



NANOFILM TECHNOLOGIES INTERNATIONAL LIMITED

(Company Registration Number 199902564C)

(Incorporated in Singapore on 13 May 1999)

JOINT VENTURE IN DONGGUAN

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Nanofilm Technologies International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 5 February 2026 entered into a shareholders’ agreement (“**SHA**”) with Ms Cheng Xiao Na, Mr Dai Di Sen and HeChuang Tech Pte. Ltd. (who, together with the Company, is collectively referred to as the “**Parties**”).

Under the SHA, the Parties agree to enter into a joint venture with each other (“**Joint Venture**”) to establish a joint venture company (“**JVCo**”) in Dongguan, China by the name of Dongguan Najin Technology Co., Ltd (东莞纳金科技有限公司) or such other name as may be approved by the relevant authority.

2. INFORMATION ON THE JOINT VENTURE

2.1 Registered Capital and Equity Interest of Parties

The JVCo is intended to be established in Dongguan, China as a limited liability company with a registered capital of RMB 6.5 million, to be held by the Parties in the following proportion:

Parties	Registered capital contribution	Proportion of equity interest
Company	RMB 2.0 million	30.8%
Ms. Cheng Xiao Na	RMB 2.5 million	38.4%
Mr. Dai Di Sen	RMB 1.0 million	15.4%
HeChuang Tech Pte. Ltd.	RMB 1.0 million	15.4%

Pursuant to the SHA, the registered capital of the JVCo shall be fully paid in cash within five (5) years from the date of its establishment. Each Party shall fund its capital contribution from future dividend distributions received from the JVCo and/or her/his/its other internal resources of fund.

2.2 Business of the JVCo

The JVCo is intended to primarily undertake the marketing, promotion, sale and distribution of vacuum coating equipment, other coating equipment and related ancillary facilities, as well as the sourcing, coordination and arrangement of coating and testing services for customers across the optics, automotive, consumer electronics, semiconductor, robotics and other industrial sectors.

2.3 Information on the Parties

The information set out below in relation to Ms. Cheng Xiao Na and Mr. Dai Di Sen is based solely on information provided by them respectively. The Company and its Directors have not independently verified the accuracy or completeness of such information, and the Company's responsibility is limited to the proper reproduction of the information as received for the purposes of this Announcement.

Cheng Xiao Na ("Ms. Cheng")

Ms. Cheng has access to established business networks within the optoelectronics and advanced manufacturing sectors in Southern China. Her local industry connections and market familiarity are expected to support the JVCo's business development initiatives, customer acquisition efforts and overall market access strategy.

Dai Di Sen ("Mr. Dai")

Mr. Dai possesses experience in the technology sector and maintains industry networks across China. He is also an active professional investor with investments in various technology-focused enterprises. His commercial insight and investment experience are expected to contribute to the JVCo's strategic planning, partnership development and long-term growth trajectory.

HeChuang Tech Pte. Ltd. ("HeChuang")

HeChuang is an investment holding company incorporated in Singapore. Mr. Jin Xiao Zhe ("**Mr. Jin**"), Vice President of the Group's Advanced Materials Business Unit, is the sole director and shareholder of HeChuang. Mr. Jin has been with the Group since 1999 and has over 26 years of experience in the coating industry, particularly within the consumer electronics sector. His technical expertise, industry experience and familiarity with the Group's technologies and operations are expected to provide the JVCo with strong technical guidance and operational alignment with the Group.

As at the date of this Announcement, Mr. Jin holds (directly and indirectly) approximately 21.23 million shares (3.26%) in the Company. Mr. Jin is the brother of Madam Jin Xiao Qun, a substantial shareholder of the Company, and spouse of Dr Shi Xu, Executive Chairman of the Group.

2.4 Board composition

The JVCo's board of directors shall consist of five (5) directors (each a "**JV Director**"), comprising two (2) JV Directors nominated by the Company, one (1) JV Director nominated by Ms. Cheng Xiao Na, one (1) JV Director nominated by Mr. Dai Di Sen and one (1) independent director to be nominated by a shareholders' meeting of the JVCo.

