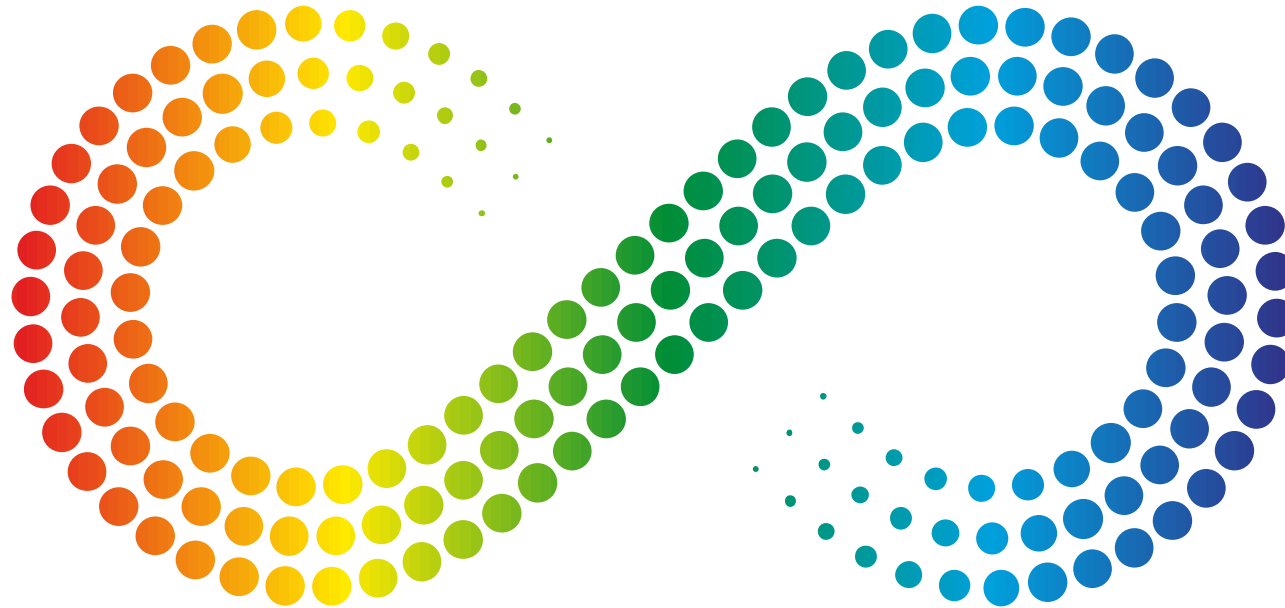


Preliminary results presentation

For the year ended 31 July 2023

17 October 2023



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

The financial information referenced in this presentation does not contain sufficient detail to allow a full understanding of Nanoco’s results. For more detailed information, the entire text of the Preliminary Results announcement for the full year ended 31 July 2023, can be found on the Investor Relations section of the Nanoco website (www.nanocotechnologies.com).



Brian Tenner, CEO

- Joined Nanoco August 2018 as COO / CFO, appointed CEO in 2020
- 15 years UK public company board experience
- Developed “dot only” strategy and Nanoco’s current commercial relationships



Dr Nigel Pickett, CTO

- Co-founder of Nanoco
- Named inventor on over 60% of Nanoco patents
- Leader of Nanoco’s R&D and IP monetisation teams



Liam Gray, CFO and Company Secretary

- Joined Nanoco March 2019 as Group FC, appointed CFO November 2021
- Chartered accountant with KPMG, finance roles in various industries
- Leads Nanoco’s finance, human resources, IT, supply chain and ESG functions

Achieved all
development
milestones

Two sensing
materials in
final validation

Litigation
settlement
\$90m net

Return of
Capital
Q1 CY24

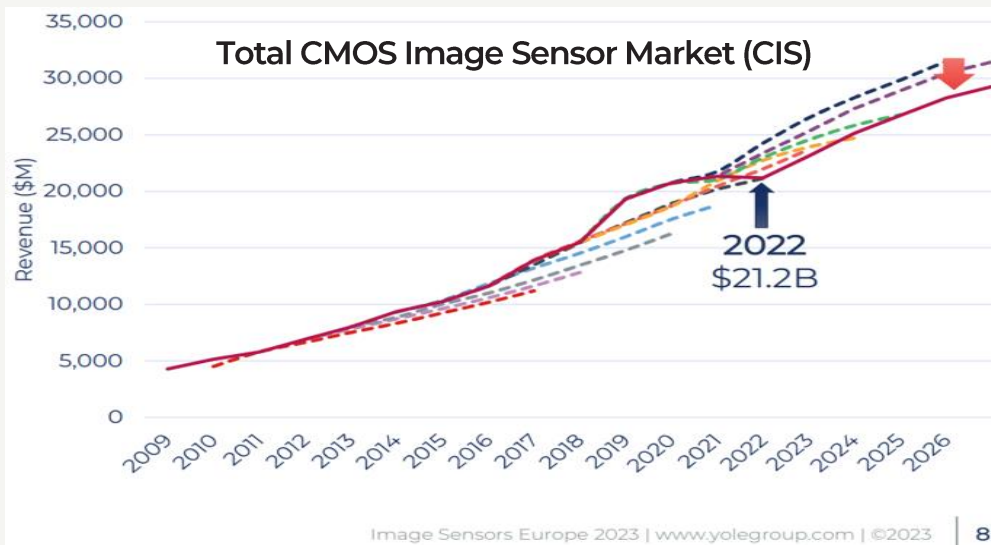
Secure
financial
underpin

Initial contact
with potential
IP infringers

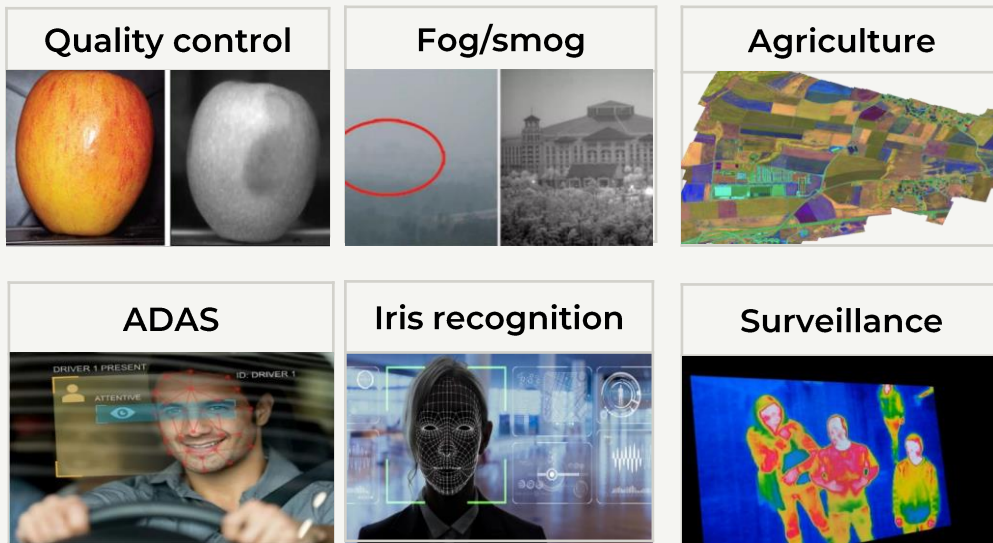
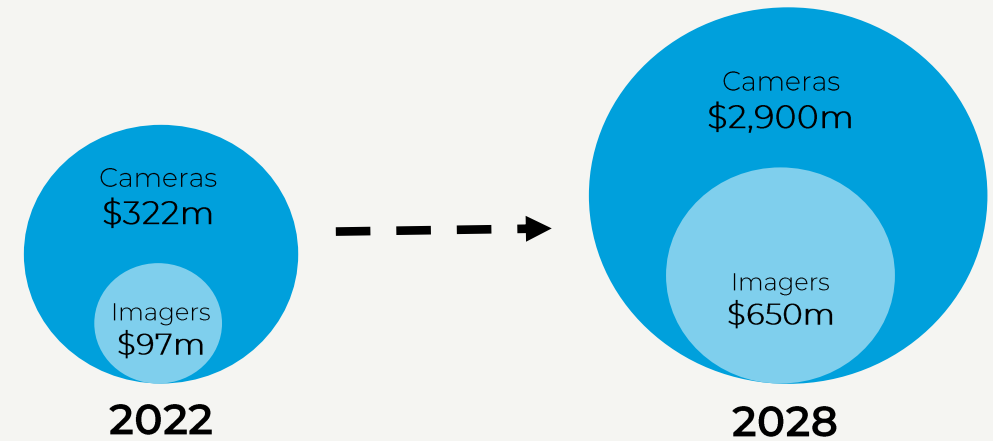
A lot done, a lot to do

