



Protect your cash

Protect your company

VOTE AGAINST

ALL RESOLUTIONS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR AS TO WHAT ACTION YOU SHOULD TAKE, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE IN THE UNITED KINGDOM OR, IF NOT, ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER.

If you have sold or otherwise transferred all of your Ordinary Shares in Nanoco Group plc, you should deliver this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Nanoco Group PLC

**NOTICE OF GENERAL MEETING (REQUISITIONED PURSUANT TO
SECTION 303 OF THE COMPANIES ACT 2006)**

AND

BOARD RECOMMENDATION TO

VOTE AGAINST

ALL RESOLUTIONS

EVERY VOTE WILL COUNT AND YOUR VOTE IS IMPORTANT

Voting instructions are on pages seven and eight.

Notice of a General Meeting of Nanoco Group plc to be held at the offices of Reed Smith LLP, The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS at 11:00 am (London time) on Monday, 14 August 2023 is set out in Part 4 of this document.

Shareholders have the option of listening to the General Meeting remotely via a conference call facility that can be accessed from any computer with internet access or through a telephone (mobile or landline). Instructions on how to register for this facility are contained in Note 1 to the Notice of General Meeting set out in Part 4 of this document. Please note that Shareholders will not be able to use this facility to actively participate in the General Meeting by voting on the Resolutions or asking questions during the Meeting and they should therefore submit their votes by proxy in accordance with the following instructions.

The Board strongly encourages all Shareholders, regardless of whether or not you intend to attend the General Meeting in person, to submit their votes via proxy as early as possible. All proxy appointments should be received by no later than 11:00 a.m. on 10 August 2023 (or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the time specified for the General Meeting, 48 hours before the time of the adjourned meeting, excluding any UK non-working days). CREST members are advised to vote electronically through the CREST electronic proxy appointment service as your vote will automatically be counted.

Your attention is drawn to the letter from the Chairman of the Company set out in Part 1 of this document and includes a recommendation that you **VOTE AGAINST ALL resolutions to be proposed at the General Meeting.**

EXECUTIVE SUMMARY

A group of shareholders who speak only for 5.02% of shareholders (the “Requisitionists”) has triggered this EGM, proposing to replace the entire Board of Nanoco with their nominees to take control of your Company and your cash (the “Proposals”), all while setting out an ill thought-through plan for the Company as well as making unfounded allegations. The Board summarises below why you should vote against all resolutions.

**The Proposals are not in the best interests of Shareholders;
you should VOTE AGAINST ALL Resolutions.**

1. Nanoco is at an exciting inflection point, with the Samsung litigation proceeds fully underpinning our transition from an R&D first mover to a leading producer of next-generation QD materials in the short term

- The current Nanoco team has delivered significant progress in recent years (as detailed in the graphic below) and Nanoco is now closer to commercial production than at any time in its 20-year history, with commercial production orders anticipated by the end of calendar year 2023.
- Significant growth is forecast in Nanoco’s core markets, with increasing end user applications in Sensing and increasing QD market share in Display.

Early 2018	Early 2020	Early 2023	Late 2023
<ol style="list-style-type: none"> 1. One sensing product/ customer/ application 2. Display dormant 3. Lack of sector focus 4. Cash cost base £9.2m p.a 	<ol style="list-style-type: none"> 1. File suit against Samsung 2. Focusing resources on sensing and display 3. Adopted “dot only” strategy 4. Cash cost base £7.4m p.a. 	<ol style="list-style-type: none"> 1. Two sensing products in final customer validation 2. Multiple attractive sensing products/ customer/ application combinations 3. Delivered \$90m net proceeds from Samsung 4. Cash cost base £5.2m p.a. 	<ol style="list-style-type: none"> 1. Expect first commercial production orders end CY23 2. New Development collaborations for new materials

Deeper and stronger commercial collaboration with major industry partners

- Firm commitment to return up to £40m to Shareholders in the first quarter of 2024.
- Remaining litigation proceeds underpin Nanoco’s organic commercial business and create a firm financial footing to target additional shareholder returns from the business over the longer term.
- Litigation validated the Group’s core IP, enabling further IP monetisation initiatives, which have already started.

**The Proposals are not in the best interests of Shareholders;
you should VOTE AGAINST ALL Resolutions.**

2. The Requisitionists' proposals will destroy the significant potential value in Nanoco's organic business, risk turning the Company into a highly speculative litigation shell, and would result in an exodus of key talent from the business

- Board changes should be in the best interests of all Shareholders, and should not give undue influence or control to one small group. The Board changes proposed by the Requisitionists represent a total change of control of Nanoco with no takeover premium being paid by the Requisitionists.
- The Board changes proposed by the Requisitionists would result in the new Board gaining complete control of **YOUR CASH** – the net Samsung litigation proceeds of US\$90m – having spent only a fraction of that to acquire control of the business.
- The Board changes proposed by the Requisitionists' would result in the departure of the entire executive team, including Dr Nigel Pickett, named inventor on over 60% of the Group's patents. His departure would seriously undermine the chances of any future commercial and IP monetisation efforts.
- None of the Requisitionists' nominees have ever served on any UK public company board. None of the Requisitionists' nominees have the necessary governance experience to chair a UK listed company board or the audit and remuneration committees. One of the Requisitionists' nominees has had summary judgement, significant damages and injunctions issued against them in a case involving misappropriation of trade secrets and unfair trade practices in 2023.

3. Mr Hamoodi's unfounded allegations create a false narrative that misleads Nanoco shareholders

- *Remuneration and independence of the Board:* The Requisitionists' assertions regarding Executive remuneration and a lack of Director independence are simply not true; Nanoco's Remuneration Policy and Reports have been approved by over 95% of Shareholders for the last four years.
- *The convertible loan notes issued to Lombard Odier and Ora Capital:* These represented the best terms available to the Company at that time, indeed Mr Hamoodi himself congratulated the Company on the loan notes and described them as "*much more attractive than what Baupost could have offered.*"
- *Statements made surrounding the Samsung litigation:* The Board is confident that all statements made in relation to the Samsung litigation appropriately represented the potential value of a successful jury trial outcome and accurately reflected the risks inherent in any litigation process; guiding towards settlement prospects would have been actively detrimental to potential shareholder value.
- *Access to inside information:* At no point were any shareholders granted inappropriate access to information.
- *The Samsung settlement:* The settlement was in the best interests of all Shareholders.
- *Retaining and protecting the Group's IP:* The Group has retained its most valuable IP regarding the Group's unique process for manufacturing quantum dots at commercial production scale; the IP sold to Samsung was non-core.

Further information is contained in Part 1 of this document.



Protect your cash Protect your company

VOTE AGAINST

ALL RESOLUTIONS

“I fully support the board of Nanoco as they have a clear strategy to build value for all shareholders. I believe it would be highly irresponsible to support the resolutions in the requisitioned meeting in so far as the proposed new directors are not of the experience or calibre I would expect to see on the board of a UK public company in which I am invested.”

Christopher Mills, Founder, CEO and CIO of Harwood Capital
c.3% shareholder in Nanoco

YOUR VOTE IS IMPORTANT – ACT NOW

Although the Requisitionists only represent 5.02% of the current shares eligible for voting, your vote on this matter is crucial in order to safeguard the future success of the Company. The Board urges all Shareholders to act now by voting **AGAINST** all of the Resolutions being proposed at the General Meeting in order to enable the Company to continue to deliver value for all its Shareholders and stakeholders. Voting instructions can be found overleaf.

Shareholders should VOTE AGAINST all Resolutions!

Shareholders wishing to vote against all of the Resolutions in line with the Board's recommendation should complete and sign the Form of Proxy enclosed with this document, in the following manner:

1. Confirm shareholder name, as entered on the register of shareholders. If you are unsure, please call Neville Registrars (details below)

Nanoco Group plc

(Incorporated in England and Wales under Companies Act 1985 with registered number 05067291)

FORM OF PROXY

I/We INSERT NAME being (a) member(s) of the Company and entitled to vote at the General Meeting, hereby appoint

(Please only complete if appointing someone other than the Chairman of the Meeting)

or failing him/her, the Chairman of the meeting as my/our proxy, to attend, speak and vote for me/us and on my/our behalf at the General Meeting of the Company, to be held on 14 August 2023 at the offices of Reed Smith LLP, The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS at 11.00 a.m. and at any adjournment thereof.

2. Place an "X" in each of the 12 boxes under the heading 'AGAINST'

Ordinary Resolutions

- 1 To remove Liam Frederick Gray as a director of the Company with immediate effect
- 2 To remove Christopher Michael Batterham as a director of the Company with immediate effect
- 3 To remove Dr Alison Margaret Fielding as a director of the Company with immediate effect
- 4 To remove Dr Nigel Leroy Pickett as a director of the Company with immediate effect
- 5 To remove Dr Christopher Gareth Joseph Richards as a director of the Company with immediate effect
- 6 To remove Brian Thomas Tenner as a director of the Company with immediate effect
- 7 To appoint Dooyong Lee as a director of the Company with immediate effect

FOR
AGAINST
WITHHELD

- 8 To appoint Greg Moeller as a director of the Company with immediate effect
- 9 To appoint Benjamin Barnett as a director of the Company with immediate effect
- 10 To appoint Eric Achtmann as a director of the Company with immediate effect
- 11 To appoint Ikchoon Tim Kang as a director of the Company with immediate effect
- 12 To appoint Tariq Hamoodi as a director of the Company with immediate effect

FOR
AGAINST
WITHHELD

Your Personal Proxy Registration Code is: ABCD-123-EFG

If you are planning to attend the General Meeting, please tick the following box: ☐

Mark this box with an "X" if you are appointing more than one proxy: ☐
Signed:

INSERT SIGNATURE

Leave blank to authorise your proxy to act in relation to your full entitlement or enter the number of shares in relation to which your proxy is authorised to vote:

Date: DATE BELOW

DD-MM-YY



>123-0

NEVILLE
REGISTRARS

3: Sign and date the form

IF YOUR SHARES ARE HELD THROUGH A NOMINEE ACCOUNT YOU MUST INSTRUCT YOUR BROKER HOW TO VOTE DIRECTLY USING THE FOLLOWING METHODS

