



28 August 2014

Tekcapital Plc

(“Tekcapital”, “the Company” or “the Group”)

**Unaudited Interim Results
for the six months ended 31 May 2014**

Tekcapital plc (AIM: TEK), an international provider of technology and intellectual property services, announces its unaudited interim results for the six months ended 31 May 2014.

Highlights

- IPO successfully completed in April 2014 raising gross proceeds of £2 million
- The number of retained clients increased by 30% since flotation
- Strong progress made towards the strategic objectives as set out in the IPO Admission Document as follows:
 - o expansion of the Company's sales and marketing team
 - o recruitment of additional support staff
 - o expansion of the service offering
 - o extension of Tekcapital's international reach
- New offices opened in Florida, Singapore and London
- Science Advisory Board strengthened further with seven new appointments to enhance the Company's offering in several industries
- Strategic partnership formed with Blick Rothenberg and Cleveland IP to provide a solution to help U.K. companies benefit from the Patent Box tax law
- Post period end, completion of the acquisition of InventionEvaluator.com
- Cash at 31 May 2014 of £1.3 million

Commenting on the results, Dr. Clifford Gross, Executive Chairman of Tekcapital plc, said:

“We have made solid progress towards a number of the goals that we set out when we came to market in April 2014. During the first half, we have made significant progress in establishing a foundation for achieving future growth including the opening of small office hubs in Miami, London and Singapore, hiring new sales representatives, developing initiatives to work with new strategic partners and expanding our scientific advisory board. This solid foundation gives us confidence in our future prospects for both growing the business and facilitating the creation of marketplace value and profits from university intellectual capital for our clients.”

For further information please contact:

Tekcapital Plc

Malcolm Groat, Finance Director

+44 1865 261445

mgroat@tekcapital.com

Northland Capital Partners Limited (NOMAD & Broker)

William Vandyk / Lauren Kettle (Corporate Finance)
John Howes / Alice Lane (Corporate Broking)

+44 (0) 20 7382 1100

lkettle@northlandcp.co.uk

Optiva Securities Limited (Co-Broker)

Jeremy King / Vishal Balasingham

+44 (0) 20 3137 1904

jeremy.king@optivasecurities.com

FTI Consulting, LLP

Chris Lane / Emma Appleton / Roger Newby

+44 (0) 20 3727 1000

tekcapital@fticonsulting.com

Tekcapital plc - The *World's Largest University Network for Open Innovation*

Tekcapital helps clients profit from new, university-developed intellectual properties. With our proprietary discovery search engine, linked to 3,300+ universities in 160 countries, coupled with expert scientific review, we provide a turn-key service to make it easy for clients to find and acquire the IP they need to create a competitive advantage. Tekcapital plc is listed on the AIM market of the London Stock Exchange (AIM: symbol TEK) and is headquartered in Oxford, in the UK. For more information, please visit www.tekcapital.com

Chairman's statement

I am pleased to report our first set of results since our admission to AIM on 4 April 2014. As we stated prior to our flotation, many companies are now seeking to identify and to acquire intellectual property ("IP") from external or alternative sources in order to protect and grow their respective businesses. Tekcapital undertook its admission to AIM to enable the Company to build upon our first mover status, to take advantage of the increasing interest in our sector and ultimately to enable our clients to efficiently and more quickly source and acquire suitable IP candidates.

Our strategy, as laid out in our Admission Document, is to scale the business up to enable us to provide our service offering to a wide range of clients throughout the world, with an initial concentration on the UK and North American markets. The other part of our strategy focused on adding additional services, either organically or through accretive acquisitions, with the aim of enabling the Group to assist its clients further in determining and extracting value from IP and the transformative innovations they represent.

I am pleased to report that, as planned we have begun to scale our sales operations and have also started to leverage other channels to expand our service offering.

Our initial focus has been to establish the basis for achieving solid and rapid growth. In May 2014, we successfully:

- opened small offices as hubs in Miami, London, and Singapore;
- hired new sales representatives;
- developed new initiatives to work with new strategic partners; and
- expanded our scientific advisory board to strengthen our offering in several industries, enabling us to more broadly approach the Asian market and network with potential new businesses, clients and analysts in a variety of relevant conferences, technology forums and investor groups.