MARKETS AND OPPORTUNITIES REVIEW

Sensing market opportunities



Camera and imager markets (within CIS)



- CIS market to reach \$30bn by 2030
- Multiple end use sensor applications
- Forecast mobiles adopt SWIR in 2026
- Drives consumer devices to 70% of camera market in 2028
- Needs break through adoption – QDs well positioned

Source: Yole

Why quantum dots?

Silicon's Problems

Poor NIR efficiency (~6-7%)

Very limited wavelength

Interference from sunlight

Requires higher power laser

Alternate InGaAs VERY expensive

QD Solutions

Increase efficiency to ~60%

Expand wavelength far into SWIR

Tuned to sunlight "gaps"

SWIR needs less laser power

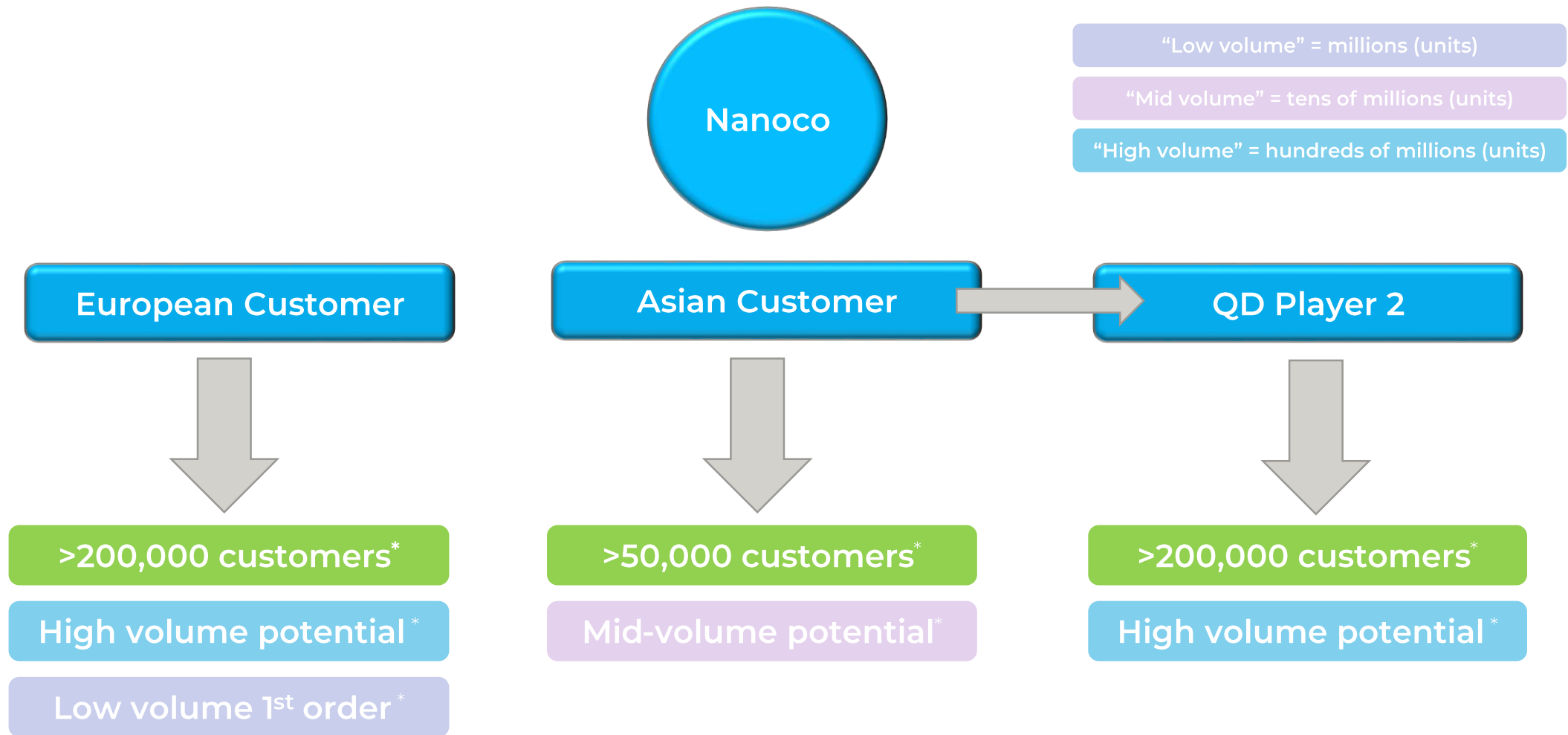
QD CMOS price point for consumer

Nanoco's Differentiation

- ✓ Validated materials
- ✓ Multiple tunable wavelengths
- ✓ Wide range of POC materials

- ✓ IP protected platform technology
- ✓ High volume capacity already in place
- ✓ QC to consumer electronics standards

Sensing route to market and customer ecosystem



- Two global electronics companies investigating QD CMOS – Nanoco active with both
- Nanoco already has significant installed production capacity to service sensing market

*Source: Company research and estimates

Quantum dots in display

The Opportunity

- Samsung share of QD TV's now below 90%
- QD share of TV market growing strongly
- Growing interest in QD μ LED (small screens)
- Displays to move to cadmium free solutions

