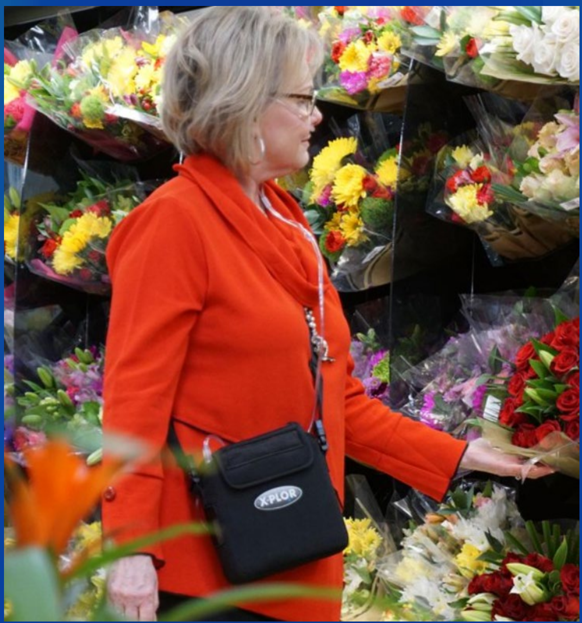

2020
Annual Report & Accounts

RISK FACTORS AND FORWARD-LOOKING STATEMENTS

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All statements of opinion and/or belief contained in this Report and all views expressed represent the directors' own current assessment and interpretation of information available to them as at the date of this Report. In addition, this Report contains certain "forward-looking statements", including but not limited to, the statements regarding the Company's overall objectives and strategic plans, timetables and capital expenditures. Forward-looking statements express, as at the date of this Report, the Company's plans, estimates, valuations, forecasts, projections, opinions, expectations or beliefs as to future events, results or performance. Forward-looking statements involve a number of risks and uncertainties, many of which are beyond the Company's control, and there can be no assurance that such statements will prove to be accurate. No assurance is given that such forward-looking statements or views are correct or that the objectives of the Company will be achieved. Further, valuations of Company's portfolio investments and net asset value can and will fluctuate over time due to a wide variety of factors both company-specific and macroeconomic. Changes in net asset values can have a significant impact on revenue and earnings of the Company and its future prospects.

Additionally, the current Coronavirus pandemic may produce negative economic activities which could reduce the company's economic performance and the performance of its portfolio companies in ways that are difficult to quantify at this juncture. It may cause a downturn in the markets in which the Company operates, reduce the Company's net asset values, revenue, cash flow, access to investment capital and other factors which could negatively impact the Company. As a result, the reader is cautioned not to place reliance on these statements or views and no responsibility is accepted by the Company or any of its directors, officers, employees or agents in respect thereof. The Company does not undertake to update any forward-looking statement or other information that is contained in this Report. Neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information contained in this Report or for any of the opinions contained herein, or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Report. Neither the issue of this Report nor any part of its contents is to be taken as any form of contract, commitment or recommendation on the part of the Company or the directors of the Company. In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal, analysis or investigation of the Company. This Report should not be considered a recommendation by the Company or any of its affiliates in relation to any prospective acquisition or disposition of shares in the Company. No undertaking, Report, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its affiliates, any of its directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this Report and no responsibility or liability is accepted for any such information or opinions or for any errors or omissions.

Intellectual Property Risk Factors

Tekcapital's mission is to create valuable products from university intellectual property that can improve people's lives. Therefore, our ability to compete in the market may be negatively affected if our portfolio companies lose some or all of their intellectual property rights, if patent rights that they rely on are invalidated, or if they are unable to obtain other intellectual property rights. Our success will depend on the ability of our portfolio companies to obtain and protect patents on their technology and products, to protect their trade secrets, and for them to maintain their rights to licensed intellectual property or technologies. Their patent applications or those of our licensors may not result in the issue of patents in the United States or other countries. Their patents or those of their licensors may not afford meaningful protection for our technology and products. Others may challenge their patents or those of their licensors by proceedings such as interference, oppositions and re-examinations or in litigation seeking to establish the invalidity of their patents. In the event that one or more of their patents are challenged, a court may invalidate the patent(s) or determine that the patent(s) is not enforceable, which could harm their competitive position and ours. If one or more of our portfolio company patents are invalidated or found to be unenforceable, or if the scope of the claims in any of these patents is limited by a court decision, our portfolio companies could lose certain market exclusivity afforded by patents owned or in-licensed by us, and potential competitors could more easily bring products to the market that directly compete with our own.