Broker	Voting Method
Hargreaves Lansdown	You will need to instruct Hargreaves Lansdown directly with how to vote your shares. You will need to log into your HL account and send them an electronic instruction using their 'online election' facility. More information is available on HL's website: https://www.hl.co.uk/shares/corporate-actions/corporate_action_frequently_asked_questions
Interactive Investor	You will need to instruct Interactive Investor directly with how to vote your shares. In your online account, you will see a 'Voting Mailbox' under 'Portfolio' where you will be able to vote. More information is available on their website: https://www.ii.co.uk/investing-with-ii/shareholder-voting-information
Halifax Share Dealing (HSDL)	You will need to instruct Halifax Share Dealing directly with how to vote your shares. Log into your HSDL account online or in the App, select 'Corporate Actions' then 'Notifications'. More information can be found here: https://www.halifax.co.uk/investing/help-and-guidance/existing-customer/what-is-a-corporate-action.html
Barclays Smart Investor	You will need to instruct Barclays directly with how to vote your shares. You will need to log into your Barclays account and send them a secure electronic instruction stating how you wish to vote on the resolutions. Alternatively, you can contact Barclays on 0800 279 3667 for help with voting.
AJ Bell	To vote you need to instruct AJ Bell directly with how to vote your shares. Log into your AJ Bell account and send them a secure message confirming how you want to vote for each resolution. For more help please visit www.ajbell.co.uk/faq and type "how to vote"

All proxy appointments should be received by no later than 11:00 a.m. on 10 August 2023. CREST members are advised to vote electronically through the CREST electronic proxy appointment service. Shareholders are reminded that if their shares are registered in the name of a nominee, they must liaise with their nominee to ensure their proxies are validly submitted by the above deadline. If in any doubt about your shareholding, please contact our registrar, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD on telephone number 0121 585 1131, or by e-mail on info@nevilleregistrars.co.uk.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of receipt of Requisition	27 June 2023
Date of this Notice of General Meeting	18 July 2023
Time and date of Company presentation to shareholders via the Investor Meet Company platform, in respect of this Circular	To be confirmed by subsequent RNS
Latest time and date for receipt of Forms of Proxy from Shareholders	11.00 am on 10 August 2023
Latest time and date by which a request to participate in the General Meeting via the conference facility must be made	11.00 am on 10 August 2023
Deadline for ownership of shares to be registered in order to be entitled to attend and vote at the General Meeting	6:00 pm on 10 August 2023
General Meeting	11.00 am on 14 August 2023

All references to time in this document (including the Notice of General Meeting) and the accompanying Form of Proxy are to London time.

Other than the date of receipt of the Requisition Notice and this Notice of General Meeting, each of the times and dates in the table above may be subject to change. The situation will be kept under review, and further changes may need to be made to the arrangements relating to the General Meeting, including how it is conducted, and Shareholders should therefore continue to monitor the Company's website (www.nanocotechnologies.com) and announcements for any updates.

IMPORTANT INFORMATION

Forward looking statements

This document and other information published by Nanoco may contain statements about Nanoco that are or may be deemed to be forward looking statements. Such statements are prospective in nature. All statements other than historical statements of facts may be forward looking statements. Without limitation, statements containing the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or “considers” or other similar words may be forward looking statements.

Forward looking statements inherently contain risks and uncertainties as they relate to events or circumstances in the future. Important factors such as business or economic cycles, the terms and conditions of Nanoco’s financing arrangements, tax rates, or increased competition may cause Nanoco’s actual financial results, performance or achievements to differ materially from any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Nanoco disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

No incorporation of website information

A copy of this document is available on the Company’s website at www.nanocotechnologies.com/investors/. Neither the content of the Company’s website nor any website accessible by hyperlinks from the Company’s website is incorporated in, or forms part of, this document.

References to defined terms

Certain terms used in this document, including certain capitalised terms, are defined in Part 3 of this document.

PART ONE – LETTER FROM THE NON-EXECUTIVE CHAIRMAN OF NANOCO GROUP PLC

(Incorporated in England and Wales with registered number 05067291)

Directors

Christopher Richards – Non-Executive Chairman

Brian Tenner – Chief Executive Officer

Liam Gray – Chief Financial Officer

Dr Nigel Pickett – Chief Technology Officer

Dr Alison Fielding – Non-Executive Senior Independent Director

Chris Batterham – Non-Executive Director

Registered Office

Science Centre

The Heath Business & Technical Park

Runcorn WA7 4QX

18 July 2023

Dear Shareholder,

RESPONSE TO REQUISITIONISTS

and

NOTICE OF GENERAL MEETING

1. Introduction

As you are aware from the Company's announcement dated 28 June, Aurora Nominees Limited and Securities Services Nominees Limited, (the 'Requisitionists') have requisitioned a general meeting pursuant to section 303 of the Act and required the Company to circulate a written statement by a Mr Tariq Hamoodi under section 314 of the Act. The purpose of the general meeting is to seek to remove all your current directors from the Board and replace them with the Requisitionists' own nominees.

I am writing to you as Chairman of the Company to explain why the Board considers this to be contrary to the best interests of the Company's Shareholders as a whole and to explain why you should **VOTE AGAINST ALL** the resolutions, as your Directors intend to do in respect of their own shareholdings.

Personally, I believe the actions of the Requisitionists are a wasteful and wholly unnecessary distraction considering the efforts that have been made by the current Board to maintain the Company's business whilst fighting Samsung in a very successful lawsuit for patent breach in the US. Your Company is now poised for significant growth and is already committed to returning up to £40 million of cash to Shareholders in early 2024.

The Requisitionists' strategic proposals would destroy the significant potential value within Nanoco's organic business and risk turning Nanoco into a highly speculative litigation shell company. Their allegations are misleading and based on pure speculation. If their resolutions are successful, this small minority group will take control of the Company and its significant cash resources without rewarding shareholders with a takeover premium. The Requisitionists' proposed Board would be wholly unsuited to steward the interests of Nanoco's shareholders given that none have ever served on any UK listed company Board. **To protect your cash and your company, shareholders should VOTE AGAINST ALL resolutions.**

2. Nanoco is at an exciting inflection point, with the litigation proceeds fully underpinning our transition from an R&D first mover to a leading producer of next-generation QD materials in the short term

As outlined in our 2023 Interim Results, the Group continues to be focused on its commercial business and is confident in its ability to deliver future growth. It is now closer to commercial production than at any time in its 20-year history, strengthened by its newly validated unique IP for production of quantum dots at an industrial scale and the proceeds from the successful conclusion of the Samsung litigation which provides a firm financial footing.

The current Nanoco team has delivered significant progress in recent years and Nanoco is now closer to commercial production than at any time in its 20-year history, with commercial production orders anticipated by the end of calendar year 2023

Early 2018	Early 2020	Early 2023	Late 2023
<ol style="list-style-type: none"> 1. One sensing product/ customer/ application 2. Display dormant 3. Lack of sector focus 4. Cash cost base £9.2m p.a 	<ol style="list-style-type: none"> 1. File suit against Samsung 2. Focusing resources on sensing and display 3. Adopted "dot only" strategy 4. Cash cost base £7.4m p.a. 	<ol style="list-style-type: none"> 1. Two sensing products in final customer validation 2. Multiple attractive sensing products/ customer/ application combinations 3. Delivered \$90m net proceeds from Samsung 4. Cash cost base £5.2m p.a. 	<ol style="list-style-type: none"> 1. Expect first commercial production orders end CY23 2. New Development collaborations for new materials

Deeper and stronger commercial collaboration with major industry partners

European customer progress

We continue our progress to final validation of production-ready materials for sensing applications for our European customer, with consistent feedback that our materials are far superior to any others they have tested. Final validation testing of Nanoco's materials and the customer's own production process is at an advanced stage, with volumes of test materials exceeding previous expectations. We now expect to have two fully validated sensing materials around the end of FY23 (compared to previous expectations of one validated material). Discussions are also ongoing regarding next steps on other new development materials. We then expect a ramp-up in commercial production levels alongside further development work on new materials to deliver our target of being cash flow breakeven in CY 2025 (as publicly announced in our Preliminary Results in October 2022).

Under Dr Pickett's leadership, we have delivered all of the technical milestones for our European customer under the one-year contract that started on 1 May 2022, enabling the transition to final production validation. We are now reinforcing our place in the supply chain with equipment upgrades, additional ISO certifications, and further increases to raw material stocks in readiness for commercial production orders. We have also invested in additional front line researchers, production chemists and direct support staff, as activity levels have increased across all parts of the business. This will allow us to capture the opportunities from having production validated materials and to develop new materials in sensing, display and other potential applications.

Asian chemicals customer progress

We have made strong progress on new materials for our Asian Chemical Company customer, who has reported that Nanoco has delivered "world champion" levels of material performance. While this project is earlier in the development cycle than the project for the European customer, it too has the potential to require significant volumes of our materials as demand grows for affordable high-performance sensors in mobile phone applications (for potentially over one hundred million units per year). We are currently discussing options to accelerate this programme and to deepen and lengthen our collaboration, while continuing to deliver small quantities of development materials for device testing.

Other projects progress

The Group is currently working on two projects that are part-funded by grants from Innovate UK, the UK's innovation agency, including targeting a third generation sensing material with the potential for even more advanced performance and the creation of novel nano-materials that are applicable in the field of quantum computing. Critically, these new materials and the second generation material noted above are underpinned by the Group's retained core IP. Continuing the Group's R&D activities under Dr Pickett's leadership is critical to maintaining a pipeline of new IP to drive future licensing opportunities.

Significant growth is forecast in Nanoco's core markets, with increasing end user applications in Sensing and increasing QD market share in Display

Sensing

The size of any first production orders will depend on the end user customer application. As with any new technology, initial demand is likely to be modest in scale, before expanding into a broader range of customers, applications and devices. Independent market researchers Yole Group estimate 6.1% compound annual growth rate for CMOS (complementary metal oxide semiconductor) Image Sensors in the six years to 2028 to reach approximately \$30 billion¹. During the same period, they forecast an increasing share of that market for 3D sensors and multi-spectral cameras where the performance of these devices can be significantly enhanced by the integration of quantum dots.