2.5 Convertible Loan

Under the SHA, it is contemplated that Nanofilm Vacuum Coating (Shanghai) Co., Ltd ("**NVC**"), a wholly-owned subsidiary of the Company, will grant a convertible loan of RMB 2.0 million to the JVCo ("**Convertible Loan**"). The Convertible Loan will have a term of five (5) years and bears interest at the rate of 15% per annum. NVC is entitled to convert the Convertible Loan and the interest accrued thereon into the registered capital of the JV Company on a 1:1 basis, at any time within the term of the loan.

The Convertible Loan is granted for the purpose of financing the JVCo's working capital and business expansion purposes.

2.6 Reserved Matters

The SHA sets out a list of board reserved matters and shareholders' reserved matters which require the approval of the Company or the JV Director nominated by the Company.

2.7 Other salient terms

Other salient terms of the SHA include, *inter alia*, a shareholder's right to participate in any further capital increases of the JVCo, a right of first refusal in respect of the registered capital of any outgoing shareholder, and call and put rights in relation to the equity interests of a defaulting shareholder. NVC, in its capacity as lender under the Convertible Loan, shall be entitled to substantially similar rights on an as-converted basis, as if the Convertible Loan had been converted into equity in the JVCo.

2.8 Strategic Partnership

The Parties intend for the JVCo to function as the Group's strategic commercial partner in the sale, marketing and promotion of the Group's products and services, particularly within the Southern China region. In this regard, it is a condition of the Joint Venture that the JVCo will enter into a strategic partnership agreement with the Company governing, among other matters, the JVCo's procurement, distribution and supply of the Group's products, equipment and related services to its customer base. This arrangement is expected to create a structured and mutually beneficial channel for the Group's offerings while ensuring alignment of commercial objectives between the Company and the JVCo.

3. RATIONALE FOR THE JOINT VENTURE

The Joint Venture is intended to serve as a strategic platform for the Group's entry and expansion into Southern China, a region characterised by strong demand in the optics, automotive, consumer electronics, semiconductor, robotics and advanced manufacturing sectors. Through the establishment of the JVCo, the Group seeks to capitalise on high-growth market opportunities and enhance its commercial reach within the region.

It is envisaged that the Company will support the JVCo as a preferred technology and solutions partner by providing vacuum coating equipment, other coating equipment, coating services and/or nanofabrication-related manufacturing capabilities, which will in turn be marketed and distributed by the JVCo to its end customers. The Joint Venture structure is expected to allow the Group to leverage the local market knowledge, established business networks and customer access of the Joint Venture partners, thereby accelerating market penetration while optimising operational and commercial efficiencies.

4. SOURCES OF FUNDS

The Company's investment in the JVCo and the grant of the Convertible Loan by NVC are intended to be funded from internal sources of funds.

5. RELATIVE FIGURES UNDER RULE 1006 OF THE MAINBOARD LISTING RULES

The Company's investment in the JVCo and the extension of the Convertible Loan by NVC are undertaken in the ordinary course of the Group's business, given that the JVCo's principal business of marketing, sale and distribution of coating equipment and related ancillary facilities, together with the provision of coating services, is consistent with and complementary to the Group's advanced materials operations.

In any event, none of the relative figures in respect of the Company's contribution to the registered capital of the JVCo and the grant of the Convertible Loan by NVC, computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), exceeds 5%.

6. FINANCIAL EFFECTS OF THE COMPANY'S INVESTMENT IN THE JV COMPANY AND THE CONVERTIBLE LOAN

The proposed investment in the JVCo by the Company and the proposed grant of the Convertible Loan by NVC are not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2026.

7. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Joint Venture or the Convertible Loan, other than through their respective shareholdings in the Company.

8. CAUTIONARY STATEMENT

Shareholders and potential investors should note that there is no certainty or assurance that the Joint Venture between the Company, Ms. Cheng Xiao Na, Mr. Dai Di Sen and HeChuang will be successful. As such, shareholders and potential investors are advised to exercise caution when dealing or trading in the shares of the Company. In the event of any doubt as to the action they should take, shareholders and potential investors should consult their financial, tax, legal or other professional advisers.

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

Lim Kian Onn
Chief Financial Officer

5 February 2026