RISK FACTORS AND FORWARD-LOOKING STATEMENTS

The uncertainties and costs surrounding the prosecution of their patent applications and the cost of enforcement or defence of their issued patents could have a material adverse effect on our business and financial condition. To protect or enforce their patent rights, our portfolio companies may initiate interference proceedings, oppositions, re-examinations or litigation against others. However, these activities are expensive, take significant time and divert management's attention from other business concerns. They may not prevail in these activities. If they are not successful in these activities, the prevailing party may obtain superior rights to our claimed inventions and technology, which could adversely affect their ability of our portfolio companies to successfully market and commercialize their products and services. Claims by other companies may infringe the intellectual property rights on which our portfolio companies rely, and if such rights are deemed to be invalid it could adversely affect our portfolio companies and ourselves as investors in these companies.

From time to time, companies may assert, patent, copyright and other intellectual proprietary rights against our portfolio company's products or technologies. These claims can result in the future in lawsuits being brought against our portfolio companies or their holding company. They and we may not prevail in any lawsuits alleging patent infringement, given the complex technical issues and inherent uncertainties in intellectual property litigation. If any of our portfolio company products, technologies or activities, from which our portfolio companies derive or expect to derive a substantial portion of their revenues and were found to infringe on another company's intellectual property rights, they could be subject to an injunction that would force the removal of such product from the market or they could be required to redesign such product, which could be costly. They could also be ordered to pay damages or other compensation, including punitive damages and attorneys' fees to such other company. A negative outcome in any such litigation could also severely disrupt the sales of their marketed products to their customers which in turn could harm their relationships with their customers, their market share and their product revenues. Even if they are ultimately successful in defending any intellectual property litigation, such litigation is expensive and time-consuming to address, will divert our management's attention from their business and may harm their reputation and ours.

Several of our portfolio companies may be subject to complex and costly regulation and if government regulations are interpreted or enforced in a manner adverse to them, they may be subject to enforcement actions, penalties, exclusion, and other material limitations on their operations and have a negative impact on their financial performance.

All of the risks can have a material, negative affect on our net asset value, revenue, performance and the success of our business and the portfolio companies we invested in.

CONTENTS

TEKCAPITAL TRANSFORMS UNIVERSITY DISCOVERIES INTO VALUABLE PRODUCTS

- We find and invest in exciting new discoveries from our global university network that can enhance people's lives.

- We also provide services to universities and companies to help them commercialise their innovations. Using these services, we have built a compelling group of portfolio companies to commercialise high value properties we have uncovered.

- We believe that when you couple commercialisation ready, compelling university IP with strong senior management, vibrant companies will emerge.

- When we realise exits, the Group's goal is to distribute a portion of the proceeds as a special dividend to our shareholders.

INVESTMENT CASE & FINANCIAL PERFORMANCE

WORLD'S LARGEST NETWORK OF UNIVERSITY IP TO MITIGATE SELECTION BIAS

4,500+ UNIVERSITIES

TECHNOLOGY REVIEW CAPABILITY

60 SCIENCE ADVISORS

NUMBER OF INDUSTRY LEADERS RECRUITED BY PORTFOLIO COMPANIES

11 INDUSTRY LEADERS

NUMBER OF PORTFOLIO COMPAINIES FACING $1B+ MARKETS

4 PORTFOLIO COMPANIES

Net Assets
$32.7m

Compound Annual Growth Rate (CAGR) of Net Assets over the past five years
60%

Return on Assets (ROA)
27%

Return on invested capital (ROIC)
23%

Total Revenue including fair value gains
$9.9m

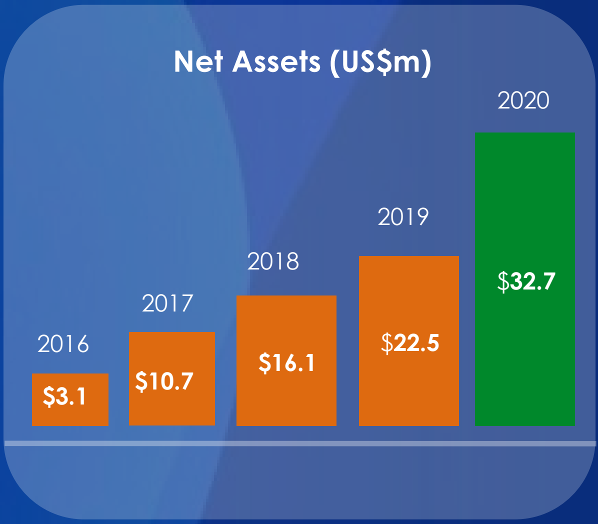
Profit after tax
$7.7m

KEY HIGHLIGHTS

FINANCIAL

Our investment objective is to achieve long-term growth of net assets and returns on invested capital through the commercialisation of university discoveries. 2020 was the best year for value creation in the Group's history:

- ✓ Net Assets increased 45% to US$32.7m, a record level (2019: US$22.5m)
  - NAV per share US$0.35 (2019: $0.35)
- ✓ Portfolio valuation increased 50% to US$30.5m (2019:US$20.3m)
- ✓ Total revenue US$9.9m (2019: US$7.72m)
  - Revenue from services US$1.19m (2019: US$1.20m)
  - Net increase of US$8.7m in fair value of portfolio companies (2019: US$6.51m)
- ✓ Profit before tax: $7.7m (2019: $5.52m)
- ✓ Service revenues cover approximately 54% of current cost base (cost of sales and operating expenses)
- ✓ Share placings totaling US$2.6m completed during the period, plus an additional raise of USS$5.3m completed post-period.