QD enhanced CMOS sensors operating at SWIR ("Short Wave Infra Red") wavelengths are the most viable alternative to extremely expensive InGaAs (Indium Gallium Arsenide) sensors for use in consumer electronics. According to Yole², *"Quantum dots appear to be the most well-positioned technology for potential integration in consumer devices"*. Yole predict the adoption of SWIR technologies in high end mobile phones during 2026 and penetration to higher volume phones in 2028, helped by under-display capability (equivalent to 86% CAGR between 2026 and 2028 to reach \$2.1bn for 3D sensing modules). This is consistent with Nanoco's view that initial use cases in 2024 will be for low volume applications outside mobile phones. Nanoco's existing Runcorn production facility has capacity to produce sensing materials for hundreds of millions of CMOS sensors. The Group's position in the supply chain has contractual protection to mitigate the risk of a competitor becoming a major supplier to our European customer.

¹ "Yole" - Image Sensors Europe 2023

² "Yole" – SWIR Imaging 2023, Market Technology Report

Display

Display materials remains a key focus for Nanoco, and independent market research supports a growing share of quantum dot technology in the overall flat panel display market where consumer and environmental concerns mean that cadmium free solutions are much preferred (Omdia, TDR). The current market for flat panel TVs is approximately 250 million units per annum and is forecast to grow to over 300 million units by 2030. During the same period, the market share for displays containing quantum dots is forecast to grow from over 15 million TVs (6% of the market in 2022) to over 100 million TVs by 2030 (35% of the forecast market). Based on market research, the Company estimates that approximately 90% of the QD TVs sold today are cadmium free, reflecting Samsung's market dominance. Within the QD TV market, the number of cadmium based units is expected to fall significantly, reflecting toxicity and environmental concerns (RoHS) in various territories.

Samsung's relative share of the market is expected to decline over the same period. The combination of cadmium free systems taking a larger share of the overall market, together with a fall in Samsung's relative share, is expected to create two opportunities for Nanoco:

- Firstly, as a manufacturer of cadmium free quantum dots (in our own facility which can be readily expanded); and
- Secondly, as the owner of a validated IP portfolio fundamental to the manufacture of cadmium free quantum dots on an industrial scale.

The license taken by Samsung on our IP clearly demonstrates the need to access our IP and technology. This need for access to Nanoco's IP portfolio will grow over time, in line with the number of cadmium free display products sold in the market. With a firm financial underpin, we now have the option to self-finance the pursuit of those who chose to incorporate our patented IP without entering into a licence agreement with us.

Firm commitment to return between 65% and 75% of net litigation proceeds of tranche two to Shareholders in the first quarter of 2024

At the General Meeting held on 7 July 2023, 99.8% of voting shareholders supported the proposed resolutions in support of a court approved capital reduction to create distributable reserves that will facilitate the Board's proposed return of capital. The Board has carefully balanced the needs of the commercial business set out above with the proposed return of capital to shareholders, described below.

The second tranche of litigation proceeds is expected to be received during February 2024. Taking into account the proposed investments noted below, the Board is proposing to return between 65% and 75% of the second tranche of net proceeds to Shareholders, subject to no material change in circumstances ahead of that time. This will equate to a return of capital of between £33 million and £40 million (or approximately 10 pence to 12 pence per share³ (including vested options)). The return of capital is expected to commence shortly after the receipt of the second tranche of litigation proceeds.

If the Group's prospects improve further or the self-financing point arises earlier than 2025, the Board will consider further returns of capital in line with developing an appropriate dividend policy for a profitable and cash generative business.

The Board is currently examining the most tax efficient method of making the return of capital and options include, but are not limited to, special dividends, tender offer, or a share buyback programme.

Mr Hamoodi's proposals on the one hand seem to imply that the return of capital is not adequate when he stated that "Concerningly on 20th June, the Board announced it plans to retain a large part of the Samsung litigation proceeds". On the other hand, his investment thesis seems to imply the potentially significant use of capital to acquire other IP portfolios ("third party IP monetisation"). With his proposed 90 day business school style plans he is effectively saying he and his fellow nominees will decide what to do with **YOUR COMPANY** and **YOUR CASH** after they gain control of the Company and all of your cash.

³ Using the current \$USD / £GBP exchange rate of approximately \$1.25 / £1.00

Remaining litigation proceeds underpin Nanoco's organic commercial business and create a firm financial footing to plan for the longer term

Over the last five years, Nanoco has grown from a “one customer, one product” position for sensing materials to multiple first and second generation materials for two global electronics supply chain companies, with reach to thousands of their own customers. In parallel the focus of R&D has been narrowed to near term commercial opportunities and our fixed cash cost base has been cut by almost half (from around £9.2 million to £5.2 million) as cash had been carefully managed. This was achieved in parallel with the successful Samsung litigation outcome delivering a net \$90.0 million of proceeds by February 2024.

Given these substantial achievements, the Board intends to continue investing in R&D and commercial activities, through to the self-financing position that is expected to be delivered during 2025. As outlined in the Reduction of Capital Circular issued on 20 June 2023, the Board therefore intends to retain up to approximately £20 million of cash (following the return of capital set out above) to invest as follows:

- Funding the Group's commercial business activities until they become self-financing;
- Pursuing a number of promising investments in R&D to accelerate the development of new second and third generation sensing materials;
- Modest capital investments to improve production efficiency;
- Self-financing the IP licensing programme while retaining ownership and control of the Group's core IP which also includes significant know how and trade secrets.
- Paying off the Group's entire current borrowings (approximately £5.0 million) to become debt-free.
- The Group will also maintain a modest cash buffer for working capital and to mitigate the risk of unforeseen events.

The Board is confident that the near-term opportunities for commercial production of sensing materials, together with the current interest in the Group's display materials following the IP litigation and the growing display market for CFQD® cadmium free quantum dots, fully merit the allocation of funds noted above.

Retaining a portion of the litigation proceeds will give the Group the cash runway to become self-financing from its commercial business activities without having to return to shareholders to raise additional equity.

The retained proceeds will also avoid the Group having to consider surrendering ownership or control of the Group's IP to a third party licensing firm, where it is likely that the majority share of any new proceeds would be for the benefit of third parties rather than Nanoco's shareholders. If the Group's prospects improve further or the self-financing point arises earlier than 2025, the Board will consider further returns of capital in line with developing an appropriate dividend policy for a profitable and cash generative business.

The Board recognises that the adoption of nano-material technology has taken longer than expected for both Nanoco and its competitors, creating commercial challenges. Shareholders will be aware that development cycles for new advanced materials for use in consumer electronics can be very long: Samsung were working with quantum dots for over ten years before commercialising the technology, and QD Vision worked for almost ten years to commercialise a technology that was then withdrawn after only one year.

The development cycles tend to be so long because the whole supply chain often needs to be re-engineered on top of developing QD material. One of the advantages of the QD enhanced CMOS sensors that Nanoco specialises in is that the material represents an extra layer in a pre-existing material stack. Reaching final product validation testing within six years demonstrates Nanoco's clear ability to develop and scale novel materials to the exacting standards of consumer electronics applications.

The Requisitionists' apparent plan to turn Nanoco into an IP shell will eliminate any chance of successfully delivering commercial production orders. As noted earlier, initial low volume orders expected at the end of 2023 are forecast to grow into significant volume orders as mobile devices adopt SWIR technologies, leading to significant potential revenue for Nanoco that will be lost if the Requisitionists' are successful.

Litigation validated the Group's core IP, enabling further potential monetisation initiatives, which are already ongoing

Strong argument for enforcement of our IP

As a UK-based business specialising in the design, scale up and manufacture of novel nano-materials, we will continue to take steps to protect our platform technology and our IP portfolio. Following the validation of all 46 claims in the four retained patents by the Patent Trial and Appeal Board and the subsequent licensing of our remaining patent portfolio by Samsung, the Group is confident in the applicability of our IP to other participants in the cadmium free quantum dot display market. As QD TVs capture a larger share of the total flat panel TV market and as more market participants build market presence, we see a significant opportunity to generate income by aggressively enforcing our IP.

Internal working group and expert advisers

Nanoco's internal working group has already created a heat map of potential infringers, including examination of displays already on sale in the UK and US. We retain our Special Adviser from the Samsung litigation (Epicentre Law) who have very significant experience of nine figure settlements and awards (compared to the relatively small scale of the Requisitionists' nominees) and deep formal legal IP experience. Indeed, Mr Hamoodi requested an introduction to Epicentre to discuss non-Nanoco opportunities and, following the introduction, described Ron Epstein of Epicentre in glowing terms – "He may be the sharpest professional I have come across in the IP space." The Group also retains its licensing counsel, who have been very successful in striking down many competitor IP claims through ex parte reviews and inter parte reviews as well as generating commercial value for the Group in the past.

Leveraging experience of Samsung litigation

The experience gained by the Nanoco team during the Samsung litigation, combined with our retained experts, is a strong platform for delivering further value from our IP portfolio and ensuring that income is for the benefit of Nanoco and its shareholders. Dr Pickett's extensive efforts contributed significantly to winning all 47 claims in the 18 month inter parte reviews process and the successful Samsung outcome as nominated corporate witness, and his contribution cannot be understated. This exceptional experience and capability will be lost if the Requisitionists' proposals succeed and future IP monetisation activity will be jeopardised. We firmly believe that our strategy set out above is the optimal route to monetising Nanoco's IP. A vote in favour of the Requisitionists' proposals will lead to value destruction.

3. The Requisitionists' proposals would destroy the significant potential value in Nanoco's organic business, risk turning the Company into a highly speculative litigation shell, and would result in an exodus of key talent from the business

Board changes should be in the best interests of all Shareholders, and should not give undue influence or control to one small group. The Board changes proposed by the Requisitionists would represent a change of control of Nanoco with no takeover premium being paid by the Requisitionists

As Nanoco enters the next phase of growth, the Board is open to constructive scrutiny and discussion over its composition. The Board recognises that having the right blend of skills and capabilities within the Board is beneficial to support the executive team and is key to delivering Nanoco's future prospects for the benefit of all Shareholders and not just the vocal minority. If the Requisitionists' proposals are successful, there will be an effective change of control with the future of the Company and control of the significant proceeds to be received from Samsung being put in the hands of Mr Hamoodi and his nominees; this is effectively a takeover by Mr Hamoodi with no takeover premium being paid to Shareholders.

