqbal
Lahore – 54000

cc: The Managing Director
Islamabad Stock Exchange (Guarantee) Ltd
Islamabad Stock Exchange Towers
55-B, Jinnah Avenue
Islamabad

cc: The Chairman
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Islamabad

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