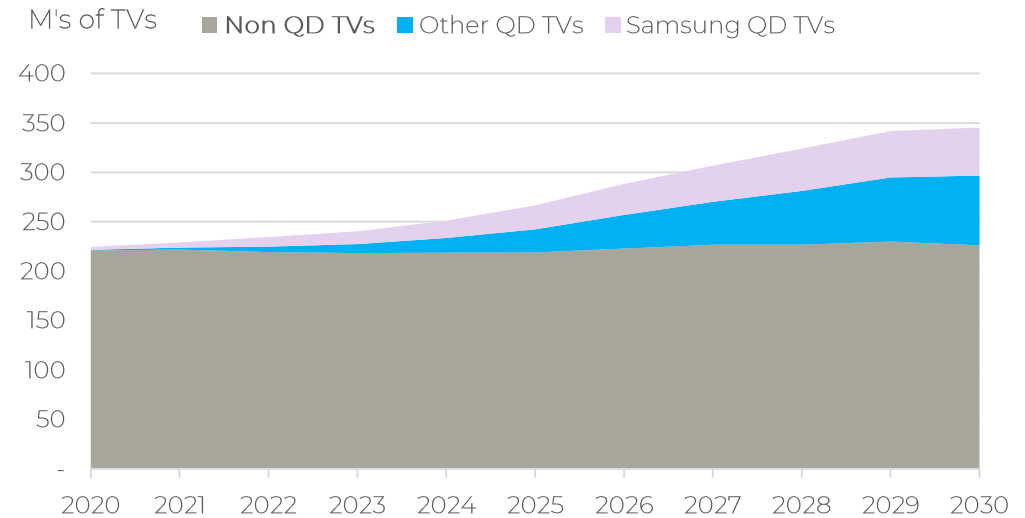
Why Quantum Dots

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

Nanoco's QD Differentiation

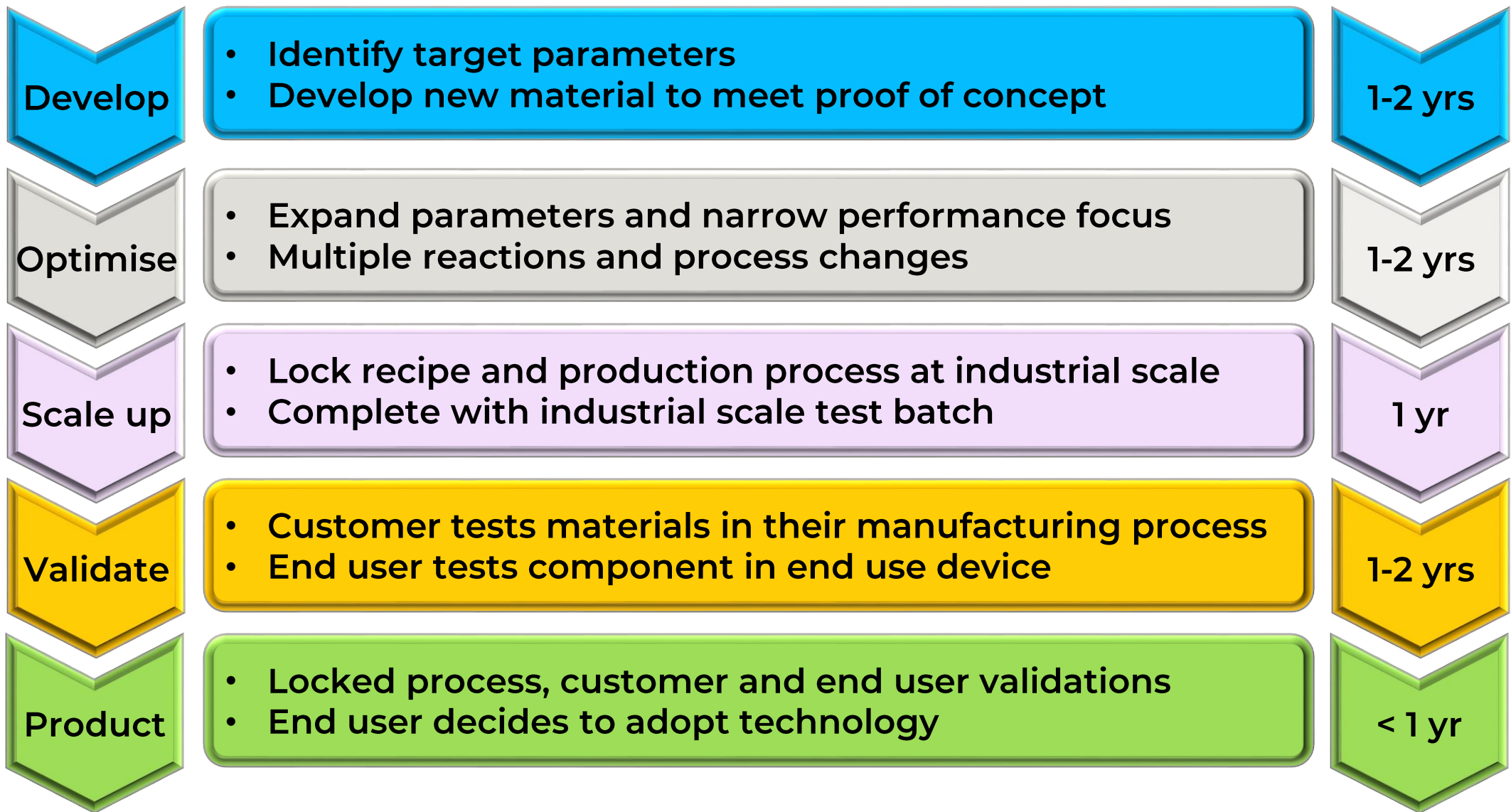
- ✓ Cadmium free
- ✓ Enhanced colour and efficiency vs LCDs
- ✓ Nanoco CFQD apply to film and micro-LED
- ✓ *Validated IP for mass production*

QD share of TV market grows from ~6% to ~34%



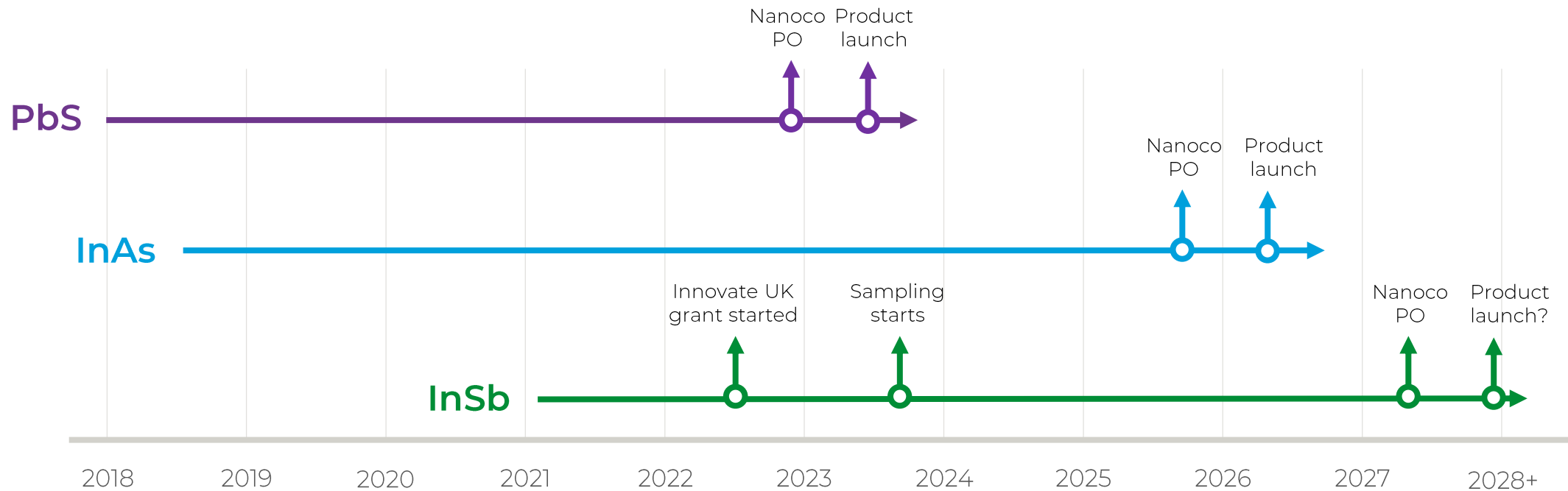
TECHNOLOGY UPDATE AND ROADMAP

Typical development cycle for new material



Optimisation, scale up and validation tests can overlap

Moving to production orders in Sensing



- Anticipating initial order for sensing materials Q4 CY23
- InAs materials in development for multiple customers