Nanoco is confident that the Board's composition in recent years has had an appropriate and diverse range of experience and expertise that greatly benefits the Group and its shareholders and is fitting for a small cap company listed on the premium segment of the London Stock Exchange. The Board believes that the strength of this is demonstrated in the progress made over the last five years in implementing its 'dot only' strategy to focus on developing new materials and its significant organic growth opportunities, which are now underpinned by the proceeds from the Samsung litigation.

The Board has previously indicated that it would add additional skills and experience at an appropriate time to match the Company's phase of development and available funding. The Board has already started the search for an additional independent non-executive director with strong relevant commercial experience, to support the Board as we ramp up production.

The proposed Board changes will result in the new Board gaining complete control of YOUR CASH - the net Samsung litigation proceeds (of US\$90m) - having spent only a fraction of that to acquire control of the business

The complete change of the composition of the Board would hand the new Directors complete control of the proceeds of the Samsung litigation. At present, this is expected to be a net \$90 million after receipt of the second tranche of proceeds by February 2024. **This is clear incentive for a group of individuals to try to take control of your company on the cheap.** Nanoco has set out a clear use of proceeds, including a significant return of **YOUR CASH** to you; the Requisitionists have not.

The Board has no confidence in the proposed directors or the strategy outlined by their leader, Tariq Hamoodi, to either return a significant portion of YOUR CASH to you, or invest in YOUR COMPANY for the best interests of all shareholders and stakeholders.

The proposed Board changes will result in the departure of the entire executive team, including Dr Nigel Pickett

The executive management team, which has successfully worked together for the last four years to maintain the Company's business whilst fighting the Samsung litigation, have all notified the Company of their intention to resign in the event that the Requisitionists are successful.

Their loss would be sorely felt, particularly that of Dr Nigel Pickett who, as the co-founder of the business, is the named inventor on 250 (66%) of the Group's retained patents, including the 46 patents retained in respect of the Samsung litigation. Recognised as one of the world's few "authors of a \$150m patent" (Brad Caldwell of Caldwell Cassidy and Curry), his loss will de-stabilise the R&D team that he has built and led for the last 20 years.

Mr Tenner has built deep commercial and operational relationships with the Group's two key customers, leading on all aspects of commercial contract negotiation while driving the re-focus of the Group's strategy to a "dot only basis". During his tenure as CEO and before as COO/CFO he significantly reduced the Group's fixed cash cost base whilst raising much needed funds. Dr Pickett and Mr Tenner have been a very effective team for Nanoco.

The Requisitionists' proposals to reconstitute the entire Board with their chosen candidates, without a thorough, independent selection process, would give an undue degree of influence and control to one small shareholder group, representing just over 5% of the Company's equity. This is particularly so when Mr Hamoodi has no record of serving on a public company board, has had no substantive dialogue with, and has no awareness of the views of, the Group's employees, or current and potential customers. Mr Hamoodi's interest in Nanoco seems to have been driven almost solely by the short-term opportunity presented by the Samsung litigation and its settlement proceeds, with no credible long-term strategy.

The Requisitionists' strategic proposals would destroy the significant potential value within Nanoco's organic business, and risk turning Nanoco into a highly speculative litigation shell company with third parties taking the majority of future value

As noted above, the Board has already taken steps to pursue further monetisation opportunities for Nanoco's IP for the benefit of Nanoco's shareholders.

The Requisitionists' apparent intent is to close the Runcorn facility – where Nanoco now conducts both R&D and production. This would effectively turn Nanoco into an IP shell. They further aim to acquire IP from other companies, to pursue alleged infringers. The Board notes that the Nominee Executive Chairman runs such a company with this commercial model. It is a matter of statistical fact that "practising entities", (i.e. companies which act to monetise their own IP), typically have better outcomes in IP litigation compared to non-practising entities ('NPE's' - sometimes called "patent trolls"). PwC has reported that practising entities success rates in litigation are almost 50% better than those for NPE's (37% versus 25%). Closing the Runcorn facility (including R&D) would actively harm any future licensing activity. Losing Dr Pickett would completely undermine these efforts.

The Board notes that the customary model for third party IP licensing companies often requires the surrender of full or partial ownership rights of IP, as well as control of any licensing activity or litigation in return for an approximate 50% share of any net proceeds. If such a model had been in place for the recent IP litigation involving Samsung, the Board estimates the Group's net cash receipt would have been less than \$60 million on a pre-tax basis, over \$30 million lower than the result delivered by the current team. This economic analysis makes clear the potential additional value that can be retained by a self-funded licensing programme whilst retaining ownership and control of the IP assets within the Group.

As a result, the Board unanimously believes that Mr Hamoodi's proposed changes would be damaging and disruptive to the business and detrimental to shareholder value.

Nanoco was built to be an R&D led production company for novel nano-materials. Long-term investors and supporters of the Group's technology risk being disenfranchised by the Requisitionists who appear to have invested in Nanoco solely as a litigation play and not as a long-term commercial technology company.

The Requisitionists' nominees have never served on any UK public company boards and they do not have the necessary governance experience to lead a UK listed company

A review of Companies House records does not reveal any instances of any of the nominees having ever served on a UK public company board. The majority have not even served on the board of a UK private company. Therefore, none of the nominees appear to have the requisite experience to lead a Main Market listed company such as Nanoco.

From a corporate governance perspective, the proposal for Mr Dooyong Lee to serve as Executive Chairman (and therefore not independent) ignores one of the key principles of the UK Corporate Governance Code, which clearly states "The chair should be independent on appointment". Furthermore,

none of the nominees appear to have any experience of serving on the remuneration committee of a UK company and so would not satisfy the requirement of the UK Corporate Governance Code for the chair of the remuneration committee to have at least twelve months' experience of serving on a remuneration committee. Equally, none of the nominees appear to have the necessary "recent and relevant financial experience" to be able to chair the audit committee of a premium listed company. These oversights on the part of the Requisitionists are remarkable given their apparent focus on corporate governance.

The Board would also like to draw the attention of Shareholders to the following facts:

Mr Gregory V Moeller – proposed Interim CEO

Mr Hamoodi's website implies that Mr Moeller's experience includes being "a co-founder of QD Vision (acquired by Samsung), the company which was first to bring QLED to flat panel displays." The Board notes from Mr Moeller's LinkedIn profile that he left QD Vision in 2007, less than three years after it started, around six years before its short-lived commercialisation of a product, and almost ten years before QD Vision's assets were sold for \$65.0m⁴ from an insolvent position having raised over \$115m⁵ over its lifetime. It is impossible to fathom how this can be represented as a successful career in quantum dot technology.

After stepping back from QD Vision, Mr Moeller was involved in a number of ventures including his own consultancy business, Growthworks Incorporated, and BIA Capital Management. Since 2019, Mr Moeller, Growthworks and BIA have been the subject of civil litigation in the US involving the misappropriation of trade secrets and unfair trade practices (Red Wolf Energy Trading, LLC v. BIA Capital Management LLC, Gregory V Moeller, Growthworks LLC, Michael Harradon and Jon Moeller). In summary, US electricity trading firm Red Wolf Energy Trading launched a case against Mr Moeller, alongside his businesses Growthworks and BIA and other business associates, claiming that Mr Moeller had involved a former Red Wolf employee to gain access to confidential information.

Between 2019 and 2021, Mr Moeller and the other defendants repeatedly failed to produce certain documents requested by the court. In 2019, Mr Moeller and the other defendants were specifically ordered by the court to produce documents including, among other things, a review of its Google drive and Slack communication. During this time, Mr Moeller filed two additional sworn affidavits, claiming that the defendants had complied with the order and purported to produce the required material. However, in November 2021, some 47 additional documents were discovered in BIA's Google drive and further documents, including Slack communication, were discovered in April 2022, none of which had been submitted in the original 2019 request. This belated production of documents, which included images of Red Wolf's system, an excel export of Red Wolf's data, and a PowerPoint containing screenshots of Red Wolf's proprietary software and user interface, backed up Red Wolf's claims of misappropriation of trade secrets and unfair trade practices and seriously undermined the credibility of Mr Moeller's sworn statements.

The court ultimately issued a judgement against Mr Moeller and the other defendants earlier this year. On 1 March 2023, the court ordered Mr Moeller, including his companies BIA and Growthworks, to pay Red Wolf a total of USD 1.4 million in settlement over the course of 26 years. Mr Moeller and his businesses were also barred from operating any electricity trading activity for one year, but were barred for three years in California. In delivering his judgment, the presiding judge made the following comments:

"..... this case has generated more meritorious motions to compel and for sanctions against defendants for failure to produce documents than any other case in which this court has presided in more than 37 years. Defendants' repeated misconduct occurred despite two orders to review their document production"

"This misconduct was extreme. The fact that it continued after stern warnings from the court exacerbates it.", "Both of Moeller's claims to have supplemented defendants' production of documents as required by Rule 26 (e) proved to be untrue."

This adverse judicial finding of fact concerning Mr Moeller's honesty is not obviously compatible with the "fit and proper person" requirement to be a member of any UK listed company board.

Is this the sort of person that Shareholders want to be responsible for running their company and safeguarding the proceeds of the Samsung litigation? We do not believe so.

⁴ Court papers submitted by Samsung stating the price they paid for QD Vision's patents

⁵ <https://www.crunchbase.com/organization/qd-vision>

Mr Dooyong Lee – proposed Executive Chairman

Mr Lee is described by Mr Hamoodi and describes himself as the former CEO of Acacia Research Inc (“Acacia”). Nanoco have been unable to find any SEC filings to support this assertion. Mr Lee’s formal role as recorded in SEC filings between 2005 and 2012 was Executive Vice President at Acacia and he was not a member of the Board of Directors. Throughout this time, SEC filings listed an individual by the name of Paul R Ryan as the CEO of Acacia. It is unclear why Mr Lee and Mr Hamoodi appear to have misrepresented his role at Acacia in this way.