INVESTMENT PORTFOLIO

Salarius Ltd manufactures *Microsalt*®, a new, patented, all natural, non-GMO, Kosher, low-sodium salt that tastes great and has half of the sodium of regular table salt.

Salarius Ltd 97.2% ownership

www.salarius.co

Investment Rationale:

The snack food industry is focused on developing and providing better-for-you products that both taste good and help reduce sodium intake. The reason for this is that excess sodium consumption contributes to cardiovascular disease, a leading cause of premature death globally. To help address this problem, Salarius has developed a patented process for producing micron sized salt crystals. Microsalt® has all the flavour of salt with roughly half the sodium for topical applications such as crisps, pretzels, nuts, popcorn and other salty snacks.

Recent developments:

- Signed a distribution agreement with Gehring-Montgomery Inc., a leading national ingredient distributor to expand B2B sales of Microsalt® across the United States.
- Signed a partnership agreement with FXM Ingredients, Inc. to lead B2B sales and marketing of MicroSalt® in Mexico and Latin America ("LATAM").
- Formed Microsalt Inc, a fully owned subsidiary of Salarius Ltd to expand its operations in the United States.

KEY HIGHLIGHTS

Lucyd Ltd
100% ownership

www.lucyd.co

Lucyd® Limited ("Lucyd") is seeking to *Upgrade Your Eyewear®* by developing and selling designer prescription eyewear with smart features at affordable prices. Lucyd was the first company to deliver prescription glasses with Bluetooth® technology in 2019. Their frames help you stay connected safely and conveniently, by enabling many common smartphone tasks to be performed handsfree via voice assistants.

Investment Rationale:
In the U.S. pedestrian fatalities have increased by 60% from 2009 to 2018[1]. This is primarily because drivers and pedestrians alike are distracted with their smartphones. Approximately 2/3rds of the population wear corrective lenses, and the advancements in Bluetooth technology have enabled it to be incorporated into traditional eyeglass form factors. This combination created a new type of glasses with built-in speakers, microphone and touch controls, Lucyd e-glasses, which allow the wearer to forego headphones and headsets and use their glasses to listen to audio content and talk to others. Since the speakers are open-ear, Lucyd e-glasses enable the wearer to stay connected to their digital life while maintaining situational and social awareness.

Recent Developments:

- Announced it had filed patent and trademarks on its forthcoming Vyrb™ app. Vyrb™ users will be able to listen and produce social media posts on select platforms with their voice, without having to look at their smartphones or type messages. The app is designed to improve utility of Lucyd's Bluetooth® glasses and other wireless hearables like AirPods®. The beta version of the app is slated to be launched in August 2021.
- Formed Innovative Eyewear, Inc, a new, fully owned subsidiary of Lucyd Ltd, and commenced a Regulation Crowdfunding program on StartEngine, where it sought to raise approximately US$400K at a $3.75m pre-money valuation. The funding target was achieved and subsequently extended to US$1,070,000. More than 4,000 investors participated in the fundraise. The purpose of the fundraise was to provide additional capital for the further development and launch of its new Lucyd Lyte™ e-glasses and Vyrb™ voice-focused social media app. As of 30 November 2020, Lucyd Ltd held 90% ownership in Innovative Eyewear Inc with crowdfund investors holding remaining 10%. At the completion of the crowdfund (April 2021), Lucyd Ltd held 75% ownership. of Innovative Eyewear, Inc., the U.S. subsidiary that owns the exclusive license to Lucyd's technology.
- Filed two design patents on their Lucyd Lyte™ e-glasses, which were launched in December 2020.
- Lucyd's in-house developed utility patent, for a software system to control wearables and IOT devices, was granted by the USPTO.

Guident Ltd
100% ownership

www.guident.co

Guident is developing remote monitoring and control software to improve safety of autonomous vehicles and land-based delivery devices. Guident's software will incorporate artificial intelligence and advanced network technologies to minimize signal latency and improve reliability.

