



## NANOFILM TECHNOLOGIES INTERNATIONAL LIMITED

(Company Registration Number 199902564C)

(Incorporated in Singapore on 13 May 1999)

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### LOAN FACILITIES

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Nanofilm Technologies International Limited (the “**Company**”) wishes to announce that its wholly-owned subsidiaries, Nanofilm Renewable Energy Technology (Shanghai) Co., Ltd. (“**NRE**”) and Nanofilm Vacuum Coating (Shanghai) Co., Ltd (“**NVC**”), have obtained the following loan facilities:

- (1) a ten year term loan of RMB 310 million from Industrial and Commercial Bank of China (“**Bank**”) to NRE (“**Loan 1**”); and
- (2) a three year term loan of RMB 50 million from the Bank to NVC (“**Loan 2**”).

Loan 1 will be utilized to repay the intercompany loans advanced to NRE by Nanofilm Enterprise Management (Shanghai) Co., Ltd, a wholly-owned subsidiary of the Company, while Loan 2 is intended to be utilized for the working capital of NVC.

Each of Loan 1 and Loan 2 will be secured by a mortgage over Shanghai Plant 1 and Shanghai Plant 2 (located at Songhui Road, Zhaoxiang Town, Qingpu District, Shanghai) owned by NRE and a corporate guarantee from the Company. Loan 1 will be additionally secured by a corporate guarantee from NVC.

Under the terms of each of Loan 1 and Loan 2, an event of default, the occurrence of which will entitle the Bank to recall the outstanding loans, is deemed to have occurred if (a) Dr Shi Xu, Executive Chairman of the Company, ceases to be a de facto controller of NRE or NVC, as the case may be. A de facto controller is defined to mean a person who, although not a shareholder of a company, is able to dominate the company's actions through investment relationships, agreements, or other arrangement; or (b) there is any change of control between the borrower, namely NRE or NVC, and any of its related parties (the “**Loan Conditions**”). The Company is of the view that Rule 704(31) of the Listing Manual does not apply as the Loan Conditions do not impose any requirements relating to the shareholding interest of Dr Shi Xu in the Company or restriction on the change in control of the Company.

The abovementioned loan facilities are not expected to have any material impact on the Group's consolidated earnings and net tangible assets per share for the financial year ending 31 December 2023.

None of the Directors of the Company is deemed to have any interest, direct or indirect, in the loan transactions abovementioned, save for their interests by virtue of their shareholdings (if any) in the Company.

**BY ORDER OF THE BOARD  
NANOFILM TECHNOLOGIES INTERNATIONAL LIMITED**

Lim Kian Onn  
Chief Financial Officer

29 December 2023