Mr Lee currently owns and manages a small IP licensing company based in California, Aequitas Technologies LLC (“Aequitas”). The company specialises in working with small patent holders to pursue adversarial, often legal, proceedings against individuals or organisations who have violated their patents. Nanoco note that the stated business model for Aequitas is based on similar commercial terms to those of Acacia; namely that Aequitas retain 50% of net proceeds after costs. Aequitas explicitly point out that they are not lawyers and hence expensive legal costs would still need to be incurred in any IP litigation – undoubtedly similar in scale to those incurred by Nanoco in its litigation with Samsung. If such a business model had been in place for the litigation with Samsung, Nanoco’s net proceeds would have been over \$30m LOWER.

Nanoco also notes that the Aequitas website claims to have delivered over 2,000 licenses, \$1.2 billion in revenue, having managed over 1,000 lawsuits on behalf of over 250 clients. However, these figures cover a period of 20 years whereas Aequitas was only founded in 2012. A simple analysis of this data shows that Mr Lee has delivered an average gross revenue recovery of just over \$1.2m per lawsuit or just over \$4.0m per client before deducting costs and Aequitas 50% profit share. The Aequitas website celebrates winning “numerous seven to eight figure settlements and verdicts (including two eight figure verdicts in 2022 alone).” These sums are a factor of ten lower than the outcome of Nanoco’s litigation against Samsung.

These figures demonstrate that Mr Lee has little experience of the sort of nine-figure settlement that Nanoco recently achieved with its own advisers, who have delivered many outcomes of a significantly greater magnitude than those of Mr Lee. Moreover, if Mr Lee was appointed to the Board of Nanoco, there would be a clear conflict of interest, with Aequitas either providing services to Nanoco or being a potential competitor to Nanoco if Nanoco pursues a similar business strategy.

Does Mr Lee really have the experience required to protect and monetise Nanoco’s unrivalled IP portfolio? We do not believe so.

Mr Tariq Hamoodi – proposed Non-Executive Director

Over the past six months, Mr Hamoodi has made a number of spurious and unfounded allegations against your Board, which are addressed in some detail below, and sought to destabilise the Company. He has on a number of occasions shown himself to be inconsistent, criticising actions and decisions that he had previously supported in writing. This inconsistency is again apparent in his statements citing “governance” and a lack of independence of the Board at Nanoco as being key concerns and listing “governance” as a key strength of four of his nominees, including himself.

Does Mr Hamoodi really have the credibility and corporate experience to be on the board of your Company? We do not believe so.

4. Mr Hamoodi's unfounded allegations create a false narrative that misleads Nanoco shareholders

Mr Hamoodi's alleges that the Board is not independent and has not acted in the best interests of all shareholders, specifically regarding the loan note agreement and the outcome of the Samsung litigation. It is simply not true that the Board have taken decisions on the basis of self-interest or certain shareholders' interests, instead of in the best interests of Nanoco and all shareholders.

Your current Board is wholly independent and also reflects a broad range of skills and sector experience and includes many years of experience serving on UK public company boards following best practice regarding UK Corporate Governance and wholly suited to leading Nanoco

Requisitionists' insinuations regarding a lack of independence

In addition to the Remuneration Committee described below, the Company has a Nominations Committee which oversees the appointment of new directors, including those appointed through internal selection. The Board has a diversity of skills and experience and operates very effectively (see above for all that has been achieved over the last five years).

Shareholders have overwhelmingly approved the re-election of Directors at recent AGMs as shown in the table below (percentages represent proportion of votes cast in favour):

	2019	2020	2021	2022
Christopher Richards	95.6%	96.1%	97.2%	95.1%
Brian Tenner	95.7%	97.1%	97.9%	100.0%
Liam Gray	99.6%	n/a	n/a	n/a
Dr Nigel Pickett	95.7%	97.2%	98.0%	100.0%
Dr Alison Fielding	99.9%	99.8%	100.0%	99.0%
Chris Batterham	99.9%	99.8%	99.9%	99.0%

Mr Hamoodi's allegations regarding independence are tenuous at best and at worst a complete distortion of the truth. The majority of connections that he cites from his partnered website reflect the simple fact that major UK investment funds hold shares in a wide range of companies.

There is no basis for Mr Hamoodi's insinuations about lack of independence:

- Mr Hamoodi cites a connection between Mr Tenner and Rob Giles of Lombard Odier because Mr Tenner formerly worked at Renold Plc where Henderson Global Investors (subsequently Janus Henderson, where Mr Giles worked as a fund manager) had a shareholding. As a major fund manager, with investments in multiple small cap companies, the alleged Henderson connection is spurious. Mr Tenner had no dealings with Rob Giles prior to joining Nanoco as Henderson's investment in Renold was managed by a completely different fund manager.
- Mr Hamoodi cites a connection between Mr Tenner and Mr Gray having both worked at Renold Plc. Mr Tenner was the group CFO when Mr Gray was hired by, and worked for, the Group Chief Accountant. Mr Gray then went on to work for the European Finance Director. After Mr Tenner had left Renold, Mr Gray left Renold to join a privately owned business where he was the Financial Controller. He subsequently joined Nanoco as Financial Controller and was then promoted from within. There is no basis to the suggestion that there is an improper connection leading to a lack of independence between Mr Gray and Mr Tenner.
- Mr Hamoodi suggests that there is an improper connection between Mr Batterham and Richard Griffiths via the company Eckoh plc. On the contrary, Ora Capital Partners, controlled by Richard Griffiths, were opposed to Mr Batterham joining Eckoh and becoming chairman as they wished to appoint their own candidate as Chair. The public record shows that, after Mr Batterham joined Eckoh, Ora called a general meeting to appoint their own candidate as Chair but they were unsuccessful and lost the resolution. It is difficult to see how Mr Hamoodi construed these facts

as being indicative of an improper connection leading to a lack of independence between Mr Batterham and Mr Griffiths.

- Mr Hamoodi cites a connection between Dr Fielding and Rob Giles of Lombard Odier and Ora Capital because Dr Fielding served as a representative Director of IP Group plc at Tissue Regenix Plc in which Lombard and Ora had shareholdings. Dr Fielding was an executive director at IP Group and served on many investee company boards as IP Group's investment director, including Tissue Regenix plc between 2012 and 2015. Both Lombard Odier and Ora are known for investing in many early stage technology companies. The alleged Tissue Regenix connection is spurious.
- Mr Hamoodi cites a connection between Dr Richards and Rob Giles of Lombard Odier and Ora Capital (Richard Griffiths) because both were also invested in Plant Health Care plc, a company chaired by Dr Richards. Both Lombard Odier and Ora are known for investing in many early stage technology companies. Dr Richards was invited on to the Board of Nanoco by the previous Chair. When the previous Chair then stepped down, Dr Richards was the most suitable internal candidate to become Chair given his previous extensive experience and the alleged improper connection here is spurious as well.

Your current Board is wholly independent

Requisitionists' insinuations regarding the loan notes

The convertible loan notes were issued in July 2021. They were unsecured and represented the most attractive proposal available at the time given the Group's urgent need for funding and the time that would have been required to undertake a further equity fundraise with no guarantee of success (particularly in view of the then recently announced delay to the litigation following implementation of the IPR's). As noted in the letter to Mr Hamoodi dated 28th April 2023, no underwriter was forthcoming at that time and Nanoco's advisers considered that there was a real risk that, unless significantly discounted (and therefore highly dilutive) an equity issue which was not underwritten would not be successful. Clearly, a potentially failed equity issue would create significant challenges for any company.

In the circumstances, a non-dilutive issue of non-amortising unsecured loan notes to the amount of £3.15 million was agreed with Lombard Odier and Ora Capital, with an interest rate of 12% plus a 105% bonus if the Samsung litigation proved to be successful. If there had been no net return for Nanoco then the success component of the interest on the loan notes would not have been payable.

The terms were considered reasonable: the debt was unsecured; Nanoco was at a pre-commercialisation stage in its evolution; the risks surrounding the Samsung litigation had just been heightened by the delay caused by the IPR's; and the outcome of the lawsuit, which was by no means assured to be in the Company's favour, would not be known until an uncertain date in the future.

After proper consideration with its advisers at the time of the loan note issuance, Nanoco was, and remains, comfortable that the unsecured loan notes were issued on normal commercial terms and that these therefore fell under the related party exemption contained in LR11, Annex 1, para 4(3).

There was no alternative offer of financing at that time. Instead, Baupost, the third party that introduced Mr Hamoodi to Nanoco, had made an initial expression of interest, but its initial minimum loan size was over \$100m. Baupost subsequently asked if £10-15 million might be of interest if secured against an appropriate asset portfolio (which, as a matter of public record, was not available as security), again significantly in excess of the funding the Company required.

Subsequently, Mr Hamoodi, despite his current protestations to the contrary, in his communications with Nanoco's executive management team stated in an email dated 13 October 2021

"While I understand why the potential Baupost transaction did not appeal to [sic], I congratulate you on the financing you obtained from your key shareholders earlier this year. From a shareholder's perspective, I think the transaction was much more attractive than what Baupost could have offered."

The approach of Nanoco to this fund raise was entirely consistent with Nanoco's financial position at the time and in the best interests of its shareholders.

The convertible loan notes issued to Lombard Odier and Ora Capital represented the best terms available to the Company at the time of issue

Requisitionists' insinuations regarding Samsung litigation communications

Regular and multiple disclosures of relevant information about the Samsung litigation were made by Nanoco via RNS and in its interim and annual reports. Those disclosures consistently referred to the wide range of significant risks that could impact any outcome of the litigation process as well as the uncertainty of any outcome. They also consistently referred to a broad range of potential damages models that could be applied in the litigation. All of the statements made by Nanoco in relation to the prospects in the Samsung litigation were in relation to a potential jury trial outcome.

The disclosures did not extend to an assessment of merits or an opinion on prospects with respect to damages that may be awarded, beyond referencing the potential transformative impact to shareholder value if the patent litigation were to be successful; to do so would have been prejudicial to the court process.

The Samsung litigation pleadings and motions of Nanoco and of Samsung together with the court's interim orders were publicly available and provided the optimal source of information from which an assessment of the merits of the case could and should have been made in the conduct of any due diligence by an investor. All of this information was available to all shareholders.