Investment Rationale:
Vehicles of all types are rapidly becoming electric and autonomous. While Autonomous Vehicles ("AVs") are projected to be significantly safer than traditional vehicles, there will still be mishaps and in many instances there will be no vehicle operator present to help resolve these problems. We believe remote human interaction will be needed to address these mishaps. Guident's remote monitoring and control centre will monitor vehicles and if necessary to provide additional support such as calling first responders, taking over control of the vehicle to move it out of harm's way and providing real-time communication with passengers or pedestrians. Over time we believe remote monitoring centres will be required in many jurisdictions.

SOURCE
[1]https://www.ghsa.org/resources/news-releases/pedestrians20

KEY HIGHLIGHTS

Recent developments:

- Announced key management appointments of Harald Braun as Company's CEO and Daniel Grossman as the company's Chief Revenue Officer. The company also appointed Michael Trank as VP Software Development and Dr. Gabriel Castaneda as Lead Architect, Artificial Intelligence Software.
- Won the Florida Atlantic University (FAU) start-up competition as one of the most promising start-ups in South Florida, from a field of over 200 contestants. The judges were convinced that Guident's creation of the first Remote Monitoring and Control Centre in Florida for autonomous vehicles would be the right choice to create significant value in South Florida and subsequently nationwide.
- Entered into a Strategic Alliance with Bestmile USA, Inc. This strategic alliance with Bestmile will focus on several areas of collaboration in Europe and North America. This will include providing Guident's patented, advanced teleoperation system for autonomous and human-driven vehicles, to enhance customer safety and security, incorporating a reliable, low latency connection to any advanced mobile network solution.
- Guident announced it had acquired the exclusive license to U.S. patent # 8,941,251 from the Research Foundation of the State of New York. The patent enables the manufacture of electromagnetic regenerative shock absorbers with high energy densities that are able to recover a vehicle's vibration energy which is otherwise lost due to road irregularities, vehicle accelerations and braking. Two listed OEM's have signed NDA's to evaluate the potential of incorporating these new shock absorbers into their electric vehicles.

Belluscura plc is a respiratory medical device company that has developed an improved portable oxygen concentrator (POC) to provide on-the-go supplemental O2. The company believes its product is the first FDA cleared, modular POC with a user-replaceable filter cartridge. Belluscura aims to make POC's more affordable to those who need them.

Belluscura plc
17.8% ownership

www.belluscura.com

Investment Rationale:
Worldwide, approximately 250m individuals suffer from COPD. Many of these patients require supplemental oxygen. As there is no cure for COPD, over time patients require greater amounts of oxygen, and if they use a portable oxygen concentrator, this means they must replace their devices with greater capacity models as their disease progresses. With Belluscura's new patented device, users will be able to swap out the filter cartridges to enable higher capacity oxygen flow without having to buy a new device; like upgrading memory on a laptop. The result is significantly more affordable oxygen therapy for the life of the patient.

Recent Developments:

- Belluscura received FDA clearance in March 2021.
- Belluscura filed an additional patent application (a total of 26 patents filed or licensed to-date) entitled "Improved Extracorporeal Membrane Oxygenation Device, System and Related Methods," covering devices and systems for treating people suffering from acute respiratory distress caused by the Coronavirus.
- The need for oxygen concentrators has been exacerbated by the Coronavirus pandemic.
- Belluscura announced it is considering an IPO on the AIM Market of the London Stock Exchange (or another recognized stock exchange) and expects investments should qualify for Enterprise Investment Scheme relief.

CORPORATE

As part of our continuing efforts to develop our team and expand our services:

- Konrad Dabrowski, CPA, who for the past three years has served as the Group's Financial Controller, has been promoted to non-board CFO, replacing Mr. Malcolm Groat who provided five years of good service to the Company. Concomitant with this change, Malcolm stepped down from the Board of Directors at the conclusion of his term.

KEY HIGHLIGHTS

- Universities worldwide purchased more than 400 Invention Evaluator reports in 2020 to assess their innovations.
- Tekcapital delivered a webinar on commercialising university IP with the Creativity and Innovation Center 4.0 of the Universidad Tecnológica de Querétaro. This resulted in the formation of a strategic alliance with Universidad Tecnológica de Querétaro for providing Tekcapital's services in Mexico.
- Tekcapital was invited to provide a presentation to Petrobras on new global opportunities and collaborations for intellectual property licensing.
- Executed a strategic alliance agreement with LicenciArte Colombia, a consultancy firm that offers services to strengthen, protect and commercialise technologies from universities and research laboratories.
- Tekcapital delivered a webinar in Brazil titled "Agritech Startups", which brought together more than 60 key players from the Brazilian technology and innovations ecosystem.