New materials create pipeline of product replenishment built on Nanoco IP

Expanding range of QD sensing materials

- First QD-based image sensor products on the market based on PbS
- Nanoco developing new advanced material systems based on patented seeding technology

Material	Group	Bandgap (eV)	Absorption			Electron mobility (cm ² /Vs)	Free of heavy metals	Established colloidal synthesis
			NIR	SWIR	MWIR			
PbS	IV-VI	0.37	✓	✓	✗	600	✗	✓
PbSe	IV-VI	0.26	✓	✓	✓	1000	✗	✓
InP	III-V	1.34	✓	✗	✗	≤ 400	✓	✓
InAs	III-V	0.35	✓	✓	✗	≤ 4 × 10 ⁴	✓	✓
InSb	III-V	0.17	✓	✓	✓	≤ 7.7 × 10⁴	✓	✓

- III-V-based materials offer:
 - Pb-free alternative
 - Superior electrical properties – InSb > InAs >> PbS for mobility – potentially leading to even faster devices
 - May be more chemically and thermally stable than Pb-based materials due to more covalent bonding
 - High quality InAs and InSb QDs will be attractive to existing and new customers

Expanding Sensing Product Portfolio

- Two new materials moving past proof of concept development stage
- Two other materials in final validation
- Thinned out some early niche volume opportunities at development stage

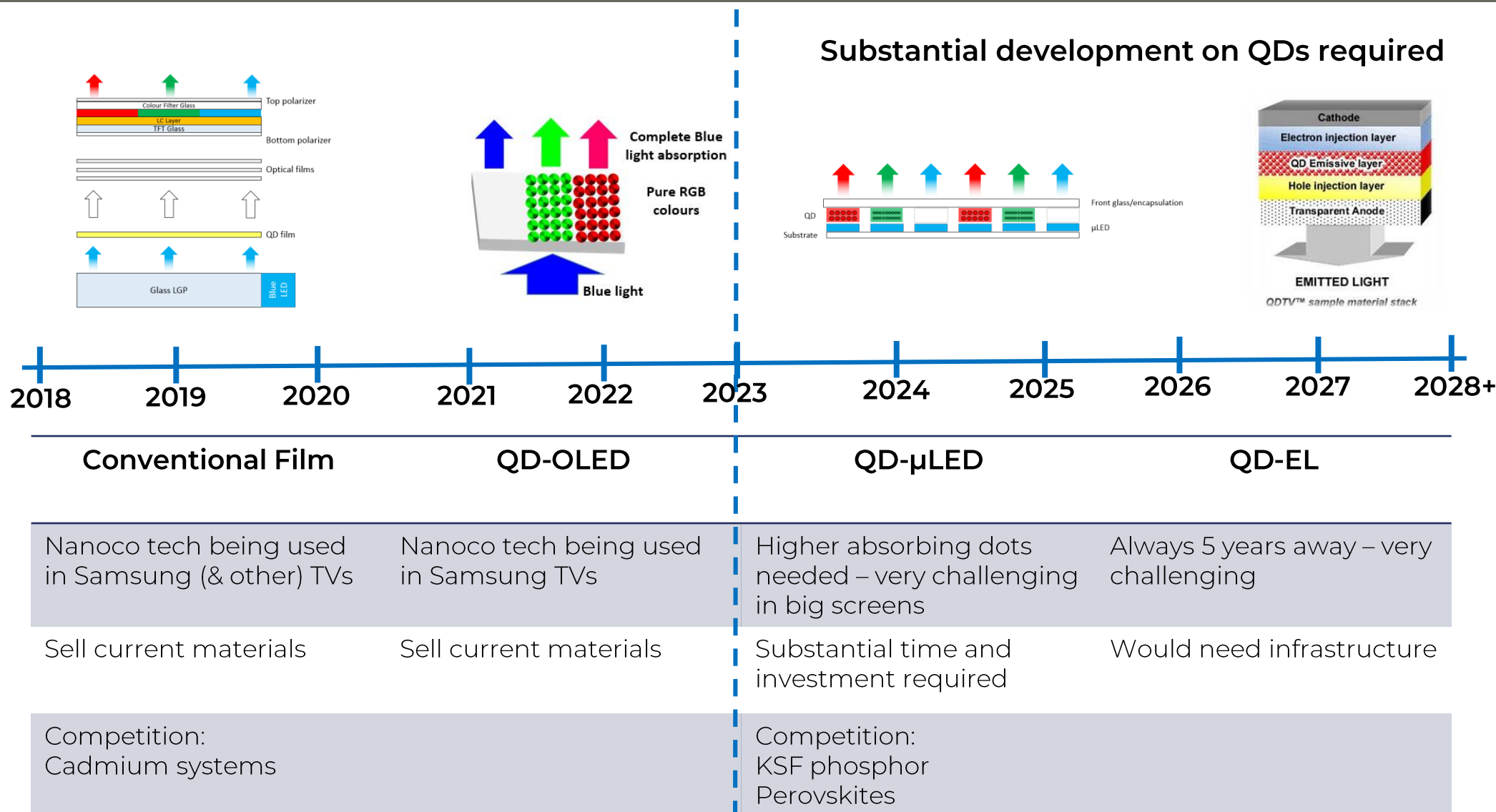
July 2023	NIR			SWIR								
Wavelength	(<1.0 μm)			(1.0 – 1.3 μm)			(1.3 -1.5 μm)			(>1.5 μm)		
Material	A	B	C	A	B	C	A	B	C	A	B	C
Development		2		1	1		1	1	1	1		1
Optimisation				1			1					
Scale Up												
Validation	1						1					
Production												

Legend (# = number of customers)

- Development – material at R&D scale
- Optimisation – application optimisation
- Scale Up – scaling up at Runcorn
- Validation – ready for validation
- Production – ready for production: **goal**
- Progress in Period
- Material entering new phase