In July 2022, a high level overview of Nanoco's three experts' damages models was published on the court record showing:

- Nanoco expert's low damages model value as \$43.9m (the "Dow approach")
- Nanoco expert's mid damages model value as \$136.2m (the "Allenby approach")
- Nanoco expert's high damages model value as \$412m (the "Credelle approach")

These damages models were disclosed on the public court record and were subsequently discussed in UK investor share chat forums.

In addition, shortly after the court published the information above, the Court also published commentary on Samsung's views of the appropriate level of damages if infringement was found to have occurred. Samsung planned to present their expert's opinion to the jury that damages should be lower than the \$28m Samsung had paid in a license fee to one of Nanoco's competitors for access to a portfolio twice the size of Nanoco's.

The Board is confident that all statements made in relation to the Samsung litigation appropriately represented the potential value of a successful jury trial outcome and accurately reflected the risks inherent in any litigation process

Nanoco did not issue statements on the prospects regarding damages amounts for the obvious reason that doing so would have jeopardised the successful outcome to any negotiations with Samsung. Nanoco consistently and regularly explained there were multiple ways to calculate damages and that the damages model adopted would ultimately be determined by a jury, if the matter did not settle earlier. In full compliance with its disclosure obligations, Nanoco has only provided third-party analysts and commentators with information that Nanoco has publicly disclosed. In the event of a settlement, it should have been self-evident that the settlement amount would represent a discount to what could have been achieved in a jury trial with all the associated risks.

Nothing could be more damaging to the commercial interests of Nanoco in the conduct of the Samsung litigation than to publicly disclose information regarding potential settlement amounts; that could have seriously compromised the outcome of any court hearing and undermined the negotiating position of Nanoco in settlement discussions.

Guiding towards settlement prospects would have been actively detrimental to potential shareholder value

Requisitionists' insinuations regarding access to information

The Board and its advisers are confident that at no point were individual shareholders granted inappropriate access to information during the settlement process. At no time was any inside information regarding the timing or amount of the settlement disclosed to Lombard Odier, Ora Capital or any of those other parties.

The Company was successful in agreeing a reduced fee with its legal advisors, litigation funders and parties who had a return linked to the outcome of the litigation. This resulted in Nanoco retaining over \$11.0m more of the litigation proceeds than would otherwise have been the case.

At no point were any shareholders granted inappropriate access to information

Requisitionists' insinuations regarding Samsung litigation outcome

In assessing whether or not to agree to the proposed IP sale and license agreements (linked transactions representing the "Settlement"), the Board took extensive advice and carefully considered the balance of potential risks and rewards that could be expected if the litigation had continued.

Against the possible benefits of continuing the litigation, the Board weighed the possible downside risks. These included the risk of losing at trial, winning at trial with an award based on either Samsung's damages model or on Nanoco's own 'low case' damages model (sometimes referred to in public court papers as the 'Dow' approach), both of which were considerably lower than the settlement value agreed. Winning with Nanoco's 'high case' damages model would inevitably have led to an appeals process, likely to last a number of years, with the risks of losing on appeal, a re-trial, or a re-trial of damages only and possibly resulting in a lower damages award. The Board also considered the incremental funding costs of an extended litigation process, as well as the potentially dilutive sources of that funding and the potentially significant impact of the time value of money.

Any settlement process invariably involves an element of compromise to remove risks. Having weighed up the risks and rewards of continuing the litigation, the Board concluded that it was in the best interests of all stakeholders to accept the proposed commercial agreements.

The settlement achieved by Nanoco generated a transformational amount of value for Nanoco's Shareholders. The gross settlement value is more than three times Nanoco's low case damages model and avoided the risks associated with continued litigation and the adverse impact from the time value of money in an appeals process that could have extended for years (as has been the case in other patent litigation). The outcome for a Company of Nanoco's size was truly exceptional compared to other such cases.

The outcome of the Samsung litigation was in the best interests of all Shareholders

Requisitionists' insinuations regarding sale of IP as part of Samsung settlement.

Contrary to Mr Hamoodi's unfounded suggestion, the Group has retained its most valuable IP, including both of the patents scheduled to go to trial and two others from the start of the litigation (the 'patent families' of these four patents number 46 patents in total covering various territories around the world). Only one of the five patents involved at the start of the litigation has been sold (covering nine countries). Investors will remember that Nanoco had an unfavourable outcome on only one term in the Markman hearing and that term related to the patent sold to Samsung. The patent sold also represented only 1 of the 47 claims that were upheld by the Patent Trial and Appeal Board following inter partes reviews. The remainder of the patents sold to Samsung, made up of 95 individual patents, included patents for applications such as Animal Husbandry, which is not considered a high value market for Nanoco in the medium term. It should also be noted that following its most recent half-yearly review of the patent portfolio by Nanoco's internal patent and technology team that Nanoco intended to allow 49 of the additional 95 patents sold to Samsung to lapse.

In summary, the IP sale of 118 non-core patents will have little impact on Nanoco's current or planned commercial activities. In any case, the sale agreement also includes a license back to Nanoco so that it can continue using those same patents if so desired. The IP license granted to Samsung is a non-exclusive license and hence does not impede Nanoco's current or planned commercial activities.

The Group has retained its most valuable IP regarding the Group's unique process for manufacturing quantum dots at commercial production scale; the IP sold to Samsung was non-core

Requisitionists' insinuations regarding remuneration

As a public company listed on the premium segment of the London Stock Exchange, the Company has a Remuneration Committee of independent non-executive directors which complies in full with all of the stringent requirements of the Listing Rules, the Act and other statutory regulations as well as the UK Corporate Governance Code. The Remuneration Committee receives independent advice from Deloitte and benchmarks all aspects of Executive remuneration against appropriate comparator companies.

The Remuneration Committee has consciously adopted a conservative approach with relatively low base salaries compared to benchmarks and minimal benefits in kind. Short-term incentives reflect challenging annual targets and have typically preserved Nanoco's cash by being paid in Deferred Bonus Plan Options that create further clear alignment with shareholders' interests. Long-term incentives are linked directly to shareholder value in the form of options with stretching share price targets.

Shareholders have overwhelmingly approved the annual Directors' Remuneration Report and Remuneration Policy as shown in the table below (percentages show proportion of votes in favour):

	2019	2020	2021	2022
Directors' Remuneration Report	99.8%	97.1%	99.0%	96.0%
Remuneration Policy (3 yearly)	n/a	n/a	99.0%	n/a

Mr Hamoodi has claimed or insinuated that management and the Board have benefitted from decisions taken that were designed to benefit themselves and only two shareholders – there is no basis for this insinuation.

- No Director or former Director has received or is likely to receive a bonus for the Samsung settlement. Executive Directors, including the former CEO, received LTIP awards in 2020 that are directly linked to published share price targets to be achieved as at 31 July 2023 (these are likely to lapse at nil value).
- Mr Hamoodi claims that Dr Edelman, the former CEO, received a \$1.0m success fee as a result of the Samsung settlement. A simple review of the Group's audited financial statements reveals this to be utterly without foundation. The terms of Dr Edelman's departure are set out in the Annual Report and Accounts for the year ended 31 July 2020 and in the S430 (2B) statement published on the Group's website in September 2020. Dr Edelman was paid \$35,000 per annum as an employed part time adviser due to his personal involvement and knowledge of the period of time when the Company was working with Samsung and in the event that Dr Edelman needed to be called as a witness.
- Mr Hamoodi also states that Mr Tenner's salary has increased by over 50% over the same period. Mr Tenner's salary when he joined the Company as CFO / COO was £215,000 p.a. in 2018. When he became CEO on 1 September 2020, he deferred any pay rise for the new role for eleven months and continued to bear the 20% pay cut to his CFO / COO salary taken by the Executive Directors for almost a full year in response to the Coronavirus pandemic. Mr Tenner's eventual increase in salary following his promotion to CEO, before the same cost of living increases given to all Nanoco staff, was £60,000 or just under 28%, to £275,000 in 2022.
- The approach to remuneration for Non-Executive Directors has also been similarly conservative by reference to applicable independent benchmarks that show salaries at median or lower quartile. The Non-Executive Directors also showed leadership by taking a 35% pay reduction during the Coronavirus pandemic with a further 35% full year deferral until the Company's financial position improved. All of this information is readily available in Nanoco's published Annual Reports. These insinuations are further examples of the facts being blatantly distorted or simply ignored by Mr Hamoodi.

The Requisitionists' assertions regarding executive remuneration are simply not true

5. Existing shareholders support for the current Board

The Board is grateful for the support offered by numerous long-term institutional and retail shareholders for the current Board, including Christopher Mills, the Founder, CEO and CIO of Harwood Capital, who provided the following to the Company for publication:

"I fully support the board of Nanoco as they have a clear strategy to build value for all shareholders. I believe it would be highly irresponsible to support the resolutions in the requisitioned meeting in so far as the proposed new directors are not of the experience or calibre I would expect to see on the board of a UK public company in which I am invested."

Randolph Baron, Lead Portfolio Manager, International of Pinnacle Associates had the following to say:

"We have been Nanoco shareholders for over half a decade. While the successful Samsung settlement has consumed much investor attention of late, especially since the company could return to shareholders over 60 percent of its current share price within seven months, as long-term investors we are more focused on Nanoco's underlying business. Its current prospects give us more enthusiasm than we have had at any point in the last three years."

"We are neither for nor against any individual management: We are for shareholders. Towards that end, we lament the current distraction and bemoan that shareholder cash will be used to defend against Mr. Hamoodi's efforts. We believe bringing in a new management team (including replacing the founder who is also a named patent holder on much of the company's technology) could potentially derail the operational progress that has been building momentum even during the recent Samsung lawsuit. We plan to vote against the resolutions."

6. Conclusion

The Requisitionists are asking shareholders to vote in favour of removing the entire Board of Nanoco and replacing it with their own nominees.

The Requisitionists' resolutions and Mr Hamoodi's proposals would destroy the significant potential value in Nanoco's organic business and risks turning Nanoco into a highly speculative litigation shell. Their proposals would also lead to an exodus of critical talent from the business. That talent and experience generated our existing IP and is fundamental to all aspects of Nanoco's future value generation.

