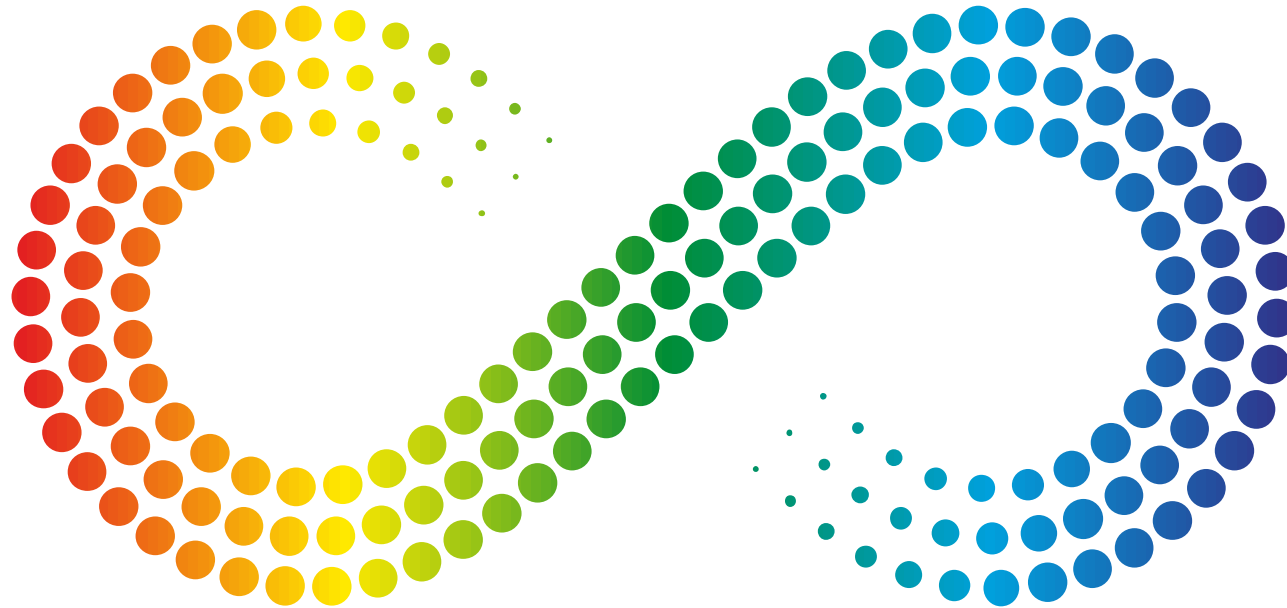


Interim results presentation

For the period ended 31 January 2022



possibilities

The following presentation is being made only to, and is only directed at, persons to whom such presentation may lawfully be communicated (“relevant persons”). Any person who is not a relevant person should not act or rely on this presentation or any of its contents. This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in Nanoco Group PLC or any of its subsidiaries (“Nanoco”).

It should be noted that past performance cannot be relied on as a guide to future performance. This presentation contains forward-looking statements with respect to Nanoco’s plans and objectives regarding its financial conditions, results of operations and businesses.

The financial information referenced in this presentation does not contain sufficient detail to allow a full understanding of Nanoco’s Interim Results. For more detailed information, the entire text of the Interim Results announcement for the six months ended 31 January 2022, can be found on the Investor Relations section of the Nanoco website (www.nanocogroup.com).

Operational highlights

Further work packages
agreed with major
customer

Expanding infra-red
sensing materials
portfolio

Preparing Runcorn
for scale up and
production

Litigation proceeding
well – IPR decision
May '22

Financial highlights

Revenue and other
operating income
21% up on PY

Cost base stable at c.
£0.4m pcm, reduces
in H2 FY22 and H1
FY23

Cash £1.8m, rose to
£2.6m in Feb-22
(late R&D tax
receipt)

Organic business
cash runway now
extended to H1 CY23

Sensing

(organic services and products)

Potential production order visibility H2 2022

Growing confidence

Display

(organic services and products)

