



NANOFILM TECHNOLOGIES INTERNATIONAL LIMITED

(Company Registration Number 199902564C)
(Incorporated in Singapore on 13 May 1999)

NON-BINDING TERM SHEET TO ENTER INTO JOINT VENTURE WITH VENEZIO INVESTMENTS PTE. LTD. TO INVEST IN SYDROGEN ENERGY PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Nanofilm Technologies International Limited (“**Nanofilm**” or the “**Company**” and together with its subsidiaries, the “**Group**”) hereby announces that the Company has on 19 April 2021 entered into a non-binding term sheet (“**Term Sheet**”) with Venezia Investments Pte. Ltd., an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited and a substantial shareholder of the Company (“**JV Partner**”), to jointly invest in Sydrogen Energy Pte. Ltd. (“**SEPL**”), a wholly-owned subsidiary of the Company set up to carry on the hydrogen energy business of the Group (“**Joint Venture**”). Under the proposed Joint Venture, the Company is expected to hold a majority stake in SEPL with board control.

2. OBJECTIVES

SEPL will carry on all hydrogen energy business of the Group through the application of advanced materials surface solutions to critical components in fuel cell and electrolyser systems. The Company envisages that SEPL will play an important role in the sustainable green energy industry and contribute to the mass adoption of its technology. Through SEPL, the Company aims to contribute to the adoption, growth and development of the hydrogen economy by combining the resources of the Company and the JV Partner in technologies, research and development, engineering, production capabilities, business network and development.

3. DEFINITIVE AGREEMENTS

The Term Sheet is non-legally binding and is subject to definitive agreements to be negotiated and entered into between the parties. There is no certainty or assurance that any definitive agreements will be entered into between the parties or that any specific or definitive transaction will materialise as a result of the non-binding Term Sheet. Further, the Joint Venture and the transactions contemplated under the definitive agreements may or may not constitute a notifiable transaction of the Company under the Listing Rules of the Singapore Exchange Securities Trading Limited and if they do, further announcement(s) will be made by the Company when appropriate in compliance with the listing rules.

4. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in SEPL (other than through their shareholdings in the Company).

5. FURTHER ANNOUNCEMENTS AND CAUTIONARY STATEMENT

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

19 April 2021

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.