

News Release Highlights

Adjusted EBITDA Grew 31% YoY, Outpacing Revenue Growth of 15% YoY – Driven by Improved Revenue and Operational Efficiency

- The recovery trend continued in the second half of 2024 (“**2H2024**”), driven by typical peak production period as well as ongoing innovation and expansion initiatives. These strategies not only enabled the Group to overcome challenges but also set a strong foundation for future growth.
- The Group recorded a revenue of S\$204.3 million in the full year of 2024 (“**FY2024**”), marking a 15% YoY increase. This growth was primarily driven by the Consumer and Industrial segments within Advanced Materials Business Unit (“**AMBU**”), which remained the key revenue contributor.
 - The **Advanced Materials – Consumer**¹ segment experienced a 24% YoY growth, fuelled by strong contributions from newly acquired 3C customers, including key Asian and Chinese customers and existing customers.
 - The **Advanced Materials – Industrial**² segment recorded a 30% YoY increase, primarily driven by contributions from AxynTeC, reflecting the successful integration of the acquisition.
 - The Automotive segment recognised a 7% YoY growth, with lower coating solution sales from passenger cars partially offset by higher growth from commercial vehicles.
- Nanofabrication Business Unit (“**NFBU**”) achieved 12% YoY growth, reaching S\$18.0 million in revenue. This increase was driven by a higher allocation of its micro-lens array project.
- Industrial Equipment Business Unit (“**IEBU**”) continued to face challenges, reporting revenue of S\$11.3 million, impacted by a slowdown in customer expenditure.
- Sydrogen Energy (“**Sydrogen**”) recorded an impressive 166% YoY growth, driven by the increasing adoption of its solutions. This strong performance was particularly evident in the domestic Chinese market, where the company continued to gain traction.

¹ Advanced Materials – Consumer comprises 3C

² Advanced Materials – Industrial comprises Precision Engineering, Printing & Imaging, and AxynTeC

- The Group maintained a stable **gross profit margin** in FY2024, standing at 37.1%, a slight increase from 37.0% in the full year of 2023 (“**FY2023**”), as the increase in revenue was offset by higher fixed depreciation and amortisation costs amounting to S\$2.8 million.
- The adjusted earnings before interest, tax, depreciation and amortisation (“**Adjusted EBITDA**”) surged 31% YoY to S\$51.8 million, compared to S\$39.4 million in FY2023. Improved revenue, driven by AMBU and NFBU, and operational efficiency contributed to this growth.
- The Group's **net margin** improved to 3.8% in FY2024, up from 1.8% in FY2023, despite higher depreciation and amortisation expenses, partly due to the full depreciation of an end-of-life NFBU project.
- The Group made significant strides in site expansion to support its global growth strategy.
 - In **China**, new production bases were established in **Southern** and **North Central** regions to drive consumer business growth and strengthen its regional presence.
 - New facilities in **India** and **Vietnam** became operational, enhancing global supply chain resilience.
 - Expanded its **European footprint** through the **AxynTeC acquisition**, enabling localised production and improving service to regional customers.
 - Recently announced strategic acquisition of **EC Europ Coating and MC Europ Coating**, German thin-film coating suppliers serving over 200 customers, will establish a strong platform and presence in Europe.

Outlook:

- **Business Outlook:**
 - **AMBU:**
 - **Consumer:** Expanding market presence in Southern China, Vietnam, and India. Strategic partnerships through factory-in-factory arrangements with metal vendors.
 - **Industrial:** Decorative solutions set to launch in 3Q2025 in Europe, boosting growth in the consumer products, automotive, and luxury segments.
 - **IEBU:** New orders for mould coater applications both in China and Japan as well as potential orders for automotive piston rings in Southeast Asia. Developing solutions for solar applications.
 - **NFBU:** Good progress in engagement of new optical health sensing applications in the consumer electronics wearables space and developing new automotive applications.
 - **Sydrogen:** Scaling operations in China with mass BPP production and preparing for ACFC commercial shipments featuring SydroDIAMOND® coating.

- The Group is well-positioned, to navigate through risks and capture opportunities as they arise, in the current uncertain market due to its strategic investments:
 - **Strategically expanded into Vietnam, India, Southern China, and Europe** –
 - Expanding the Group’s geographical presence has allowed the Group to be closer to customers’ supply chains, broadening the customer base.
 - Penetrated the European market through the acquisition of AxynTeC and most recently, EC Europ Coating and MC Europ Coating, strengthening the Group’s capabilities and market reach.
 - **Developed and expanded technological solutions** – expanded solution coverage into the mid-frame product segment, developed new generation of coating equipment for improved production and efficiency as well as for third-party equipment sales, and launched new solar CSS³ line.
 - **Developed solutions for the renewable energy sectors**
 - Hydrogen: expanded Sydrogen’s market share in coating services, expanded use case applications beyond automotive, and expanded capabilities into Tier 1 and Tier 2 products and solutions.
 - Solar: new CSS line reinforces the Group’s position in the renewable space.

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Note: This news release is to be read in conjunction with the SGXNet announcement release on the same day.

³ CSS refers to close space sublimation

About Nanofilm Technologies International Limited (MZH / NANO.SI)

Founded in 1999 and headquartered in Singapore, NTI Nanofilm is a global leader in nanotechnology solutions, specialising in advanced coatings, thin-film equipment, nanofabrication, and hydrogen fuel cell innovations. Leveraging proprietary technologies, the company enhances product performance, durability, and sustainability across industries, including electronics, automotive, medical, and industrial applications.

With a strong international footprint, NTI Nanofilm operates offices and facilities in Singapore, Vietnam, China, Japan, India, and Germany, serving customers worldwide with cutting-edge materials science and precision engineering solutions. Listed on the Singapore Exchange since 2020, NTI Nanofilm is committed to driving innovation and sustainability in high-performance coatings and advanced materials.

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