Small scale development projects in progress

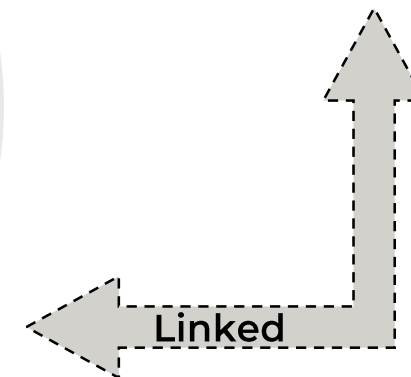
Unchanged

Litigation

Transformative value potential

Key milestones H1 (IPR) and H2 (Trial) 2022

Growing confidence



IR SENSING OPPORTUNITIES

The Problem

- Poor IR efficiency of silicon sensors
- Interference from natural light
- Impacted by atmospheric conditions
- Uses more power in mobile devices
- InGaAs alternatives very expensive

Why Quantum Dots

- Expand sensor range into infra red
- Overcomes sunlight issues
- Penetrates atmospheric conditions
- Reduces mobile device power needs
- CMOS+QD can be over 100x cheaper

Nanoco's Differentiation

- ✓ Proven data capture efficiency (~10x)
- ✓ Large production capability in place
- ✓ Wide range materials
- ✓ Multiple tunable wavelengths
- ✓ IP protected platform technology

Quality control



Fog / smog



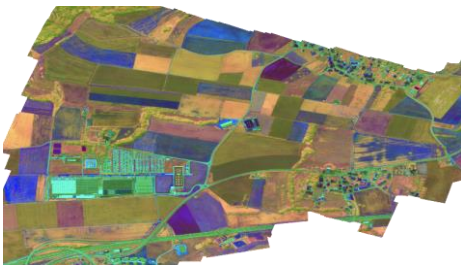
Digital healthcare



Iris recognition



Agriculture



Driver monitoring



Surveillance



Security









Huge growing range of high value added applications for NIR / SWIR

SENSING PORTFOLIO DEVELOPMENT

| January 2022 | NIR | | | SWIR | | | | | | | | |
|--------------|-----------|---|---|----------------|---|---|---------------|---|---|-----------|---|---|
| Wavelength | (<1.0 µm) | | | (1.0 – 1.3 µm) | | | (1.3 -1.5 µm) | | | (>1.5 µm) | | |
| Material | A | B | C | A | B | C | A | B | C | A | B | C |
| Customer 1 | V | | | | | | S | | | | | |
| Customer 2 | | D | | | | | | D | | | | |
| Customer 3 | D | | | | | | | | | D | | |
| Customer 4 | | D | | | D | | | D | | | | |
| Customer 5 | | | | | | | D | | | D | | |

Legend

-  Development – material at R&D scale
-  Optimisation – optimisation for specific application
-  Scale Up – scaling up for Runcorn production
-  Validation – Runcorn material ready for validation
-  Production – ready for production: **ultimate goal**
-  Change / progress in Period

- 2018: one customer one product
- 2021: five customers and eight distinct products
- FY22: continued expansion of portfolio of distinctive materials
- FY22: Runcorn production ready for one material, preparing for second material
- Customer published roadmaps imply CY23 production