If approved, the Requisitionists' resolutions would replace the entire Board and hand control of the Company and its significant incoming cash resources to a minority group of shareholders with their six nominees. **The Requisitionists are seeking control of your company and cash without paying the appropriate acquisition premium.**

The Board do not consider that the Requisitionists' Nominees, collectively or individually, have an appropriate level of experience to serve on the board of a UK listed company and far from enhancing Nanoco's governance would fatally undermine it.

The Requisitionists' allegations are riddled with falsehoods and errors.

For all of these reasons, the Board unanimously recommends that all shareholders VOTE AGAINST ALL of the Requisitionists' resolutions.

7. Shareholder Presentation

The Company intends to host a shareholder presentation via the Investor Meet Company platform in the near future, prior to the General Meeting.

The presentation will give Shareholders the opportunity to listen to the Chairman, Chief Executive Officer and Chief Technology Officer discuss the contents of this Circular and why Shareholders should vote against all the Resolutions. Shareholders will be able to submit questions prior to the presentation.

Further details regarding the presentation will be provided in due course and in advance of the General Meeting.

Questions can also be submitted directly to NanocoGM@mhpgroup.com.

8. General Meeting and Resolutions

The Notice of General Meeting which has been requisitioned pursuant to section 303 of the Act is set out in Part 4 of this document.

The General Meeting will take place at the offices of Reed Smith LLP, The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS) at 11:00 am (London time) on Monday, 14 August 2023.

The Resolutions are all ordinary resolutions and will be passed if 50% or more of the votes cast (in person or by proxy) at the General Meeting are in favour of the Resolutions.

Although the Requisitionists only represent 5.02% of the current shares eligible for voting, your vote on this matter is crucial in order to safeguard the future success of the Company.

The Board urges all Shareholders to act now by VOTING AGAINST ALL of the Resolutions being proposed at the General Meeting in order to enable the Company to continue to deliver value for all its Shareholders and stakeholders.

9. Action to be taken in respect of the General Meeting

Shareholders have the option of listening to the General Meeting remotely via a conference call facility that can be accessed from any computer with internet access or through a telephone (mobile or landline), see Note 1 in the Notes to the Notice of Meeting (page 34). Please note that Shareholders will not be able to use this facility to actively participate in the General Meeting by voting on the Resolutions and they should therefore submit their votes by proxy in accordance with the following instructions.

Whether or not you are able to attend the General Meeting, you are asked to exercise your vote and appoint the Chairman of the Meeting as your proxy by completing and returning the Form of Proxy to the Company's Registrars or by delivering it in person to: Neville Registrars Limited at Neville House, Steelpark Road, Halesowen B62 8HD not less than 48 hours (excluding any UK non-working days) before the General Meeting. Should you require further assistance please call Neville Registrars Limited on 0121 585 1131. Alternatively, you may submit your Form of Proxy electronically. Full details are shown in the notes to the Notice of General Meeting and printed on the Form of Proxy accordingly. Neville Registrars Limited must receive it by 11:00 a.m. on 10 August 2023 (or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the time specified for the General Meeting, 48 hours before the time of the adjourned meeting, excluding any UK non-working days)

Any Form of Proxy received after this time shall be treated as invalid. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the General Meeting (in substitution for your proxy vote) should you subsequently decide to do so.

10. Questions

Any questions should be submitted in advance of the Meeting by emailing such questions to the Company Secretary at NanocoGM@mhpgroup.com. Please include in your email: the shareholder's full name, number of shares held and telephone contact details.

11. Recommendation

For the reasons explained above, the Board considers the Resolutions to be contrary to the best interests of the Company and its Shareholders as a whole and the Board unanimously recommend that you **VOTE AGAINST ALL** of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their aggregate shareholdings of 13,243,199 Ordinary Shares representing approximately 4.11% of the Ordinary Shares in issue at the date of this document.

Yours faithfully

Dr Christopher Richards
Non-Executive Chairman
18 July 2023

PART TWO - STATEMENT PROVIDED PURSUANT TO SECTION 314 OF THE ACT

Dear fellow Nanoco Group PLC Shareholders,

We have requisitioned resolutions, which are to be voted on at the forthcoming general meeting, and which we would encourage you to consider very carefully. By supporting these proposals, we can transform Nanoco.

In summary, we believe that Nanoco has considerable potential but is suffering from serious corporate governance issues. There are serious questions about board independence and competence which the Company has failed to adequately address. **A change in the board's composition is necessary** to ensure that all shareholders are treated fairly, that the Company maximises licensing and litigation revenue from its intellectual property portfolio, and that commercialisation of the Company's quantum dot products is reached in short order.

The incumbent board has failed to deliver for all but a select group of shareholders. The recent Samsung litigation settlement benefitted only certain long-term shareholders who provided loans to the Company on disadvantageous terms, board members, and the Company's advisors, including former CEO Michael Edelman, each of whom received large success-based bonuses. The Company's organic business is performing no better, still without any profit over its entire 22+ year history

Concerningly on 20th June, the board announced it plans to retain a large part of the Samsung litigation proceeds which are due to be received next year without any credible plan for using these proceeds to unlock value for shareholders. Nanoco intends to retain over £20 million (in addition to the £6m net cash on balance sheet) even though net cash burn is only £0.1m per month. In the same press release, the Company also announced further delays to reach cashflow break-even (now guided to 2025 from 2024). The Company appears to have intentionally tried to downplay news of this disappointing delay by including it in the press release regarding the return of a small amount of capital to shareholders.

Management and the board are being rewarded for underperformance. The Company continues to delay guidance for volume production with no end in sight, whilst steadily increasing director and officer compensation. Since the appointment of Nanoco's current CEO, the share price is down over 50% but his compensation is up by over 50%. Other executive and non-executive director pay have also seen drastic rises. Shareholders have suffered, but management and certain long-term shareholders wielding significant influence over the business have been rewarded handsomely despite the disappointing results.

Nanoco needs to deliver on its commercialisation efforts with the oversight of an independent board. The requisitioning shareholders have no interest to remove key technical staff from their executive roles but ask them to focus purely on delivering commercial production and let an independent board govern. Nanoco needs to directly focus on securing low hanging, patent licensing fruit without engaging overpaid advisors such as Michael Edelman or incurring significant costs. The Company urgently requires expertise in this area as the clock is ticking on the limited life of the "core" patent portfolio.

The requisitioning shareholders have identified best class executives and independent directors through a search process involving several independent consultants and engagement with shareholder governance advisors. The proposed candidates will ensure improved stewardship of the business and have a plan to create value for all shareholders in the near term. These candidates represent a culturally diverse group of over 6 different nationalities with experience across quantum dots product development and marketing, intellectual property licensing and litigation, product development, and capital markets. They all have strong records. They have worked in technical roles for some of the world's most prominent technology businesses, have built and sold businesses in both private and public markets, and have invested professionally at some of the most prestigious funds and investment houses in the United States and the UK.

Tariq Hamoodi, one of Nanoco's largest shareholders and a requisitioning shareholder, has laid out his concerns in further detail in a presentation available at www.transformingnanoco.com. Mr Hamoodi has also laid out several questions for Nanoco's board to address, all of which are yet to be responded to. He hopes that the management commits to providing detailed answers in the near future and that the board commits to transparent and open dialogue.

The requisitioning shareholders and nominee directors will host a webcast on 25 July at 14:00 to introduce themselves to Nanoco shareholders and answer questions. Details for the webcast are as follows:

Transforming Nanoco - Meet Our Directors Tuesday, July 25 · 2:00 – 3:00pm

Time zone: UK

Google Meet joining info

Video call link: <https://meet.google.com/dgn-krhz-frt>

Or dial: (GB) +44 20 3873 3170 PIN: 983 366 630 5707#

More phone numbers: <https://tel.meet/dgn-krhz-frt?pin=9833666305707>

This is an important time for the Company, and we thank you for your time in considering this. We look forward to your support in transforming Nanoco.

Yours faithfully, Tariq Hamoodi

*******END OF STATEMENT*******

PART THREE - DEFINITIONS

“Act”	the Companies Act 2006, as amended;
“Company” or “Nanoco”	Nanoco Group plc, a public limited company incorporated in England and Wales with company number 05067231 whose registered office is at Science Centre, The Heath Business & Technical Park, Runcorn, England, WA7 4QX;
“Directors” or “Board”	the directors or board of the Company for the time being (as the context requires, currently comprising those persons whose names are set out on page 12 of this document;
“Form of Proxy”	the form of proxy for use by Shareholders at the General Meeting;
“General Meeting”	the general meeting of the Company convened for 11.00 a.m. (London time) on 14 August 2023, or any reconvened meeting following any adjournment thereof, notice of which is set out in the Notice of General Meeting;
“Group”	the Company and its subsidiary companies;
“Listing Rules”	the listing rules of the Financial Conduct Authority made under Part VI of the Financial Services and Markets Act 2000 (as amended from time to time);
“London Stock Exchange”	London Stock Exchange plc;
“Main Market”	the main market of the London Stock Exchange;
“Notice of General Meeting”	the notice of the General Meeting, which is set out in Part 4 of this document;
“Ordinary Shares”	ordinary shares of £0.10 each in the Company;
“Proposals”	the proposed Resolutions;
“Requisition”	the Requisition Notice and Tariq Hamoodi’s Statement;
“Requisition Notice”	the notice delivered on the Company by the Requisitionists on 27 June 2023 in accordance with section 303 of the Act, requiring the convening of the General Meeting for the purposes of considering the Resolutions;
“Requisitionists”	Aurora Nominees Limited and Securities Services Nominees Limited ;
“Resolutions”	the ordinary resolutions set out in the Notice of General Meeting;
“Shareholders”	holders of Ordinary Shares;
“Shareholder Group”	the group of shareholders represented by Tariq Hamoodi;

“Tariq Hamoodi’s Statement” the statement set out in Part 2 of this document and required to be communicated to Shareholders in accordance with section 314 of the Act; and

“UK Corporate Governance Code” the UK Corporate Governance Code, 2018.

