



NANOFILM TECHNOLOGIES INTERNATIONAL LIMITED
(Company Registration Number 199902564C)
(Incorporated in Singapore on 13 May 1999)

ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2021
RESPONSES TO QUESTIONS

The Board of Directors (the “**Board**”) of Nanofilm Technologies International Limited (the “**Company**”) wishes to thank shareholders for submitting their questions in advance of the Annual General Meeting (“**AGM**”) to be held by way of electronic means on Wednesday, 28 April 2021.

The following are the responses to the questions raised.

Question 1: Is Nanofilm’s business affected by current global chip shortage situation?

Response:

To the best of the Company’s knowledge, the global semiconductor market has experienced significant tightening in Q1 due to the continued strong demand for semiconductors across multiple industries. While the Group’s nanotechnology solutions are applied to a wide number of applications across multiple industries, some of the industries that the Group operates in are not spared by the current situation. Among them, the 3C industry is facing increasing pressure in their supply chain compared to Q4 last year (when the shortage was milder) and the current chip shortage has started to impact manufacturers’ projected production run rate. In turn, the Group is preparing for the possibility of deferment of selected 3C projects from the initial production schedules.

To the best of the Company’s knowledge, 3C manufacturers are stockpiling chips in anticipation of continuing shortage and upcoming peak season production ramp-up to ensure that their products are able to reach end consumers. With these efforts, the Company believes the supply chain should recover to its required production position and be ready for the new product launches in the coming months.

Credit Suisse (Singapore) Limited and Oversea-Chinese Banking Corporation Limited are the Joint Issue Managers for the initial public offering of shares in, and listing of, the Company on the Mainboard of the SGX-ST on 30 October 2020 (“Offering”). Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited and Oversea-Chinese Banking Corporation Limited are the Joint Global Coordinators for the Offering. Citigroup Global Markets Singapore Pte. Ltd., CLSA Singapore Pte Ltd, Credit Suisse (Singapore) Limited and Oversea-Chinese Banking Corporation Limited are the Joint Bookrunners and Underwriters for the Offering.

Question 2: Will the Board/Management be presenting an operations update at the AGM? Will there be further sharing on the recent move into new hydrogen energy sector under a JV with Temasek to enable shareholders to better understand the rationale for entering this sector? How does it create synergy with the existing businesses? What are the capex and expected returns on hydrogen energy?

The Board and Management would not be presenting an operations update at the AGM.

As announced on 19 April 2021, the Company and Temasek had entered into a non-legally binding term sheet to jointly invest in Sydrogen Energy Pte Ltd. (“**Sydrogen**”) to tap on opportunities in the hydrogen economy. With the global effort to reduce carbon emissions, hydrogen is expected to play a critical role as an energy carrier and fuel source. With the underlying characteristics and positive demand-supply balance, the hydrogen economy is expected to develop at a rapid pace, presenting potential business opportunities for Sydrogen. Through the application of Nanofilm’s advanced materials surface solutions to critical components in fuel cell and electrolyser systems, Sydrogen is poised to potentially bring about a tipping point in the mass and widespread commercial adoption of these technologies. Leveraging on the strengths of both potential joint venture partners, Sydrogen aims to drive the growth and development of the hydrogen energy economy through new technologies, advanced fundamental research, continuous engineering and mass production capabilities.

The Company will make further announcements, in compliance with the requirements of the listing rules, as and when there are material developments in respect of the matters contemplated by this announcement. Shareholders and potential investors should note that the term sheet is non-binding and there is no certainty or assurance that the Joint Venture envisaged between the Company and Venezia in the Term Sheet will be completed or be proceeded with. 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

27 April 2021