Sensing goals: one material in production 2023, a second validated

DISPLAY OPPORTUNITIES

The Opportunity

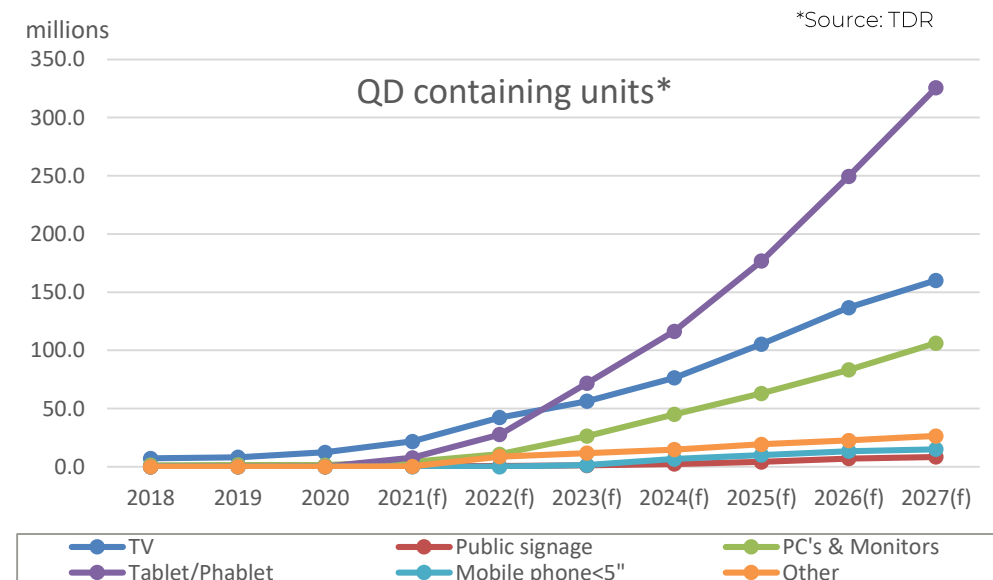
- Samsung share QD TV's now below 90%
- Broader adoption of film-based systems
- RoHS in EU and globally
- Growing range of devices using QDs

Why Quantum Dots

- Wider colour gamut
- Improved colour saturation
- Narrow bandwidth enhances light extraction
- QDs integrate with existing LCD supply chain

Nanoco's QD Differentiation

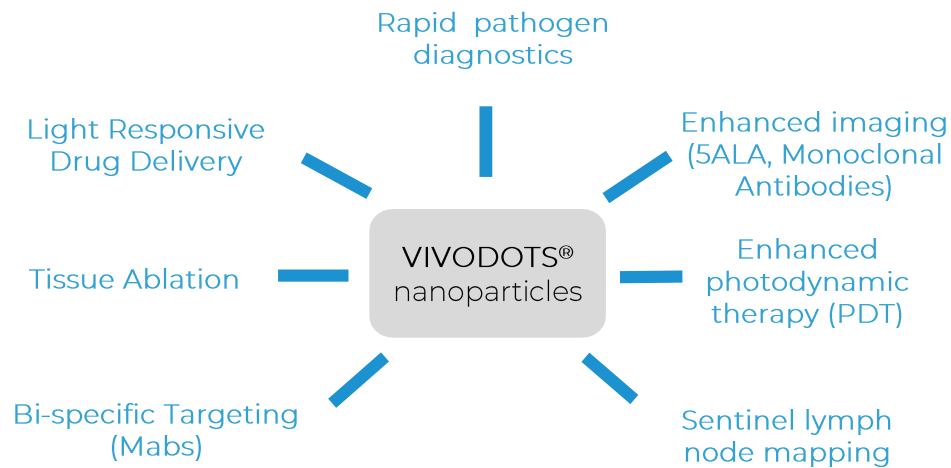
- ✓ Cadmium free
- ✓ Enhanced colour and energy efficiency vs LCDs
- ✓ Nanoco materials apply to all TV generations
- ✓ Major investments in Gen2 QD-OLED (QD inks)



Display prospects closely linked to successful litigation outcome

QD platform technology has adjacent applications with low cost to transfer

Nanoco Life Sciences



- Versatile platform technology (VIVODOTS®)
- Grant work on rapid detection of pathogens
 - Proof of concept completed
 - Working on device mechanics
- Non-toxic and strong safety profile
 - Pinpoint detection (tumour demarcation)
 - High precision (image-guided surgery)
 - Simultaneous multi-target detection

Lighting (including horticultural)



