

Nanofilm 3Q 2021
Business Update



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Appointment of New Group CEO, Mr Gary Ho



It is an honour to take on this leadership role for Nanofilm together with our Founder and Executive Chairman Dr Shi Xu.

My aim is to drive the development of our business units as they find new and exciting avenues for the commercialisation of our deep technology capabilities.

The potential applications of our technologies span numerous industries and I look forward to see these come into fruition in the years to come.

GARY HO

CEO Designate & Executive Director

Nanofilm Technologies International Limited



Key Business Updates – Overview



ACHIEVING GROWTH DESPITE MACRO HEADWINDS

- Continuing growth momentum, with strong underlying demand, despite volatile business environment due to supply chain disruptions, especially in 3C where peak period is shifted to 4Q 2021, possibly spilling to 2022
- Building up revenue pipeline, with multiple strategic projects and increasing number of New Product Introduction (“NPI”) projects. These projects expected to contribute positively in 4Q 2021 and beyond
- Beyond organic growth, we made progress in our M&A efforts in 3Q2021

Key Business Updates (cont'd)

Advanced Materials BU



3C

- Approx. 66% of Group's YTD revenue
- Faced short-term supply chain disruptions; however, underlying demand remains strong
- Substantial growth for Smartphone offsetting declines in Wearables and Computer
- Peak period shifted to 4Q 2021, possibly spilling to 2022



Other Segments



- Approx. 16% of Group's YTD revenue
- Posted substantial growth, led by increasing adoption of technology-based solutions



Sydrongen



- JV completion with Temasek
- Commissioning and installing initial pilot production line at Nanofilm's Shanghai Plant 2 for customer qualification
- Working towards a maiden revenue contribution in 2022

Nanofabrication BU



- Approx. 2% of Group's YTD revenue
- Commenced mass production of micro-lens array project for new-generation wearables
- Continues to work on multiple new projects, such as optical lens and sensory components

Industrial Equipment BU



- Approx. 15% of Group's YTD revenue, posted substantial growth
- With increased adoption of our technologies, IEPU expects to supply equipment to both third-parties and for internal use

M&A Updates



- Entered into agreement to acquire 100% of Miller Technologies Pte Ltd, a trusted supplier to IEPU for CNC parts and components
- Synergistic value from the cost savings of such parts and components

Concluding Remarks

LONG-TERM FUNDAMENTALS ROOTED BY DEEP TECHNOLOGY

- Demand for our technology and for the products utilising our technology remains strong
- Strong position to accelerate our multiple commercialisation paths in expanding depth and breadth of our BUs and new areas
- Continuous efforts to enter new industries, we have accelerated diversification of our customer base. Revenue contribution from other customers has increased from 33% to 39% YTD
- Strong long-term fundamentals with sustainable growth, deeply rooted by core technologies and systems for continuous innovation, engineering design, business development and operational excellence

Q&A