Dr. Clifford Gross, Executive Chairman said: ***"Through the collective efforts of our dedicated and capable team we have achieved record results in 2020. Our portfolio companies have demonstrated significant growth and we believe they are well positioned to further expand in 2021."***

POST PERIOD END PORTFOLIO COMPANY HIGHLIGHTS

On 2 December 2020, Salarius Ltd successfully launched its innovative SaltMe!® snack line on Amazon in North America. The company commenced sales of all four flavours on the e-commerce platform, offering six-count boxes of five-ounce packages. To date, the product received more than 70% 5-star ratings on Amazon.

On 3 December 2020 Belluscura submitted the X-PLO2R™ portable oxygen concentrator for 510(k) clearance with the U.S. FDA.

On 6 January 2021, Lucyd announced the launch of Lucyd® Lyte™, its tech-enhanced, prescription eyewear for active lifestyles. Lyte looks and feels just like designer fashion frames, are available in any prescription, yet are priced similar to ordinary prescription glasses. To date, the product received more than 65% 5-star ratings on Amazon, and a near-perfect rating on Lucyd.co where customers are able to customize pairs with any prescription lens.

On 5 February 2021, MicroSalt, Inc, a U.S. subsidiary of Salarius Ltd, commenced its Regulation Crowdfunding program on the MicroVentures platform, where it is seeking to raise approximately US$750K at a US$5m pre-money valuation.

On 2 March 2021, Innovative Eyewear's products were onboarded on Brookstone, an online B2B marketplace.

On 8 March 2021, Belluscura plc announced the receipt of 510(k) Clearance from the US Food and Drug Administration (the "FDA") for its X-PLO2R™ portable oxygen concentrator.

On 10 March 2021, Salarius Ltd announced has appointed Eduardo Souchon as V.P. of Business Development and Jay Shah, M.D., a cardiologist at Mayo Clinic, as its medical Advisor.

On 22 March 2021, Lucyd Ltd announced it has signed a distribution agreement with D. Landstrom Associates, to build distribution of Lucyd Lyte™ bluetooth e-glasses in big box retail stores in the U.S.

On 1 April 2021, Lucyd Ltd announced that its US subsidiary Innovative Eyewear, Inc. has closed its fully-subscribed Regulation Crowdfund, raising US$1.07m. Following completion of the crowdfund, Lucyd Ltd owned 75% of shares of Innovative Eyewear Inc.

In April 2021, the Company converted its warrants and options for shares of Belluscura plc, bringing total shares held to 17.1 million (~23%).

“WE BELIEVE 2021 WILL BE AN A BREAKTHROUGH YEAR FOR OUR PORTFOLIO COMPANIES”

DR CLIFFORD M. GROSS
EXECUTIVE CHAIRMAN

Q&A WITH OUR EXECUTIVE CHAIRMAN

What are the most important milestones reached by Tekcapital and its portfolio companies in 2020?

For Belluscura, the filing with the FDA seeking clearance for their new, advanced portable oxygen concentrator.

For Lucyd, the launch of a successful equity crowdfund and their development of new Lucyd Lyte™ Bluetooth e-glasses, which subsequently have received a very positive consumer response.

For Salarius, the launch of their snack food brand SaltMe! coupled with the onboarding of UNFI, the leading natural food distributor in the U.S., for retail placement of their new full flavour, low sodium potato chips. SaltMe! Chips are available in stores throughput the U.S. and on Amazon. The consumer response has been very positive to-date.

For Guident the appointment of Harald Braun as the Company's CEO. Mr. Braun previously served as CEO of Siemens Networks USA (NYSE: SI) and Aviat Networks (NASDAQ: AVNW). He also served as a Senior Executive at Nokia Siemens Networks, North America. Guident has also appointed Daniel Grossman as the Company's Chief Revenue Officer. Daniel who currently serves on the board of Guident has previously helped to create General Motors mobility division, "Maven", where he led operations as COO, and was Vice President at Zipcar, where he helped pioneer the brand globally. Guident has developed and acquired additional intellectual properties which enabled their development of their first MVP in 2020. Guident also won the Florida Atlantic University (FAU) Tech Runway® Annual Tech Launch competition, and was voted one of the most promising startups in South Florida out of a field of 200 companies.

What are the main goals you are anticipating for each portfolio company and Tekcapital in 2021?

Following Belluscura’s receipt of clearance for their portable oxygen concentrator, the manufacture and sales of their advanced device (FDA clearance announced on 8 March 2021), coupled with a likely significant financing or perhaps an IPO.

Lucyd should launch their Vyrb™ app which would, for the first time, enable hands free interaction with Twitter on both Android and IOS platforms for eyeglass wearers. With Vyrb you will be able to listen to and speak your social media posts without having to type or look at your smartphone. Vyrb is a software upgrade for Lyte eyewear and other hearables.

Salarius should expand their retail distribution of their snack food line and hopefully engage with a leading snack food company for the use of their proprietary and patented MicroSalt®. Additionally, we hope to see them launch low sodium salt packets for supermarket and restaurant distribution.