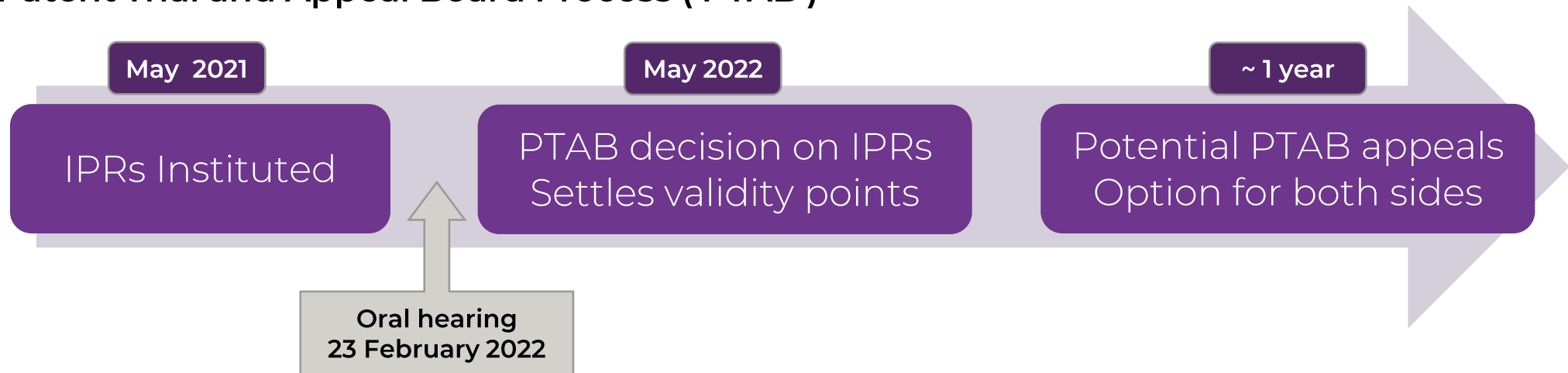
- Optimise spectra for enhanced plant growth
- Tune light for specific plants
- Opportunities include vertical farming
- Works with most blue emitting LEDs
- Even light distribution without hotspots
- Small scale evaluation project

- Five patents (47 claims) relating to Nanoco's unique QD capabilities
- To 'win' – at least one claim must survive both patent review and trial
- PTAB decision patent validity claims expected by May 2022 – oral hearing went well
- Court trial will then decide infringement and damages
- Damages outcomes in the US litigation:
 - US sales only – an estimated ~33% of Samsung global QD TV sales
 - Historical sales only – growing future sales (market, Gen2 TVs, other devices)
 - Wilfulness – damages can be increased by up to three times if found wilful
- Nanoco believes damages should reflect the value enabled by our IP
- Nanoco retains ~50% of a modest trial award, rising towards 80% of larger awards
- Any award is subject to UK corporation tax, ~£36m of UK losses available for offset

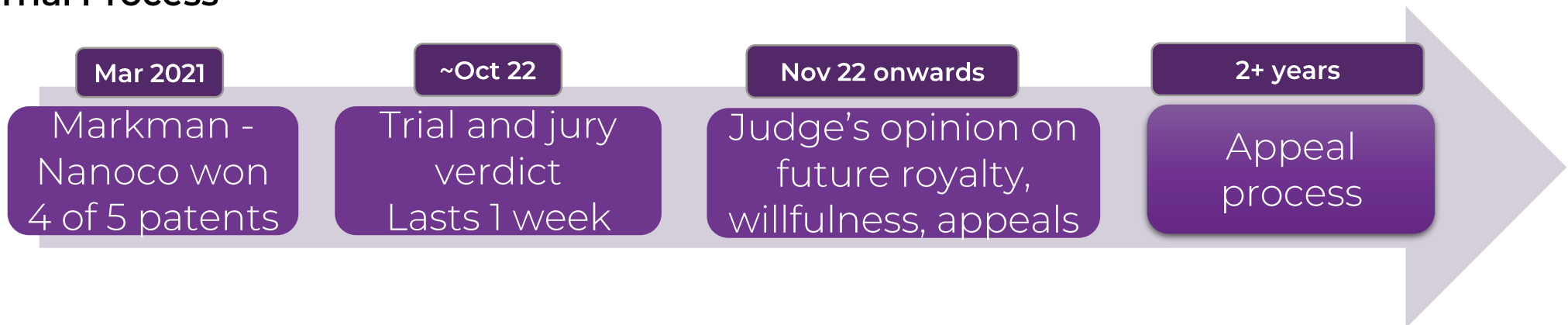
Transformative for Nanoco's future prospects and shareholder value

SAMSUNG LITIGATION TIMELINE

Patent Trial and Appeal Board Process ('PTAB')

