

21 November 2014

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

Trading update

- Tekcapital announces strategy to purchase disruptive IP opportunities for future value creation -

Tekcapital plc (AIM: TEK), an international provider of technology and intellectual property services, is pleased to provide the following update on trading for the year ending 30 November 2014.

Tekcapital is making solid progress against many of the strategic objectives set out at the time of the Group's admission to AIM. The Group continues to scale the business and has secured several new clients in the North American market, including three within the Fortune 1000 spanning the automotive, healthcare and food and beverage industries, with negotiations continuing with a number of potential additional customers. As of 20 November 2014, the Group had secured 15 retained clients, which represents growth of over 100 per cent since the Group joined AIM in Q2 2014.

The Group has not yet completed any technology transfers and now considers there to be less predictability on the timing of such revenues than anticipated at the time of the IPO. In light of this, the Directors have been focusing on adding new clients with recurring monthly revenue and implementing a per report, variable costs structure that is scalable while reducing fixed operating costs. This has reduced the Company's monthly fixed costs considerably, as a result of which, while revenue for the year will be significantly lower than anticipated, the loss at an operating level is likely to be broadly in line with market expectations.

Through the acquisition of Invention Evaluator, announced on 23 July 2014, the Group has added an additional service for clients seeking to determine the marketability of new technologies they are considering investing in. In the month of October 2014, the Group received paid orders for 89 Invention Evaluator reports. This strong order book compares to 36 reports sold in the month of October 2013 and management anticipates orders for November 2014 to be above the levels in the same month in 2013.

To enhance the Group's ability to address new client needs, Dr. Alan Naidoff has recently been appointed as an additional Managing Director of Technology Transfer. Dr. Naidoff was formerly the Director, Discovery Transactions, Business Development & Licensing at Merck Sharp & Dohme Corp.

Tekcapital, through the combination of its Innovation Discovery Network (“IDN”) and leveraging the knowledge of its Science Advisory Board to evaluate specific IP opportunities, has unrivalled access to a significant number of potentially disruptive technologies. Given this insight and the ability to immediately source and acquire these IP opportunities, Tekcapital will now seek to augment its offering by entering into agreements with universities and research centres to purchase the exclusive licences for certain potentially disruptive Intellectual Property rights. The Group intends to fund these highly selective acquisitions by the issuance of new shares in Tekcapital and, where appropriate, may also satisfy the purchase consideration from existing cash resources.

All potential acquisitions will be carefully evaluated and will not utilise a significant portion of the Group's cash balances. The Group anticipates that any acquisition will be of a modest expenditure and will not have a material impact on the Group's cash position over time. Tekcapital will realise value from these technologies by seeking to sell-on the rights to these unique assets to businesses and commercial enterprises.

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

“Tekcapital is delivering against the strategy that we set out when we joined AIM earlier this year. Notwithstanding that we have not yet closed our first technology transfer, we have significantly increased our retained customer base and the fact that globally recognisable Fortune 1000 companies are working with us we believe is testament to both the need for our offering and our professionalism. We are currently in contract negotiations with a number of companies in the US, Europe and Asia



which we expect to have a significant impact on total client numbers, a key metric for the Company, in future reporting periods. Additionally, the acquisition of Invention Evaluator has expanded our service offering and client base and is already generating top line revenue and profit. We remain confident on the future growth prospects of our unique business and the strategic opportunities before us.”

For further information please contact:

Tekcapital Plc

Malcolm Groat, Finance Director

+44 (0) 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