PART FOUR - NOTICE OF GENERAL MEETING

NANOCO GROUP PLC

NOTICE IS HEREBY GIVEN that a **GENERAL MEETING** of Nanoco Group plc (the '**Company**') will be held at the offices of Reed Smith LLP at The Broadgate Tower, 20 Primrose Street, London EC2A 2RS at 11:00 a.m. on 14 August 2023 for the purposes of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions.

1. **THAT**, in accordance with section 168 of the Companies Act 2006 (the '**Act**'), Liam Frederick Gray be and is hereby removed from the office of director of the Company with immediate effect.
2. **THAT**, in accordance with section 168 of the Act, Christopher Michael Batterham be and is hereby removed from the office of director of the Company with immediate effect.
3. **THAT**, in accordance with section 168 of the Act, Dr Alison Margaret Fielding be and is hereby removed from the office of director of the Company with immediate effect.
4. **THAT**, in accordance with section 168 of the Act, Dr Nigel Leroy Pickett be and is hereby removed from the office of director of the Company with immediate effect.
5. **THAT**, in accordance with section 168 of the Act, Dr Christopher Gareth Joseph Richards be and is hereby removed from the office of director of the Company with immediate effect.
6. **THAT**, in accordance with section 168 of the Act, Brian Thomas Tenner be and is hereby removed from the office of director of the Company with immediate effect.
7. **THAT**, in accordance with article 14.6 of the Company's articles of association (the '**Articles**'), Dooyong Lee be and is hereby appointed to the office of director of the Company with immediate effect.
8. **THAT**, in accordance with article 14.6 of the Articles, Greg Moeller be and is hereby appointed to the office of director of the Company with immediate effect.
9. **THAT**, in accordance with article 14.6 of the Articles, Benjamin Barnett be and is hereby appointed to the office of director of the Company with immediate effect.
10. **THAT**, in accordance with article 14.6 of the Articles, Eric Achtmann be and is hereby appointed to the office of director of the Company with immediate effect.
11. **THAT**, in accordance with article 14.6 of the Articles, Ikchoon Tim Kang be and is hereby appointed to the office of director of the Company with immediate effect.
12. **THAT**, in accordance with article 14.6 of the Articles, Tariq Hamoodi be and is hereby appointed to the office of director of the Company with immediate effect.

By Order of the Board

Liam Gray
Company Secretary
Dated: 18 July 2023

Registered office
The Science Centre
The Heath Business & Technical Park
Runcorn
WA7 4QX

Notes to the Notice of General Meeting

The following notes explain your general rights as a Shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

1. Arrangements for the Meeting

The Board greatly values the opportunity to meet Shareholders in person. However, we understand that this may not be possible or desirable for all who wish to attend; therefore, the Company will offer Shareholders the option to participate in the Meeting remotely via a conference call facility that can be accessed from any computer with internet access or through a telephone (mobile or landline).

If you wish to use this facility, please use the details below:

JOIN ONLINE (join 5 – 10 minutes prior to scheduled start time)

<https://event.loopup.com/SelfRegistration/registration.aspx?booking=LDV80FULou7OU9BaJKTs6d7wG07dfwxihRjnlMa8Ts=&b=2389e96d-457b-46a8-bebb-fec356d5b031>

JOIN VIA TELEPHONE

Operator Greeted numbers:
+44 (0) 33 0551 0200 UK-Wide
0808 109 0700 UK Toll Free

Password – Nanoco General Meeting

Please note that Shareholders will not be able to use this facility to actively participate in the General Meeting by voting on the Resolutions or asking questions during the Meeting. Therefore, the Board:

- 1.1. encourages Shareholders to submit their votes via proxy as early as possible, and Shareholders should appoint the Chairman of the Meeting as their proxy. All proxy appointments should be received by no later than 11:00 a.m. on 10 August 2023 (or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the time specified for the General Meeting, 48 hours before the time of the adjourned meeting, excluding any UK non-working days);
 - 1.2. strongly recommends CREST members to vote electronically through the CREST electronic proxy appointment service as your vote will automatically be counted;
 - 1.3. proposes that voting at the General Meeting will be conducted by means of a poll on all resolutions, with each Shareholder having one vote for each share held, thereby allowing all those proxy votes submitted and received prior to the General Meeting to be counted; and
 - 1.4. encourages you to submit any question regarding the proposed General Meeting and associated resolutions that you would like to be answered at the Meeting by emailing such questions to the Company Secretary at NanocoGM@mhpgroup.com, so that it is received by no later than 11:00 a.m. on 10 August 2023. The Company will endeavour to respond to all such questions received from Shareholders at the General Meeting or within seven days following the General Meeting.
 - 1.5. as an alternative to completing a hard copy proxy, shareholders can submit their vote electronically at www.sharegateway.co.uk by completing the authentication requirements on the website so as to be received by 11.00 a.m. on 10 August 2023 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any UK non-working days)). Shareholders will need to use their personal proxy registration code, which is printed on the Form of Proxy, to validate the submission of their proxy online.
2. As permitted by Regulation 41 of the CREST Regulations, Shareholders who hold shares in certificated or uncertificated form must be entered on the Company's relevant share register (the "**Register**") at 6.00 p.m. on 10 August 2023 (the "**Specified Time**") in order to be entitled to attend and vote at the General Meeting. Such Shareholders may only cast votes in respect of Ordinary Shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the

rights of any person to attend or vote at the General Meeting. Should the General Meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned General Meeting. Should the General Meeting be adjourned for a longer period, then to be so entitled, members must be entered on the Register at 6.00 p.m. on the date which is 48 hours before the time fixed for the adjourned General Meeting, excluding any UK non-working days or, if the Company gives notice of the adjourned General Meeting, at the time specified in the Notice.

3. Any member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend, speak and vote instead of the member. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares of the member. Completion and return of a Form of Proxy will not preclude a member from attending the General Meeting either in person or virtually, should he/she subsequently decide to do so.
4. The right to appoint a proxy does not apply to persons whose Ordinary Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Act ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the registered Shareholder who holds the Ordinary Shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the Ordinary Shares as to the exercise of voting rights.
5. In order to be valid, any Form of Proxy and power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must reach the Registrars in accordance with the instructions set out on the Form of Proxy not less than 48 hours (excluding non-working days) before the time of the General Meeting (11:00 a.m. on 10 August 2023 or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the Specified Time, 48 hours before the time of the adjourned meeting, excluding any UK non-working days).
6. A Form of Proxy accompanies this Notice of General Meeting. Details of how to appoint a proxy are set out in the notes to the Form of Proxy. If a member wishes to appoint more than one proxy and so requires additional Forms of Proxy, the member can photocopy the Form of Proxy.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournments of it by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their sponsors or voting service providers, who will be able to take the appropriate action on their behalf.
 - 7.1. For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International's specifications and must contain the information required for those instructions as described in the CREST Manual (available at www.euroclear.com/CREST). The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to the previously appointed proxy, must, to be valid, be transmitted so as to be received by the Company's agent (ID: 7RA11) by the latest time for receipt of proxy appointments specified in the Notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
 - 7.2. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has

appointed voting service providers, to procure that its CREST sponsors or voting service providers take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

- 7.3. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.
8. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same Ordinary Shares.
 9. In order to facilitate voting by corporate representatives at the General Meeting, arrangements will be put in place at the General Meeting so that: (i) if a corporate Shareholder has appointed the Chairman of the General Meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that Shareholder at the General Meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate Shareholder attends the General Meeting but the corporate Shareholder has not appointed the Chairman of the General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate Shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.
 10. To change a proxy instruction, a member needs to submit a new proxy appointment using the methods set out above. Note that the deadlines for receipt of proxy appointments (11:00 a.m. on 10 August 2023 or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the Specified Time, 48 hours before the time of the adjourned meeting, excluding any UK non-working days) also apply in relation to amended instructions and any amended proxy appointment received after the relevant deadline will be disregarded. Where a member has appointed a proxy using the paper Form of Proxy and would like to change the instructions using another such form, that member should contact the Registrars, on 0121 585 1131; lines are open 9.00 a.m. to 5.00 p.m. Monday to Friday. If more than one valid proxy appointment is submitted, the appointment received last before the deadline for the receipt of proxies will take precedence.
 11. In order to revoke a proxy instruction, a signed letter clearly stating a member's intention to revoke a proxy appointment must be sent by post or by hand to the Registrars in accordance with the instructions on the Form of Proxy. Note that deadlines for receipt of proxy appointments (11:00 a.m. on 10 August 2023 or, in circumstances where the General Meeting is adjourned to a date later than 48 hours after the Specified Time, 48 hours before the time of the adjourned meeting, excluding any UK non-working days) also apply in relation to revocations and any revocation received after the deadline will be disregarded.
 12. In the event that a member is a joint holder and the joint holder purports to appoint a proxy, only the appointment submitted by the member whose name appears first on the register will be accepted.
 13. The "Vote Withheld" option on the Form of Proxy is provided to enable a member to abstain on any particular Resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" a particular Resolution.
 14. The total number of Ordinary Shares of 10 pence in issue as at 17 July 2023, being the latest practicable date before the publication of this Notice of General Meeting, was 322,445,744 Ordinary Shares carrying one vote each. There are 12,222 Ordinary Shares held in treasury as at 17 July 2023. The total level of voting rights in the Company as at this date was therefore 322,433,522.

15. Any member attending the General Meeting has the right to ask questions. It would be helpful if members could state their name before asking a question. The Company must cause to be answered any question relating to the business to be dealt with at the General Meeting put by a member attending the General Meeting. However, members should note that no answer need be given in the following circumstances:
 - 15.1. if to do so would interfere unduly with the preparation of the General Meeting or would involve a disclosure of confidential information;
 - 15.2. if the answer has already been given on a website in the form of an answer to a question; and/or
 - 15.3. if it is undesirable, in the interests of the Company or the good order of the General Meeting, that the question be answered.
16. Any electronic address provided either in this Notice of General Meeting or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.
17. As required by section 311A of the Act, this Notice of General Meeting, together with information about the total number of Ordinary Shares and voting rights in the Company in respect of which members are entitled to exercise voting rights at the Meeting as at 11:00 a.m. on 17 July 2023, being the latest practicable date before the publication of this Notice of General Meeting, and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice of General Meeting, will be available on the Company's website, www.nanocotechnologies.com.