



**28 December 2016**

Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR)

**Tekcapital plc**  
**("Tekcapital" or "the Company")**

**Out-licence of High-efficiency AC Patents &  
Strategic Alliance with Wecast Technology Group**

Tekcapital plc (AIM: TEK), an international provider of technology and intellectual property services, announces that it has out-licensed the exclusive worldwide rights to its portfolio of nine patents<sup>1</sup> for the improvement of air conditioning efficiency and has formed a Strategic Alliance with Wecast Technology Group.

**Out-license Agreement**

Tekcapital has signed an out-license agreement for the exclusive worldwide rights to its portfolio of nine patents for the improvement of air conditioning efficiency, developed by the University of Central Florida. The technology is aimed at improving the efficiency of central air conditioning systems and is designed to achieve up to a 25% efficiency improvement in condenser fan operations, compared with existing air conditioning units. This intellectual property portfolio was developed and tested at the Florida Solar Energy Center (FSEC), a research institute of the University of Central Florida, and the exclusive rights to the intellectual property were previously acquired by Tekcapital for, inter alia, royalty payments on any associated future revenue.

**Industry potential for the Technology**

According to the Air Conditioning, Heating, and Refrigeration Institute, there were 4,545,876 central air-conditioning units sold in the United States in 2015<sup>2</sup>. The Directors believe that the central air conditioning energy efficiency improvements contemplated in the licensed portfolio may become the condenser fan design of choice, and could gradually replace the relatively flat blade design that is typically in use globally.

**Terms of the Out-License Agreement**

The portfolio has been exclusively out-licensed to Wecast Technology Group for the life of the IP. Wecast Technology Group is a subsidiary of Sun Seven Stars Entertainment & Media Group Limited, one of the largest and most diversified private media and investment companies in China. The terms of the license include an up-front payment to Tekcapital of US\$100,000 and a 5% royalty on sales. Beginning with the second year of the license agreement, there is a US\$100,000 minimum annual royalty payment.

**Strategic Alliance & Exclusive Distribution Agreement with Wecast Technology Group**

Separately, Tekcapital and Wecast Technology Group have signed a five-year strategic alliance and distribution agreement, whereby Tekcapital will exclusively supply additional licensed university technologies for Wecast to commercialize on the electronic exchanges they operate. Under the terms of the Agreement, Wecast has committed to acquiring a minimum of ten intellectual property licenses per year from Tekcapital. Additionally, on a non-exclusive basis, Wecast will also seek to introduce and re-sell Tekcapital's IP services to its large network of clients. Tekcapital will continue to provide clients with its IP services and offer technologies for license that it has acquired for non-electronic exchange customers.

**Commenting on the announcement, Clifford M. Gross, Ph.D., Executive Chairman of Tekcapital plc, said:**

*"We are excited to have exclusively out-licensed our portfolio of AC patents developed by the University of Central Florida. We are also enthusiastic to be working with the Wecast Technology Group to bring a wide variety of additional university technologies to the marketplace. We believe that this alliance has the potential to expand the market for university developed IP."*

**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 4,500+ 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, analytics and technology transfer professionals 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](http://www.tekcapital.com)

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1. List of Out-licensed Patents

1. High Efficiency Air Conditioner Condenser Fan 7,014,423
2. High Efficiency Air Conditioner Condenser Twisted Fan Blades and Hub D 510,998
3. High Efficiency Air Conditioner Condenser Fan with Performance Enhancements 7,249,931
4. High Efficiency Air Conditioner Condenser Twisted Fan Blades and Hub D 539,413
5. High Efficiency Air Conditioner Condenser Fan DIV 7,568,885
6. High Efficiency Air Conditioner Condenser Fan with Performance Enhancements 7,618,233
7. High Efficiency Air Conditioner Condenser Twisted Fan Blades and Hub D 555,782
8. High Efficiency Air Conditioner Condenser Twisted Fan Blades and Hub D 566,263
9. High Efficiency Air Conditioner Condenser Twisted Fan Blades and Hub D 566,829

2. Cited Reference for Current AC Market Size

<http://www.ahrinet.org/site/496/Resources/Statistics/Historical-Data/Central-Air-Conditioners-and-Air-Source-Heat-Pumps>