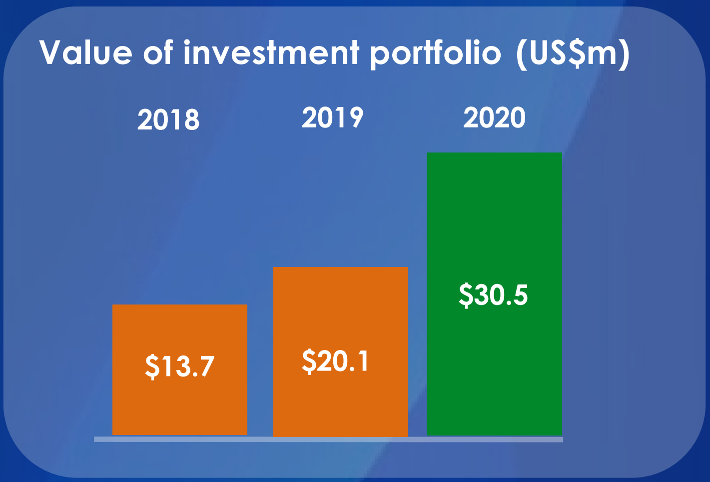
Guident will hopefully launch their first remote monitoring and control center in the Florida for autonomous vehicles, and announce a major customer for its new technology.

When do you anticipate the first special dividend distribution for TEK shareholders?
Concomitant with the monetization of a significant exit in one of our portfolio companies.

TEKCAPITAL AT A GLANCE

Tekcapital has built one of the largest university IP networks in the world, to find and review market-ready technologies. The Group provides universities and corporate clients with a range of technology transfer services while simultaneously identifying compelling technologies for its own portfolio, for subsequent commercialization. We believe this unique combination provides a competitive advantage in the sector, as we both use and sell our IP investment services. This keeps us close to our technology suppliers and allows the company to reduce its operating expenses compared with other IP investment firms.

TEKCAPITAL'S FORMULA OF COUPLING MARKET-READY IP WITH TALENTED MANAGEMENT, POSITIONS THE GROUP FOR LONG-TERM GROWTH, AND INCREASES THE PROBABILITY OF MEANINGFUL EXITS



WE HAVE VISABILITY TO UNIVERSITY-DEVELOPED IP FROM 4,500+ RESEARCH INSTITUTIONS ACROSS 160 COUNTRIES

PORTFOLIO REVIEW

PATENTED LOW-SODIUM SALT

salarius

The snack food industry is focused on developing and providing better-for-you products that taste great and reduce sodium intake. The reason for this is that excess sodium consumption contributes to cardiovascular disease, a leading cause of premature death globally. To address this problem, Salarius has developed a patented process for producing micron-sized salt crystals that provide all of the flavor of salt with roughly half of the sodium for topical food applications.

Salarius has developed the world's smallest salt crystals with its patented MicroSalt®. With MicroSalt®, companies can make full flavor snacks with the same saltiness as traditional snacks yet with half of the sodium.

MicroSalt® uses nano-sized sodium chloride crystals that dissolve faster, is all natural, non-GMO, Kosher and doesn't contain any of the additives found in other sodium reduction products.

The global Sodium Reduction Ingredients Market is expected to reach US$1.62 billion by 2024 with a CAGR of 7.3% from 2019 to 2024[1]. Salty snack market was worth US$26b in 2019 alone. Recently, Salarius has secured two food brokers and the leading U.S. natural food distributor for its product in the United States and Mexico.

Cardiovascular disease is the world's leading health problem causing 17.9 million deaths annually and is related to high sodium consumption, especially in snack foods. According to the FDA, reducing daily sodium intake from 3,400 mg to 2,300 mg/day will reduce approximately 28,000–50,000 premature deaths per year in the U.S.

During 2020, the company made significant progress in establishing sales and distribution channels, including onboarding of FXM Ingredients, Inc. and Gehring Montgomery, Inc. to expand Microsalt® sales in Mexico and the United States. The company also successfully launched Amazon sales of its SaltMe® full flavor, low sodium chips brand.

Note: In September 2020, Salarius Ltd incorporated Microsalt Inc to optimize its go to market strategy in the United States. As part of the corporate formation, previously existing equity position of directors and consultants in Salarius Ltd were transferred to Microsalt Inc resulting in Tekcapital's shareholding % increasing from 91.70% to 97.15%. Salarius Ltd owns 87.1% of Microsalt Inc.