Sensing goals: one material production order CY23, a second validated

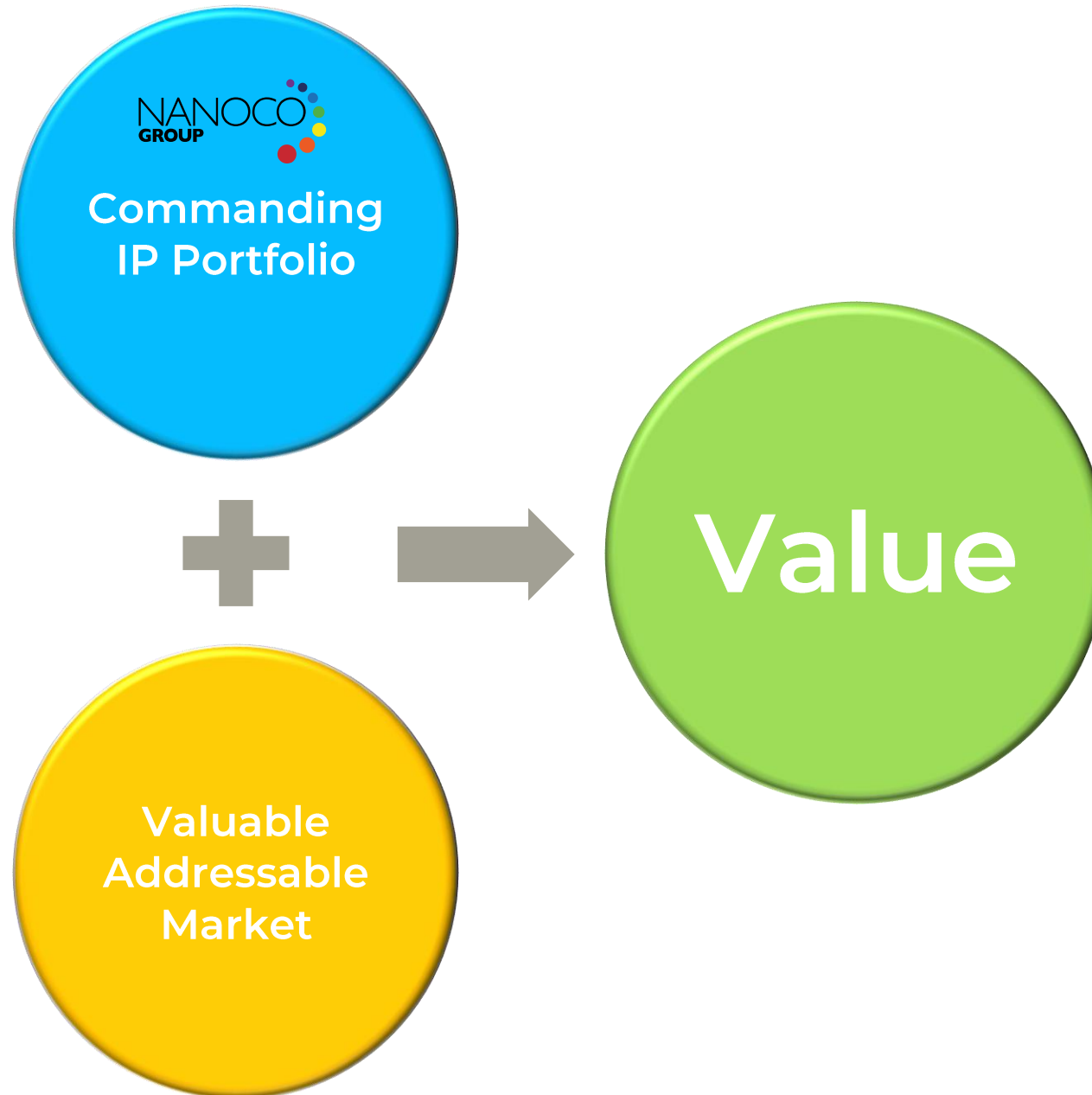
QD Display Technology Roadmap



Nanoco technology and IP relevant for all stages of the roadmap

MONETISING IP

Monetising IP requires two fundamentals*



Validated Patents

- PTAB validated all five patents in the litigation
- Patents survived multiple different challenges

Retained Patents

- Nanoco retain four of the five validated patents
- Nanoco retain 46 of the 47 claims

Other Patents

- Nanoco have additional relevant patents
- Not all were deployed in the litigation

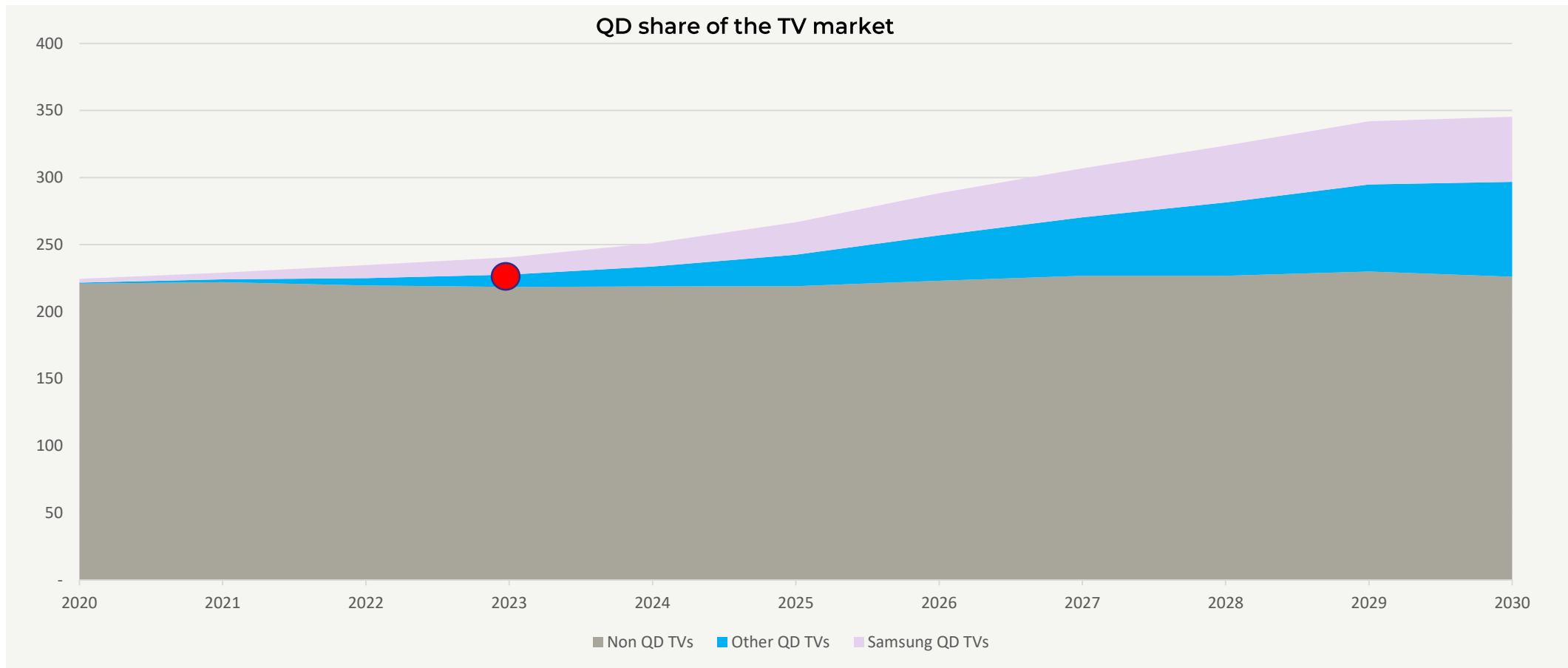
Patent Lives

- Trial patents last until 2028
- Other relevant patent lives go out to 2033

Samsung Licence

- The fact of the Settlement is a clear market sign
- The size of the Settlement is also a clear sign