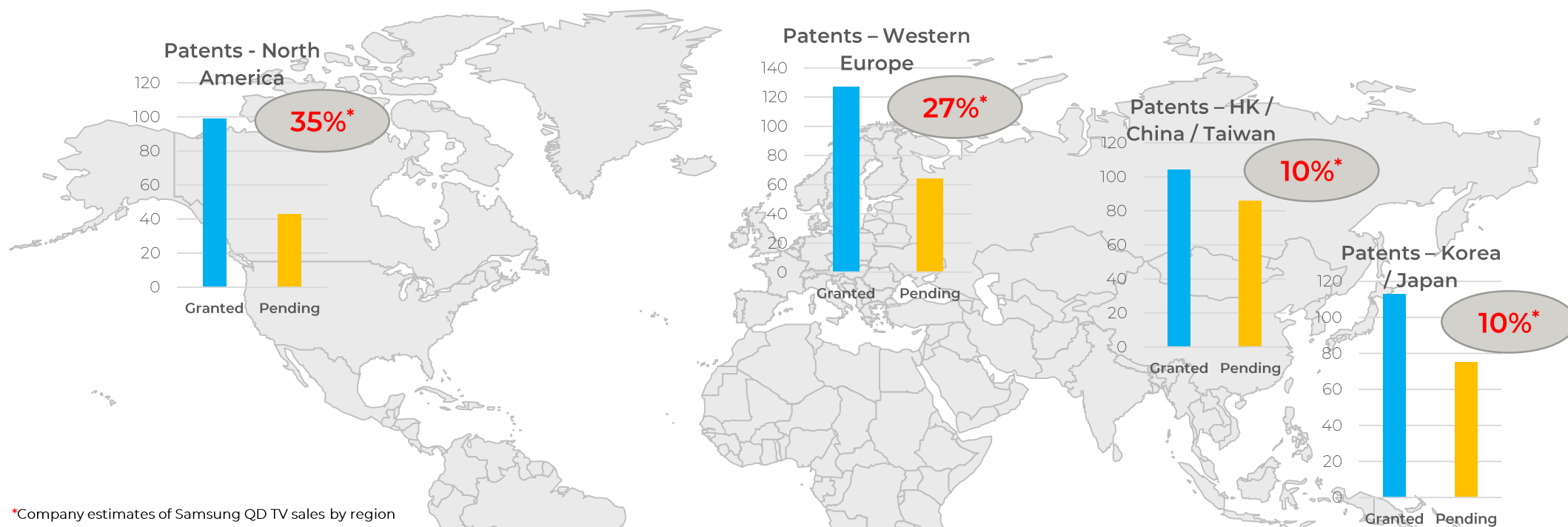


Trial Process



Litigation, IPR and appeal processes underwritten by third party funder

LITIGATION VALUE OPPORTUNITIES



- European QD TV market only a little smaller by value than North America*
- Nanoco significant patent coverage in large European markets – same five patents
- China a growing market and opportunity with new environmental regulations
- Samsung selling panels to other huge multi-nationals
- QD use cases expanding to other devices

Successful litigation unlocks more than just a damages award in USA

FINANCIAL REVIEW



Operating loss

- Revenue and other operating income 21% ahead of prior year
- Adjusted operating loss reduced by 27% from prior year
- Continued investment in tightly focused R&D activities



Costs

- Headcount stable, continuing management action to reduce other costs
- Maintained core capabilities – supporting both Sensing and Display
- Exiting Manchester first floor saves c. £0.5m pa from Q3 FY22