Tekcapital now has 10 retained clients, which include a mix of private companies and public companies which are listed on various stock exchanges, including the NYSE. To meet current demand for our services and to support the continued growth of our business, we have made several key hires to strengthen further our technology transfer and client services teams, including the appointment of James Deane as Managing Director of Technology Transfer (Physical Sciences and Low Carbon Technologies) and Amy Shim as Director of Client Services (California).

As promised, we have also upgraded our proprietary global innovation discovery network ("IDN") search engine which is capable of identifying IP acquisition opportunities relevant to the client's search parameters in our global database of universities and research institutions. We have upgraded the IDN in terms of the number of institutions covered worldwide, the depth of search, and developed an additional facility to conduct group searches.

Finally, post period end and in line with our stated strategy we identified and successfully acquired a complementary service offering to assist our clients to determine and extract value from IP. InventionEvaluator.com ("Invention Evaluator") provides to its clients a high quality bespoke report which contains an in-depth analysis of the commercial opportunity associated with a specific new innovation. The service has already been integrated with our existing offering and is receiving interest from Tekcapital's clients who are considering IP acquisitions.

Current trading and outlook

Having widened our service range, extended our market presence, and raised our profile, we expect to see net growth in our client list in the period from June to November 2014.

The post period end acquisition of Invention Evaluator has also added a new, exciting dimension to our offering and in the month since the transaction closed there have been reports delivered to more than 30 organisations around the world.

I would like to take this opportunity to thank our shareholders for supporting us to date and we look forward to delivering on our goal to help our clients create market value and profit from new university developed technologies and intellectual property. I look forward to providing a full report on progress with our annual results for the year to 30 November 2014.

Clifford M. Gross, Ph.D.
Executive Chairman
28 August 2014

**Unaudited condensed consolidated statement of comprehensive income
For the six month period ended 31 May 2014**

	Notes	Operating performance - six months ended 31 May 2014	IPO Costs	Total - six months ended 31 May 2014	Six months ended 31 May 2013
		Unaudited £	Unaudited £	Unaudited £	Unaudited £
Revenue		30,639	-	30,639	-
Cost of sales		(17,839)	-	(17,839)	-
Gross profit		12,800		12,800	-
Administrative expenses		(243,498)	(344,768)	(588,266)	(19,412)
Loss before taxation		(230,698)	(344,768)	(575,466)	(19,412)
Income tax expense	3	-	-	-	-
Loss after taxation for the period attributable to equity holders		<u>(230,698)</u>	<u>(344,768)</u>	<u>(575,466)</u>	<u>(19,412)</u>
Basic and diluted loss per share (£):	4	-	-	(0.03)	(0.001)

All amounts relate to continuing operations. There were no recognised gains or losses for the period other than those mentioned in the results above.

**Unaudited condensed consolidated statement of financial position
As at 31 May 2014**

	Notes	As at 31 May 2014	As at 31 May 2013	As at 30 November 2013
		Unaudited £	Unaudited £	Unaudited £
Assets				
Non-current assets				
Property, plant and equipment		10,396	-	-
		<u>10,396</u>		<u>-</u>
Current assets				
Trade and other receivables		63,448	2,517	7,350
Cash and cash equivalents		1,271,061	1,847	8,597
		<u>1,334,509</u>	<u>4,364</u>	<u>15,947</u>
<i>Total assets</i>		<u>1,344,905</u>	<u>4,364</u>	<u>15,947</u>
Equity and liabilities				
Current liabilities				
Trade payables		59	-	20,088
Other payables and accruals		112,641	9,272	-
Loans and borrowings		-	-	9,413
				<u>29,501</u>
Total liabilities		<u>112,700</u>	<u>9,272</u>	<u>29,501</u>
Capital and reserves				
Share capital	5	90,016	58,016	58,016
Share premium		1,789,225	-	-
Merger reserve		(43,512)	(43,512)	(43,512)
Retained earnings		(603,524)	(19,412)	(28,058)
Total equity attributable to equity holders of the parent		<u>1,232,205</u>	<u>(4,908)</u>	<u>(13,554)</u>
 Total equity and liabilities		<u>1,344,905</u>	<u>4,364</u>	<u>15,947</u>

Unaudited condensed consolidated statement of cash flows
For the six month period ended 31 May 2014

