PRESS RELEASE

Nanogate expands technology portfolio: creation of a new platform for the multifunctional metallisation of surfaces

Production launch for metallisation of plastics and other substrates in the first half of 2016 – Environmentally friendly technology represents alternative to electroplating and allows new design and functional possibilities – Market volume in the three-figure million range – Agreement signed with Liechtenstein coating specialist Oerlikon Balzers

Göttelborn, Germany, 9 April 2015. Nanogate AG, a leading international integrated systems provider for high-performance surfaces, is expanding its technology portfolio with an additional class of application, thereby contributing to change in the surfaces market. The new technology platform allows high-quality metallisation, particularly of plastics, with the highest optical quality and in combination with multifunctional properties in an environmentally friendly manner. Nanogate is therefore working together with the Liechtenstein coating specialist Oerlikon Balzers and will focus on the innovative "embedded PVD for design parts" (ePD) coating process in future. Nanogate will develop applications for its target markets based on this process technology. The Group will therefore be introducing to the market an environmentally friendly and economic alternative to conventional electroplating. Nanogate will make an investment in the high single-digit million range in setting up its own production facilities and further developing technology. The Group is currently investigating the suitability of multiple sites for the establishment of the new facilities.

Ralf Zastrau, CEO of Nanogate AG, commented: "Components with high-quality metallic design and multifunctional properties are design elements that are in strong demand in many industries. For example, Nanogate is seeing great interest in glossy plastic metallisations in the highest optical quality, which allow new applications, designs and manufacturing processes. The technology from Oerlikon Balzers provides us with an outstanding foundation. We are expanding our range of products in the strategic growth area of advanced metals with the new technology platform for multifunctional metallisation of plastics, and also with additional surface systems that we have adapted. At the same time, we will be contributing to the change in the existing surfaces market with the new technology platform: Nanogate is creating the alternatives, which are urgently demanded by the market, to electroplating processes that are polluting and limited by application, while offering new design and functional possibilities. We are therefore already involved in promising negotiations for possible applications with existing and new customers – both in market segments that we already target as well as new ones."

Environmentally friendly and cost-effective alternative to electroplating

Oerlikon Balzers' plastics metallisation provides Nanogate with an outstanding opportunity to expand on the existing technology platforms. The expansion also fits perfectly into the existing portfolio and is to be further developed. Oerlikon Balzers is a leading global provider of coating facilities and services, which considerably improve the performance and useful life of both precision components and of metal and plastics processing tools. Oerlikon Balzers has a rapidly growing network of 106 coating centres in 34 countries at present.

The new coating method is based on the combination of environmentally friendly PVD thin-film technology and UV-based wet-chemical coatings. The technology does not use polluting materials such as chromium trioxide or nickel, whose use in traditional electroplating remains problematic under REACH European chemical regulations. Because polluting substances are not used, enhanced components can also be completely recycled. This also means safety advantages in the case of breakage, since the coating does not split. The new technology allows many design and colour variants and can be used with a number of substrates. The

surfaces, which are of the highest optical quality, have anti-corrosion properties and meet stringent regulations. Other functions can also be integrated, which is particularly attractive for Nanogate.

The investment amount for the new technology platform runs to the high single-digit million range. For the refinancing, Nanogate will use some of the revenue from a capital increase in March 2015. Nanogate is currently investigating which of the five Group sites has the necessary know-how and most financially attractive conditions required to establish the new modern production platform. The new centre of excellence is to go into operation in the first half of 2016. Target industries initially include automotive manufacture and high-quality interior applications. The new technology platform complements the existing application portfolio in advanced metals (high-quality metal coatings) and also merges it with the existing and complementary expertise in advanced polymers (innovative plastics with glass-like properties). Nanogate has, in the past, successfully adapted and further developed external technologies.

"The enhancement of plastics with high-quality, design-oriented metal coatings is becoming steadily more significant, which is why Oerlikon Balzers and Nanogate have already been working together for two years. Our customers have shown distinct interest. We expect market potential accessible to Nanogate in the mid three-figure million range for innovative multifunctional metallisation of surfaces," explained Nanogate COO Michael Jung.

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Nanogate AG:
Nanogate (ISIN DE000A0JKHC9/ISIN DE000A14KNC4) is a leading international integrated systems provider for high-performance surfaces. The Group, which is based in Göttelborn (Saarland), enables the programming and integration of additional properties – such as non-stick, scratchproof and anti-corrosive – into materials and surfaces. True to its slogan 'A world of new surfaces', Nanogate opens up the diverse possibilities of multifunctional surfaces based on new materials for companies in a wide range of industries.

Nanogate provides its customers with technologically and optically high-quality systems. To do so, the company uses its extensive knowledge of innovative materials, including existing expertise in nanomaterials, nanosurfaces and nanostructures. The aim is to improve customers' products and processes by means of high-performance surfaces while achieving environmental benefits. The Group concentrates on the four sectors automotive/transport, mechanical/plant engineering, buildings/interiors and sport/leisure as well as on the strategic growth areas of advanced polymers and advanced metals. Nanogate has a unique combination of extensive materials expertise paired with comprehensive, first-class process and production know-how. As a systems provider, Nanogate offers services throughout the entire value chain, from the purchase of raw materials, to the synthesis and formulation of the material systems, right through to the enhancement and production of the finished surfaces. The Group focuses primarily on optically high-quality plastic and metal coatings for all surface types (two and three-dimensional components). Its value drivers are the opening up of new, international markets, the development of new applications for the strategic growth areas of advanced polymers (innovative plastics, e.g. glazing) and advanced metals (innovative metal enhancements, primarily energy efficiency) as well as external growth. In the medium term, Nanogate also intends to achieve a considerable revenue share from environmentally friendly systems and processes as well as cleantech applications.

The Nanogate Group has first-class references (e.g. Airbus, Audi, August Brötje, BMW, BSH Bosch und Siemens Hausgeräte, Daimler, FILA, Jaguar, Junkers, Porsche, Volkswagen). Several hundred projects have already gone into mass production. The company also has strategic partnerships with many international corporations. Nanogate comprises Nanogate Industrial Solutions GmbH, Eurogard B.V., Nanogate Textile & Care Systems GmbH, Nanogate Glazing Systems B.V., Vogler GmbH and majority stakes in GfO Gesellschaft für Oberflächentechnik AG and Plastic-Design GmbH.