Tekcapital ownership of Salarius Ltd

97.15%

TOTAL ADDRESSABLE MARKET

$1.1B[2]

CAGR

11.15%[2]

SOURCE

[1] https://www.futuremarketinsights.com/reports/sodium-reduction-ingredient-market

[2] https://www.marketdataforecast.com/market-reports/sodium-reduction-ingredients-market

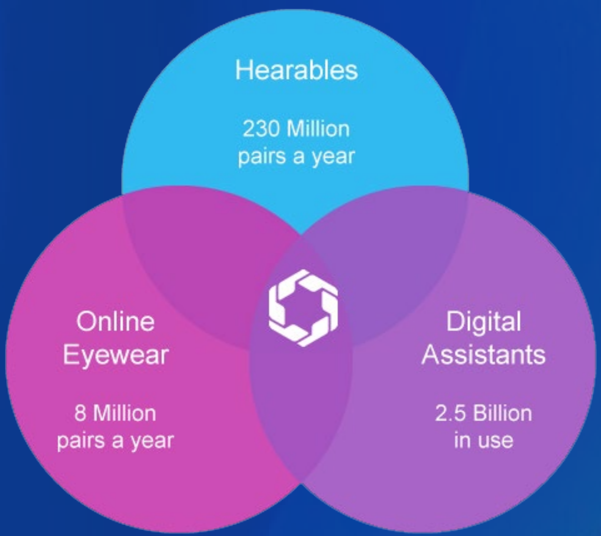
PORTFOLIO REVIEW

LUCYD: THE CLEAR CHOICE FOR TECH EYEWEAR

Lucyd is seeking to Upgrade Your Eyewear® by producing designer eyewear with smart features at affordable prices. Lucyd was the first company to deliver prescription glasses with Bluetooth® technology in 2019. Their frames help you stay connected safely and conveniently.

With Lucyd frames, you can stay focused on the world while making calls, listening to music and using voice assistants.

Sitting at the intersection of Hearables, Digital Assistants and Online Eyewear markets, Lucyd is positioned to potentially become a major player in eyewear by offering the only designer smart frames with Rx lenses at an unbeatable price.



Tekcapital ownership of Lucyd Ltd*

100%

*In April 2020, Lucyd Ltd incorporated Innovative Eyewear Inc to optimize its go to market strategy in the United States. Lucyd Ltd owns appx 75% of Innovative Eyewear Inc. as of April 1, 2021.

To provide a unique, new wearable experience, Lucyd is also developing a voice-based social media app called Vyrb™. Vyrb will enhance Lucyd frames with social features, such as verbal posting and hashtagging. Lucyd has a pending patent on several features of Vyrb, two utility patents regarding wearable tech, one of which has been granted a notice of allowance and 21 design patents.

Backed by brand ambassador and American football star, Richard Sherman, Lucyd offers the best and most affordable e-glasses in the market – in multiple fashion forward designs, designed for all-day wear and available in any prescription.

Post period end, the company successfully launched its newest product, Lucyd Lyte e-glasses on Amazon, with 65% 5-star ratings, and a higher overall rating than other products in the category.

Photo courtesy of Creative Agency: Zaki Rose, Photographer: Carlos Cruz.

PORTFOLIO REVIEW

DELIVERING INNOVATIVE OXYGEN TREATMENT DEVICES

belluscura

Unique medical device company that has developed an improved portable oxygen concentrator to provide on-the-go supplemental O² for COPD patients.

The company received FDA clearance for their X-PLO2R™ portable oxygen concentrator in March 2021.

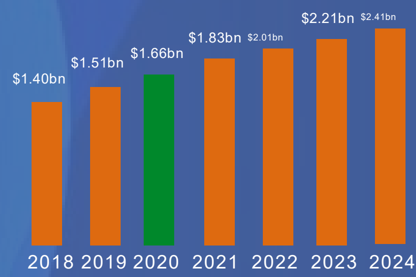
We believe their innovative device will be helpful in addressing COVID-related respiratory problems as well as COPD. Belluscura recently filed a patent application covering devices and systems for treating people suffering from acute respiratory distress (ARDS) caused by the Coronavirus. Beyond their current POC, Belluscura is working to design and develop an improved, portable ECMO technology to treat ARDS patients.

Capable & highly experienced management: Bob Rauker, CEO (previously Boston Scientific) & Dr Raymond Bray, VP (previously St. Jude Medical).

Belluscura announced that they may plan to float on the AIM or conduct an alternative financing, to finance and accelerate the manufacture and sale of their portable oxygen concentrators to meet current market demand.

Belluscura has field or licensed 26 patents to-date, covering devices and systems for treating people suffering from acute respiratory distress caused by COPD or the Coronavirus.

