

Nanoco Group

Seeking IP damages from Shoei

Nanoco's announcement that it has filed a counterclaim and answer to the filing of a declaratory judgement action from Shoei signals that it will pursue the monetisation of its IP with Shoei, or its partners. It is not possible to estimate the likelihood of success, scale of potential damages/settlement or potential legal costs at this stage. However, it is worth noting that Nanoco's counterclaim alleges infringement of four of the same patents used in the successful settlements with Samsung and LG. Uptake of quantum dots in computer monitors and notebooks has surged in recent years, enlarging the potential monetisation opportunity for Nanoco, if infringing quantum dots have been used. The litigation is being funded from the company's existing cash reserves and the case is expected to come to trial in CY26.

Nanoco's filing of a counterclaim and answer follows the initiation of a declaratory judgement suit by Shoei Chemical and Shoei Electronic Materials (Shoei) on 27 November 2025, claiming non-infringement of Nanoco's patents. Shoei acquired substantially all the assets from Nanosys, another manufacturer of quantum dots, for an undisclosed sum in September 2023.

In response, Nanoco filed a counterclaim in the same court on 12 January 2026, accusing Shoei of infringing the four patents cited by Shoei (US patents: 7,588,828; 7,803,423; 7,867,557; and 8,524,365). These are four of the same patents used in Nanoco's successful settlements with Samsung and LG. It is worth noting that Nanoco's IP monetisation strategy has focused thus far on original equipment manufacturers rather than competing quantum dot manufacturers. Thus, it is likely that Nanoco is now evaluating whether customers of Shoei are using materials considered infringing its IP.

Adoption of quantum dots in computer monitors and notebooks has accelerated over the past two years, enlarging the monetisation potential for Nanoco, if its IP has been infringed. Counterpoint Research estimated that revenues from quantum dot films and plates within notebooks grew 228% in 2024 (driven by Apple), with significant gains also seen in monitors. Growth was expected to continue, with quantum dot product revenues forecast to rise by 27.5% in 2025.

Nanoco is funding the legal process from existing cash resources (net cash of £14.0m as of 30 June), excluding the proceeds from the \$5m (gross) LG settlement. Net monthly cash burn, excluding litigation is £0.4m. Nanoco has retained Caldwell Cassady & Curry, the firm used in the Samsung and LG cases.

Both the claim and counterclaim have been filed in the Eastern District of Virginia, a jurisdiction known for speed, expertise and pro-IP orientation, helping to reduce timeline risk. The trial is anticipated to be held in CY26.

Consensus estimates

Year end	Revenue (£m)	EBITDA (£m)	Net cash (£m)	EPS (p)	P/E (x)
7/23	5.6	(0.4)	3.6	(1.80)	N/A
7/24	7.9	1.2	20.3	0.02	N/A
7/25	7.6	1.5	14.0	0.25	31.9
7/26e	7.6	1.8	8.3	0.36	22.2

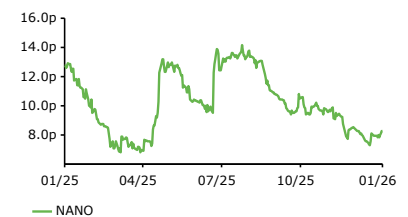
Company data, LSEG Data & Analytics. EPS is adjusted.

Tech hardware and equipment

13 January 2026

Price 7.98p
Market cap £16m

Share price performance



Share details

Code	NANO
Listing	LSE
Shares in issue	195.5m
Net cash/(debt) at 30 June 2025	£14.0m

Business description

Nanoco Group is a global leader in the development and manufacture of cadmium-free quantum dots and other nanomaterials. Focus applications are advanced sensing and displays, with the potential to expand the latter through development work with new partners.

Bull points

- Promising position and progress in the infrared sensor market with high volume potential due to its significant manufacturing capacity.
- Proven intellectual property and successful litigation track record.
- Strong balance sheet, low cash burn and low enterprise value.

Bear points

- Uncertainty of pioneering new markets.
- Previous initiatives have not progressed to volume production.

Analyst

Dan Ridsdale +44 (0)20 3077 5700

tmt@edisongroup.com

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