Cash

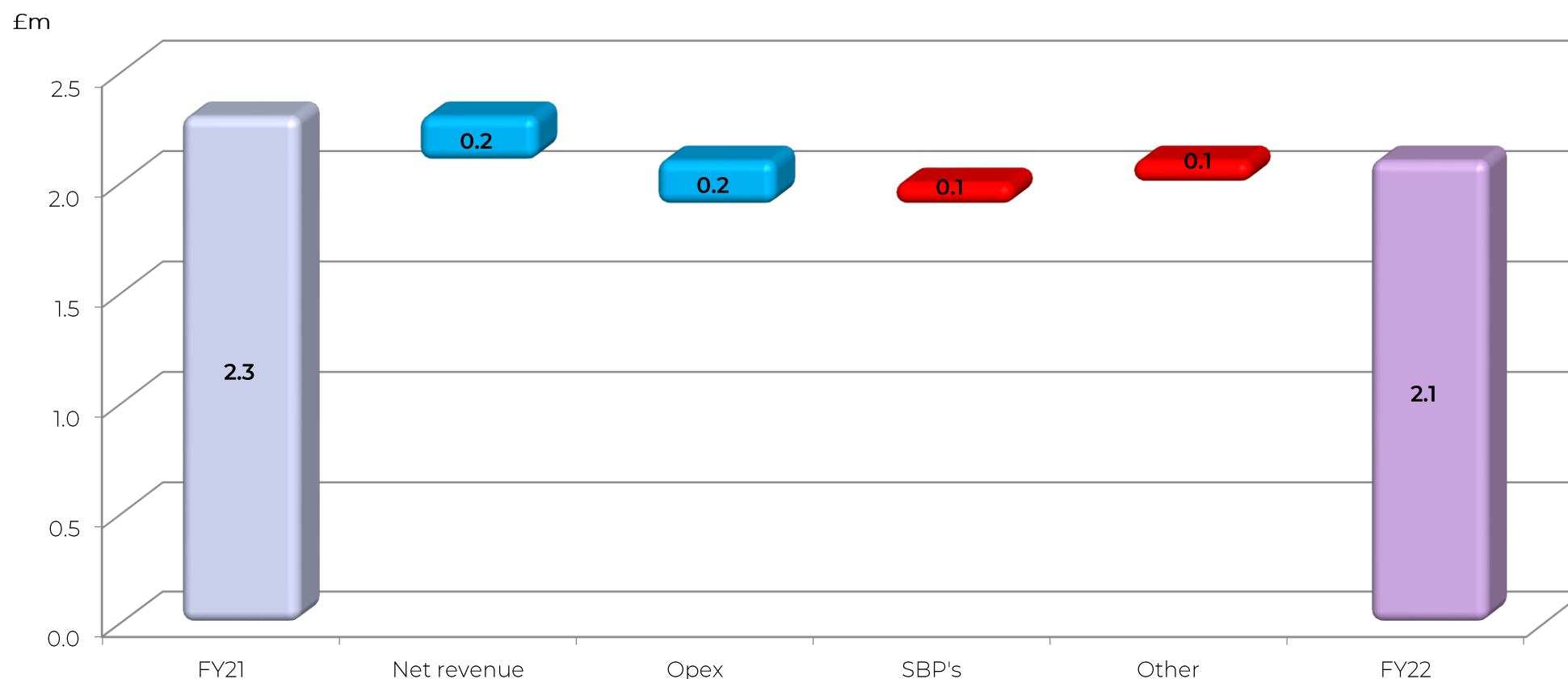
- Cash runway continues to be a key management focus
- Monthly gross cash costs £0.4m, to reduce in Q3 FY22 and again in Q2 FY23
- High operational leverage on revenue wins – strong cash conversion

INCOME STATEMENT

| | FY 22 £m | FY 21 Restated £m | Change £m |
|---|--------------|-------------------------|--------------|
| Revenue and other operating income ('OOI') | 1.3 | 1.1 | +0.2 |
| Cost of sales | (0.1) | (0.1) | - |
| Gross profit | 1.2 | 1.0 | +0.2 |
| R&D investment | (1.0) | (1.2) | +0.2 |
| Other administrative expenses | (1.3) | (1.3) | - |
| Adjusted LBITDA | (1.1) | (1.5) | +0.4 |
| Share based payments | (0.4) | (0.3) | (0.1) |
| Depreciation & Amortisation | (0.6) | (0.9) | +0.3 |
| Operating loss | (2.1) | (2.7) | +0.6 |
| Tax and financing costs | - | 0.4 | (0.4) |
| Loss after tax | (2.1) | (2.3) | +0.2 |