2nd Fundamental – Valuable Addressable Market

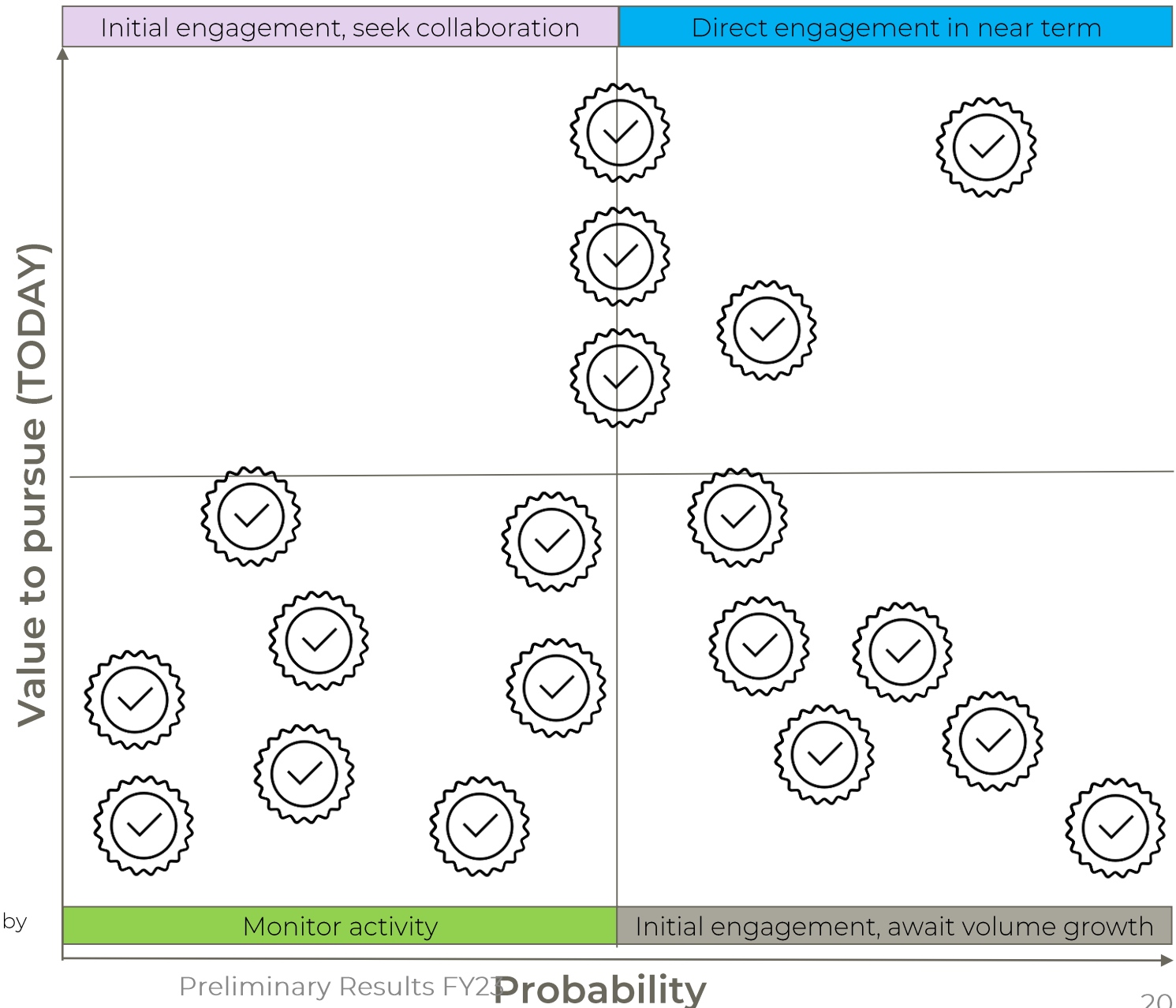


- Impacted market **currently** shallow – majority still cadmium
- QD share of display market set to rise from ~6% to ~34% of the total TV market
- Non-Samsung and non-cadmium QD TVs rise from c.2m units to c.70m units
- Value opportunity to monetise Nanoco IP will grow over time

Landscape of potential infringers today

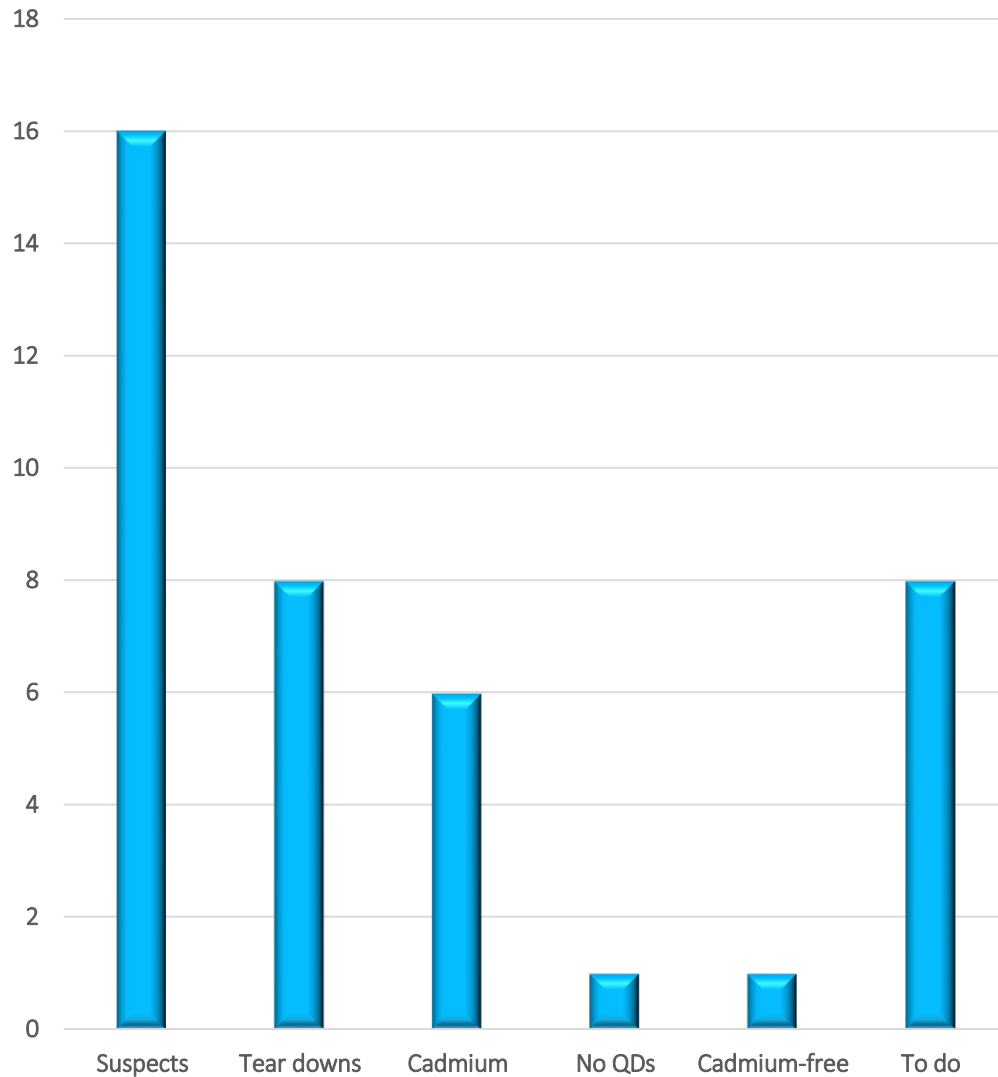
- Can anyone make cadmium free QDs at scale without our IP? We think not
- Device analysis program underway (see over)
- Heat map includes QD companies – no value in litigating against small poorly funded QD company