	Six months ended 31 May 2014	Six months ended 31 May 2013
	Unaudited £	Unaudited £
Cash flows from operating activities		
Loss for the period	(575,466)	(17,455)
Operating profit before working capital changes:	(575,466)	(17,455)
Changes in working capital		
Increase in trade and other receivables	(56,099)	(2,457)
Increase in trade and other payables	92,613	-
Net cash used in operating activities	(538,952)	(19,912)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(10,396)	-
Net cash used in investing activities	(10,396)	-
Cash flows from financing activities		
Repayment of loans	(9,413)	-
Loans from related parties	-	16,482
Share issue proceeds net of issue costs	1,821,225	-
Net cash from financing activities	1,811,812	16,482
Net increase/(decrease) in cash and cash equivalents	1,262,464	(3,430)
Cash and cash equivalents at the beginning of the period	8,597	5,277
Cash and cash equivalents at the end of the period	1,271,061	1,847

Unaudited condensed consolidated statement of changes in equity
For the six month period ended 31 May 2014

Unaudited	<i>Share capital</i> £	<i>Share premium</i> £	<i>Retained earnings</i> £	<i>Merger reserve</i> £	<i>Total equity attributable to equity holders of the parent</i> £
Balance at 1 December 2013	58,016	-	(28,058)	(43,512)	(13,554)
Issue of ordinary shares, net of share issue costs	32,000	1,789,225	-	-	1,821,225
Loss for the period	-	-	(575,466)	-	(575,466)
Total comprehensive income for the period	-	-	(575,466)	-	(575,466)
Balance at 31 May 2014	<u>90,016</u>	<u>1,789,225</u>	<u>(603,524)</u>	<u>(43,512)</u>	<u>1,232,205</u>

Unaudited	<i>Share capital</i> £	<i>Share Premium</i> £	<i>Retained earnings</i> £	<i>Merger reserve</i> £	<i>Total equity attributable to equity holders of the parent</i> £
Balance at 27 June 2012	58,016	-	-	(43,512)	14,504
Loss for the period	-	-	(19,412)	-	(19,412)
Total comprehensive income for the period	-	-	(19,412)	-	(19,412)
Balance at 31 May 2013	<u>58,016</u>	<u>-</u>	<u>(19,412)</u>	<u>(43,512)</u>	<u>(4,908)</u>

Share capital represents the amount subscribed for share capital at nominal value.

Share premium represents the amount subscribed for share capital in excess of nominal value and net of any issue costs.

The merger reverse relates to the share for share exchange undertaken by the Company with Tekcapital Europe Limited on 18 February 2014.

Accumulated losses represent all other net gains and losses and transactions with owners not recognised elsewhere.

Notes to the financial information

1. General information

The Company was incorporated in England, on 3 February 2014. The Company's registered office is at 5 Fleet Place, London, EC4M 7RD. The nature of the Company's operations and its principal activities are to act as the holding company of a group engaged in international technology and intellectual property services provider.

2. Basis of preparation

The financial information for the six months ended 31 May 2014 set out in this interim financial information is unaudited and does not constitute statutory financial statements.

The interim condensed financial information has been presented in British Pounds Sterling ("£").

The financial information for the year ended 30 November 2013 set out in this interim financial information does not comprise the Group's statutory financial statements, but has been prepared by consolidating the Company and the consolidated financial statements of Tekcapital Europe Limited, the subsidiary of the Company. Both sets of statements were prepared under IFRS and IFRIC interpretations as adopted by the European Union.

The directors do not propose a dividend for the period.

The directors approved the interim financial information for the six months ended 31 May 2014 on 28 August 2014.

Copies of this interim financial information will be available on the Company's website: www.tekcapital.com

The principal accounting policies used in preparing the interim results are those the Group expects to apply in its financial statements for the year ending 30 November 2013.

Basis of preparation

"The company was incorporated on 3 February 2014 and entered into an agreement to acquire the entire issued and to be issued share capital of Tekcapital Europe Limited on 18 February 2014. The acquisition was effected by way of issue of shares.

In determining the appropriate accounting treatment for this transaction, the Directors considered IFRS 3 "Business Combinations" (Revised 2008). However, they concluded that this transaction fell outside the scope of IFRS 3 (revised 2008) since the transaction described above represents a combination of entities under common control.

In accordance with IAS 8 "Accounting Policies, changes in accounting estimates and errors", in developing an appropriate accounting policy, the Directors have considered the pronouncements of other standard setting bodies and specifically looked to accounting principles generally accepted in the United Kingdom ("UK GAAP") for guidance (FRS 6 – Acquisitions and mergers) which does not conflict with IFRS and reflects the economic substance of the transaction.