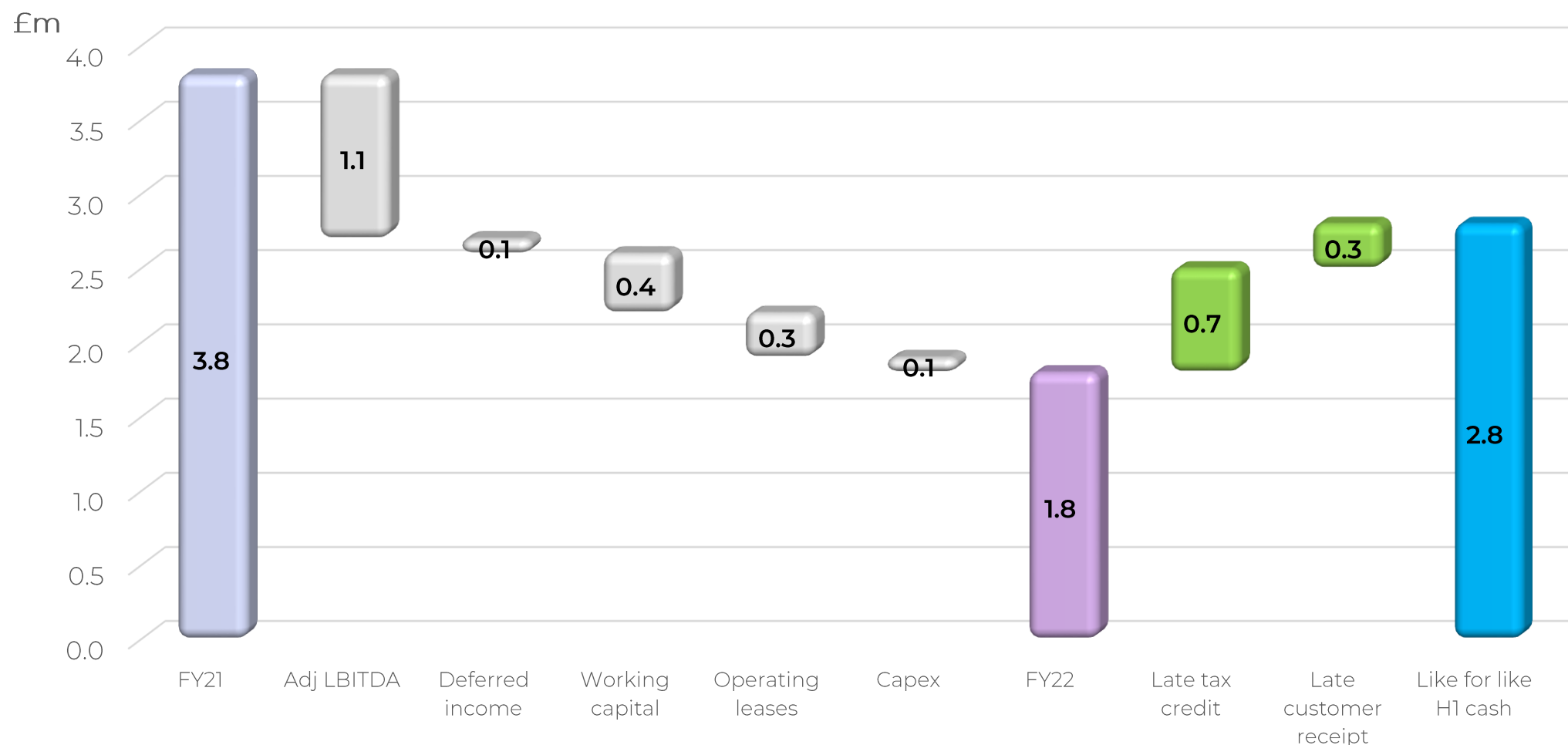
- Revenue and OOI largely relates to IRQD development, product sales and grant income
- Flow through of revenue and lower costs results in c. 26% reduction in adjusted LBITDA
- IFRS 16 depreciation charges expected to fall in line with exit from Manchester premises

MOVEMENT IN NET LOSS



- Revenue and OOI £0.2m higher with strong operational leverage from service income
- Operating costs £0.2m lower than prior year, despite furlough benefit in prior year
- Monthly gross cost run rate c.£0.4m throughout the Period (before revenue & tax credits)
- Extra £0.5m p.a. property savings from April 2022, further £0.2m benefit from December 2022

