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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

**30 April 2020
FOR IMMEDIATE RELEASE**

Nanoco Group PLC

Termination of Formal Sale Process

On 5 November 2019, Nanoco ("Nanoco", the "Company" or the "Group") announced that it was undertaking a review of all the strategic options for the Company (the "Strategic Review"), including, but not limited to, a potential sale of the Company through a formal sale process, as referred to in Note 2 on Rule 2.6 of the City Code on Takeovers and Mergers (the "Code").

On 4 March 2020, after having previously invited certain parties to engage in due diligence and detailed discussions about the sale of the Company, Nanoco announced that it had not to date received any firm proposals that it believed would lead to an offer for the Company. Since then, Nanoco has continued to engage with a number of parties to establish whether they are prepared to make a firm proposal.

However, over the past few weeks, the disruption caused by Covid-19 has escalated rapidly, impacting businesses in the UK and around the globe in an unprecedented manner and leading to exceptional market volatility. The economic climate remains highly uncertain.

As a result, the Board has concluded that it is unlikely that the formal sale process will produce an attractive outcome in such environment. The Board has therefore decided to terminate the formal sale process and confirms it is no longer in active discussions with any interested parties.

As announced in February, Nanoco is pursuing a patent infringement lawsuit against Samsung and is now in advanced stages of securing third-party funding for the litigation. Nanoco also continues to explore commercial opportunities, with purchase orders having been placed for existing and new materials for sensing applications and a new joint development for R&D services being currently documented with an existing customer. In response to Covid-19, management has taken action to reduce costs and maximise its cash resources while preserving its production and R&D capabilities. The Group's cash runway now extends to the second quarter of 2021. The Board continues to review all the strategic options available to the Company, including possible sources of additional funding for the Company, with contingency plans in place if needed.

Following this announcement, the Company is no longer considered to be in an offer period, as defined in the Code, and the requirement to make disclosures under Rule 8 of the Code has now ceased.

Further announcements will be made as appropriate.

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The person responsible for arranging for the release of this announcement on behalf of Nanoco is Brian Tenner, Chief Financial Officer.

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The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain.

FORWARD LOOKING STATEMENTS

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the formal sale process, 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.

Notes for editors:

Nanoco (LSE: NANO) harnesses the power of nano-materials. Nano-materials are materials with dimensions typically in the range 1 - 100 nm. Nano-materials have a range of useful properties, including optical and electronic. Quantum dots are a subclass of nano-material that have size-dependent optical and electronic properties. The Group produces quantum dots. Within the sphere of quantum dots, the Group exploits different characteristics of the quantum dots to target different performance criteria that are attractive to specific markets or end-user applications such as the Display and Electronics markets. One of the interesting properties of quantum dots is photoluminescence: the emission of longer wavelength light upon excitation by light of a shorter wavelength. The colour of light emitted depends on the particle size. Nanoco's CFQD[®] quantum dots are free of cadmium and other toxic heavy metals and can be tuned to emit light at different wavelengths across the visible and infrared spectrum, rendering them useful for a wide range of applications including displays, lighting and biological imaging.

Nanoco was founded in 2001 and is headquartered in Manchester, UK, with a US subsidiary, Nanoco Inc., in Concord, MA. Nanoco continues to build out a world-class, patent-protected IP portfolio generated both by its own innovation engine, as well as through acquisition.

Nanoco is listed on the Main Market of the London Stock Exchange and trades under the ticker symbol NANO. For further information please visit: www.nanocotechnologies.com.

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