Under UK GAAP, the assets and liabilities of both entities are recorded at book value, not fair value (although adjustments are made to achieve uniform accounting policies), intangible assets and contingent liabilities are recognised only to the extent that they were recognised by the legal acquirer in accordance within applicable IFRS, no goodwill is recognised, any expenses of the combination are written off immediately to the income statement and comparative amounts, if applicable, are restated as if the combination had taken place at the beginning of the earliest accounting period presented.

Therefore, although the Group reconstruction did not become unconditional until 18 February 2014, these consolidated financial statements are presented as if the Group structure has always been in place, including the activity from incorporation of the group's principal subsidiary. Both entities had the same management as well as majority shareholders.

Furthermore, as the Company was incorporated on 3 February 2014, while the enlarged group had been trading previously, the statement of comprehensive income and consolidated statement of changes in equity and consolidated cash flow statements are proforma. On this

basis, the Directors have decided that it is appropriate to reflect the combination using merger accounting principles as a group reconstruction under FRS 6 - Acquisitions and mergers in order to give a true and fair view. No fair value adjustments have been made as a result of the combination.”

3. Taxation

No charge to taxation has arisen in the six month period ended 31 May 2014 (31 May 2013: £nil).

4. Loss per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of Ordinary Shares outstanding during the period.

In calculating the weighted average number of Ordinary Shares outstanding (the denominator of the earnings per share calculation) during the period in which the share for share transaction occurs:

- the number of ordinary shares outstanding from the beginning of that period to the acquisition date shall be computed on the basis of the weighted average number of Ordinary Shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and
- the number of Ordinary Shares outstanding from the acquisition date to the end of that period shall be the actual number of Ordinary Shares of the legal acquirer (the accounting acquiree) outstanding during that period.

The basic earnings per share for each comparative period before the acquisition date presented in the consolidated financial information following a share for share exchange shall be calculated by dividing:

- the profit or loss of the legal acquiree attributable to ordinary shareholders in each of those periods; by
- the legal acquiree's historical weighted average number of Ordinary Shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

	Six months ended 31 May 2014 £	Six months ended 31 May 2013 £
Losses attributable to equity holders of the Company (£)	(575,466)	(19,412)
Weighted average number of ordinary shares in issue:		
Basic	17,037,309	14,503,976
Diluted	17,037,309	14,503,976
Basic loss per share (£)	(0.03)	(0.001)
Diluted loss per share (£)	(0.03)	(0.001)

At 31 May 2014 and 31 May 2013 the company has no dilutive financial instruments in place and therefore diluted earnings per share is the same as basic earnings per share.

5. Share capital

Ordinary shares of £0.004 par value

Issued and fully paid	Six months ended 31 May 2014		
	Shares Number	Share capital £	Share premium £
Ordinary shares of £0.004 each			
As at 1 December 2013	-	-	-
Issued on incorporation (3 February 2014)	1	-	-
Issued as part of share for share exchange (18 February 2014)	14,503,976	58,016	-
Share issue (4 April 2014)	8,000,000	32,000	1,789,225
As at 30 June 2012	22,503,977	90,016	1,789,225

On 4 April 2014, the Company issued 8,000,000 Ordinary shares of £0.004 par value, this was on admission to trading on the AIM market at £0.25 per share. The share issue costs associated with this transaction have been deducted from the Company's share premium account and totalled £178,775.

6. Related party transactions

During the six month period Dr Clifford Gross, a Director, lent £86,780 to the company. This is included in trade and other payables at 31 May 2014 and has since been settled in full.

7. Business combinations

On 17 February 2014, the company entered into an acquisition agreement with Dr Clifford Gross, pursuant to which the company acquired the entire membership interest in Tekcapital LLC, which is headquartered in the United States of America. The company paid £1 as consideration for the acquisition as at the time of the acquisition the company was not trading. On 31 March 2014 the company entered into an operating agreement in relation to the operation of Tekcapital LLC. The result, assets and liabilities of Tekcapital LLC for the period ended 31 May 2014 are included in this interim financial information.

After the period end, on 23 July 2014, Tekcapital LLC acquired the rights to InventionEvaluator.com, for which the Group gave consideration of 879,770 new shares in Tekcapital PLC. As our financial impact considerations are not yet complete, the impact of this transaction will be included in our full year results to 30 November 2014.

- Ends -