Heat map produced by
Nanoco IP team



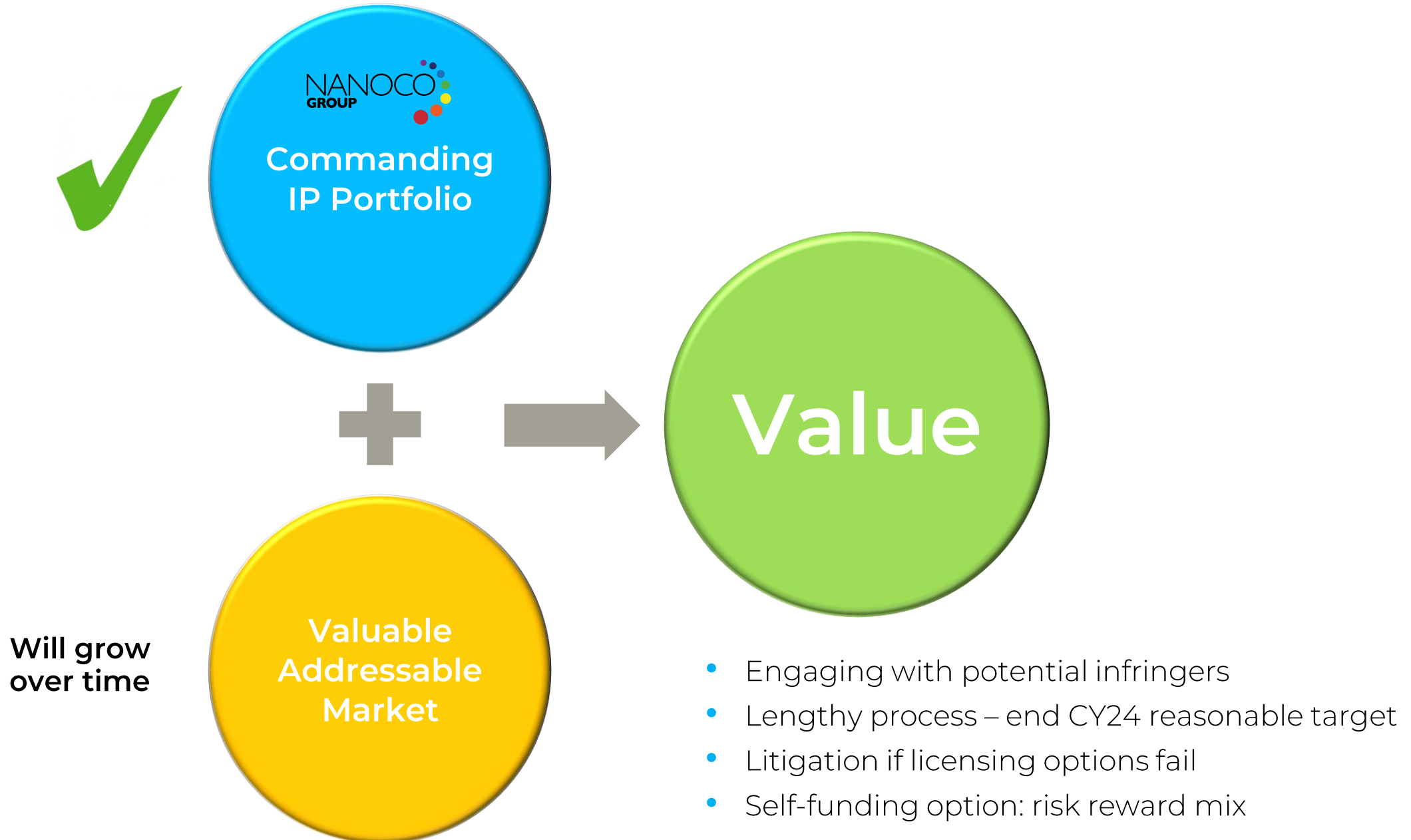
Analysis of potential infringers in 2023

Heat map companies



- Suspects exclude Samsung
- Suspects are companies – multiple devices in ranges (42", 55", 65" etc)
- Tear down one device per suspect
- Six tear downs contain toxic cadmium – implies non-infringing
- One device claiming QD's does not contain any QD's (or QD's are 'dead')
- One proven cadmium-free QD device
- Does not 'prove' infringement – but a strong clue

Monetising our IP in Display – Summary



FINANCIAL REVIEW

Revenue up
128% on FY22

Adjusted
LBITDA cut
83% to £0.4m

Cash cost base
increased to
£6.4m p.a.

Capex to
improve
capabilities

Year end cash
£8.2m
(PY £6.8m)

Underpinned
by litigation
proceeds

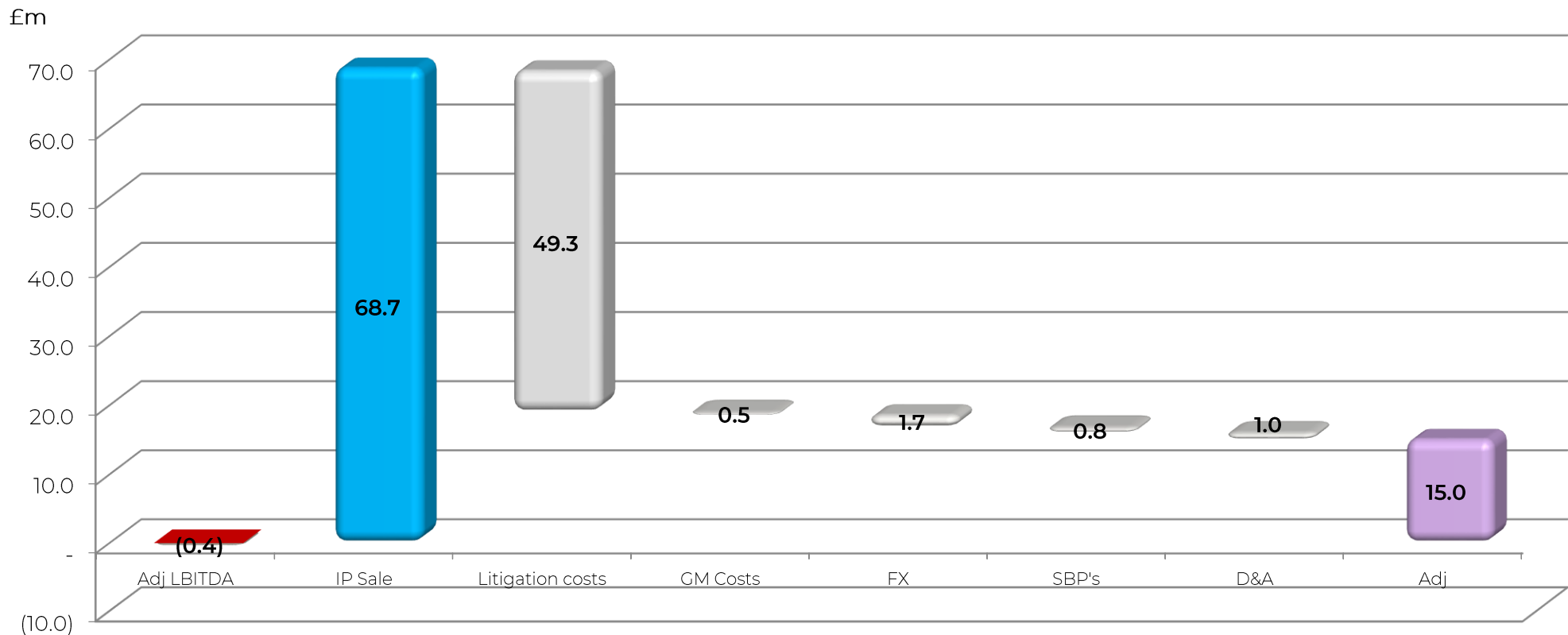
Cash runway now secure

Income statement

	FY 23 £m	FY 22* £m	Change £m
*Restated for reclassification of costs from R&D to cost of sales			
Revenue	5.6	2.5	+3.1
Cost of sales	(0.8)	(1.0)	+0.2
Gross profit	4.8	1.5	+3.3
Other operating income (grants)	0.2	0.4	(0.2)
R&D investment	(1.3)	(1.3)	-
Other administrative expenses	(4.1)	(2.9)	(1.2)
Adjusted LBITDA	(0.4)	(2.3)	+1.9
Adjusting items – see Slide 29	15.4	(2.5)	+17.9
Operating profit / (loss)	15.0	(4.8)	+19.8
Financing costs (net)	(5.4)	(0.4)	(5.0)
Tax	+1.5	+0.5	+1.0
Profit / (loss) after tax	11.1	(4.7)	+15.8