MOVEMENT IN CASH



- Underlying cash consumption £1.0m in the Period
- Late receipt of R&D tax credit (£0.7m – audit delays) and large customer payment delay
- Equates to an underlying net monthly cash burn of under £0.2m per month



Guidance

- Active opportunities underpin FY22 revenue in line with FY21
- Cash costs stable at £0.4m per month – property savings Q3 FY22
- Business stable, ongoing commercial opportunities, steady headcount



Capability

- Team of 37 FTE's highly flexible - capacity for services and product revenue
- Retained core capabilities through restructuring
- Both Runcorn facilities fully operational from June 2022



Cash

- Organic business average net monthly cash burn in FY22 of c.£0.2m
- Current opportunities may further extend cash runway
- Dependent on length of service contracts / scale of any production orders
- Contingency plans available

SUMMARY



Value

- Samsung litigation – key value inflection points May 22 and Q4 CY22
- H2 CY22 visibility on potential sensing production revenue in CY23
- Management active in generating value from both sources



Cash runway

- Cost base to reduce by around 20% over next 12 months
- Organic cash runway extends to H1 CY23, beyond the key value milestones
- New business wins can extend this - contingency plans to protect IP value



Opportunity

- Consolidation in Runcorn reduces costs and improves organic platform
- Successful Samsung litigation will promote new licensing opportunities
- Success in organic business delivers self-financing goal in the medium term

Significant organic and litigation value inflection points in 2022

QUESTIONS

APPENDICES

BOARD MEMBERS

| | |
|--|--|
| Dr Christopher Richards Non-Executive Chairman | <ul style="list-style-type: none">• CEO, Non-Executive chairman, Arysta LifeSciences• 20 years of increasing management roles at Syngenta• CEO of Plant Health Care plc (AIM: PHC) and NED of Origin Enterprises plc (AIM: OGN) |
| Brian Tenner CEO | <ul style="list-style-type: none">• Experienced Quoted Company CFO with strong operational and transformation experience• Previously Board Member and CFO of British Nuclear Group Ltd, Scapa Group plc, Renold Plc, NCC Group PLC |
| Dr Nigel Pickett Co-founder & CTO | <ul style="list-style-type: none">• Inventor of Nanoco's key patented scale-up technology• Leading expert on semi-conducting nano-crystals• Japanese Government, St. Andrews University, Georgia Tech |
| Liam Gray CFO and Company Secretary | <ul style="list-style-type: none">• Chartered accountant, having qualified with KPMG• Previously worked for a variety of listed and private entities in a range of positions |
| Dr Alison Fielding Non-Executive (Remuneration chair) | <ul style="list-style-type: none">• Astra Zeneca, followed by McKinsey & Co, then co-founded Techtran Group Limited which was acquired by IP Group in 2005 and subsequently held the role of director and COO at IP Group• Board member / advisor of several early stage and quoted IP Group backed tech companies• NED of Zotefoams plc and Maven Income and Growth VCT plc |
| Chris Batterham Non-Executive (Audit chair) | <ul style="list-style-type: none">• 20 years of Non-Executive experience in high growth technology companies including:• Blue Prism (Deputy Chairman), SDL, Betfair and Iomart• Previously CFO of Unipalm, first Internet IPO |
| Henry Turcan Non-Executive | <ul style="list-style-type: none">• Over 25 years experience in financial services, investment banking and capital markets• Representative of major shareholder, Lombard Odier• NED of Woodbois Limited, Internet Fusion Limited, and Minds and Machines Group Limited |

SHAREHOLDER ANALYSIS (AS AT 31 Jan 2022)

| Name | Shareholding | Percentage |
|--------------------------------------|--------------|------------|
| Lombard Odier | 84,432,303 | 27.49% |
| Hargreaves Lansdown Asset Management | 41,396,743 | 13.48% |
| Mr Richard I Griffiths | 30,500,000 | 9.93% |
| Interactive Investor | 25,508,958 | 8.31% |
| Dr Nigel Pickett (CTO) | 11,245,548 | 3.66% |
| Barclays Smart Investor | 9,611,144 | 3.13% |
| Total of shareholdings above | 202,694,696 | 65.99% |

Note: The total number of voting rights in the Company is 307,149,182 (excludes 12,222 Treasury shares)