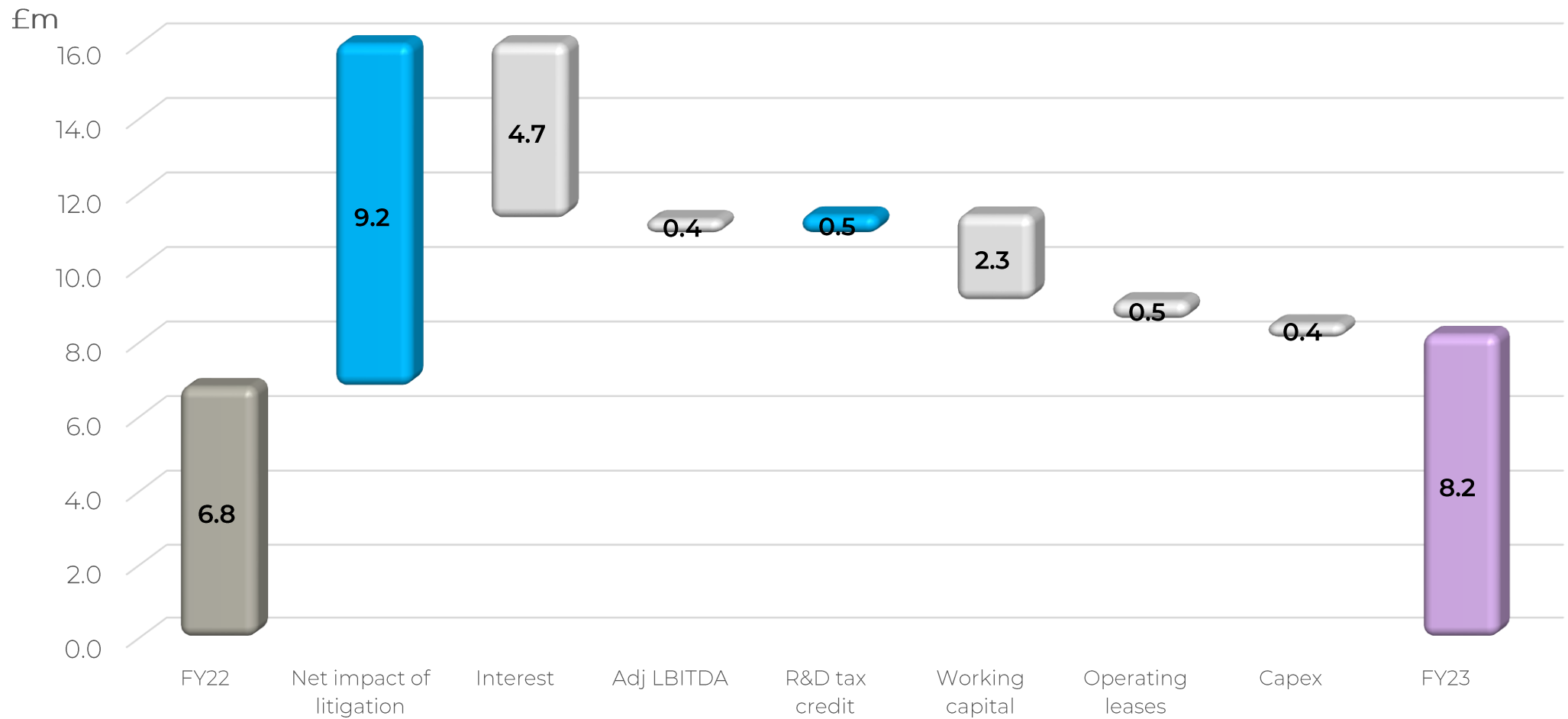
- Revenue split by market – £3.0m Display, £2.6m Sensing
- Revenue split by type – sales of services and materials £2.6m, licence income £3.0m
- Financing cost driven by contingent interest on loan notes
- Tax credit reflects recognised tax asset for £10.0m of losses (£30.8m unrecognised)

Adjusted EBITDA



- Nanoco will retain 60% of the settlement proceeds after costs of £49.3m
- Requisitioned general meeting costs related to broking, legal and other advisers
- Adverse FX movement on outstanding consideration for sale of IP (unrealised) – will reverse in full following post year end hedging

Movement in cash



- Net impact of litigation from inflow of £58.5m less costs of £49.3m
- Contingent interest paid on loan notes – principal to repay with retained funds
- Working capital largely driven by Korean withholding tax debtor

Guidance

- Services and material revenue expected in line with FY23
- Licence income for FY24 forecast at £6m
- Cash costs increasing to c. £6.4m p.a. reflecting investments

Investing

- Increased Runcorn footprint to create device capability
- New equipment allows more tailored customer solutions
- New investments will also accelerate product development

Cash

- Underlying net monthly cash burn increasing to c. £0.3m
- Also investing c. £1.5m in capital projects
- Intention to return £33m - £40m of litigation proceeds Q1 CY24

OUTLOOK & SUMMARY

New material
development
contracts

Negotiating
production
contract terms

Low volume
production
order Q4 CY23

Installing
200mm wafer
capability

New NED
announced by
Q4 CY23

Return of
Capital
Q1 CY24

QUESTIONS

APPENDICES

BOARD MEMBERS

Dr Christopher Richards
Non-Executive Chairman

- CEO, Non-Executive chairman, Arysta Life Sciences
- 20 years of increasing management roles at Syngenta
- Chairman of Plant Health Care plc (AIM: PHC) and NED of Origin Enterprises plc (AIM: OGN)

Brian Tenner
CEO

- Experienced Quoted Company Director with strong operational and transformation experience
- Previously Board Member and CEO / CFO of NCC Group plc, Renold Plc, Scapa Group plc, and British Nuclear Group Ltd

Dr Nigel Pickett
Co-founder & CTO

- Inventor of Nanoco's key patented scale-up technology
- Leading expert on semi-conducting nano-crystals
- Japanese Government, St. Andrews University, Georgia Tech

Liam Gray
CFO and Company Secretary

- Chartered accountant, having qualified with KPMG
- Previously worked for a variety of listed and private entities in a range of positions

Dr Alison Fielding
Non-Executive
(Remuneration chair)

- Astra Zeneca, followed by McKinsey & Co, then co-founded Techtran Group Limited which was acquired by IP Group in 2005 and subsequently held the role of director and COO at IP Group
- Board member / advisor of several early stage and quoted IP Group backed tech companies
- Maven Income and Growth VCT plc and Thomas Swan and Co Ltd

Chris Batterham
Non-Executive
(Audit chair)

- 20 years of Non-Executive experience in high growth technology companies including:
 - NED of NCC Group plc
 - Previously CFO of Unipalm, first Internet IPO
-

SHAREHOLDER ANALYSIS (AS AT 31 July 2022)

Name	Shareholding	Percentage
Hargreaves Lansdown Asset Management	53,149,546	16.38
Lombard Odier Investment Managers	47,262,703	14.57
Interactive Investor	29,363,356	9.059
Tariq Hamoodi	13,084,542	4.05
Dr Nigel Pickett	11,770,911	3.63
HSDL, Stockbrokers	11,463,620	3.53
Barclays Smart Investor	10,866,886	3.35
Oryx International Growth Fund Limited	9,834,000	3.03
Total of shareholdings above	186,795,564	57.60

Note: The total number of voting rights in the Company is 324,418,728 (excludes 12,222 Treasury shares)