The medical portable O_2 market is expected to grow from U$1.4bn this year to US$2.4bn by 2024[1]



[1] https://www.gminsights.com/industry-analysis/medical-oxygen-concentrators-market-report

Tekcapital ownership

17.8%

EXPLO2RE PORTABLE OXYGEN CONCENTRATOR

Light:	Only 1.25kg (2.8lbs)
Efficient:	32% more O2 per pound
Quiet:	Only 39 decibels
Reliable:	Long battery duration
Modular:	First FDA cleared POC with consumer replaceable filter cartridges
Low Cost:	Projected 70% cost savings over duration of the disease vs. existing portable oxygen concentrators
Strong IP:	26 patents and applications

SOFTWARE PLATFORM FOR REMOTE MONITORING AND CONTROL OF AUTONOMOUS VEHICLES AND DELIVERY DEVICES.

With its proprietary software, a world-class team, and portfolio of seven patents, Guident will be able to deliver competitive advantages for AV fleet operators by providing real-time passenger & delivery vehicle monitoring and control, for public and private mobility markets.

Guident's initial goal is to build and operate its first Remote Monitoring and Control Center for ground-based delivery devices and AVs in the State of Florida. Recent state law requires back-up, human remote monitoring for AVs when a safety driver is not present in the vehicle. This is a critical path to enable the commercial introduction of driverless AVs in Florida and is likely to be required in other jurisdictions.

Guident also offers an additional patented technology enabling OEM's to increase the range of their electric vehicles with electromagnetic regenerative shock absorbers. This technology received the R&D 100 Award by R&D Magazine, for one of the 100 most significant technology innovations of the year from around the world.

In 2020 the company has made significant R&D progress and plans to complete its first Remote Monitoring and Control Centre in 2021. The company also signed strategic alliances including Bestmile Inc and Cirrus Core Networks.

guident

Tekcapital ownership of Guident Ltd

100%

TOTAL ADDRESSABLE MARKET

$11.9B[1]

CAGR

24%[1]

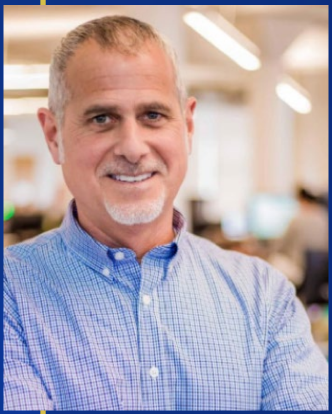
Guident's remote monitoring and control of AV's covered by multiple issued and pending patents.

SOURCE
[1] https://www.alliedmarketresearch.com/autonomous-last-mile-delivery-market

GUIDENT APPOINTED HARALD BRAUN AS ITS CHAIRMAN & CEO. MR. BRAUN HAS SERVED AS CEO OF SIEMENES NETWORK USA (NYSE: SI) AND AVIAT NETWORKS (NASDAQ: AVNW). HE SERVED ALSO AS A SENIOR EXECUTE AT NOKIA SIEMENSE NETWORKS, NORTH AMERICA.

ON 6TH DECEMBER 2018 GUIDENT LTD APPOINTED JOHAN DE NYSSCHEN AS A DIRECTOR. JOHAN PREVIOUSLY SERVED AS EXECUTIVE VICE PRESIDENT OF GENERAL MOTORS AND PRESIDENT OFTHE CADILLAC MOTOR DIVISION, PRESIDENT OF INFINITI MOTOR COMPANY LTD, PRESIDENT OF AUDI OF AMERICA INC., AND PRESIDENT OF AUDI JAPAN.

ON 14TH JANUARY, 2019 GUIDENT LTD APPOINTED DANIEL GROSSMAN AS A DIRECTOR & its CRO. HE MOST RECENTLY SERVED AS CEO OF CHARIOT. PREVIOUSLY, DAN HELPED CREATE GENERAL MOTORS' MOBILITY DIVISION, "MAVEN", AND LED ALL OPERATIONS AS COO, AND WAS A VICE PRESIDENT AT ZIPCAR, WHERE HE HELPED PIONEER THE BRAND GLOBALLY. ZIPCAR WAS SUBSEQUENTLY SOLD TO AVIS-BUDGET FOR ~ $500M.



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

The Directors are responsible for, and committed to the principles underpinning, the corporate governance of the Company and monitor the business affairs of the Company on behalf of its shareholders. The Company has adopted and complies with the provisions of the QCA Code. Since our listing we have supported the QCA Code's principle to review regularly the effectiveness of the board's performance as a unit, as well as that of its committees and individual directors. For a full list of the 10 principles of the QCA code and our compliance approach for each, please refer to the corporate governance tab on our website: https://www.tekcapital.com/corporate-governance/

THE BOARD

The Board sets the Group's strategic aims and ensures that necessary resources are in place for the Group to meet its objectives. All members of the Board take collective responsibility for the performance of the Group, the Group's Corporate Governance and all decisions are taken in the interests of the Group. Whilst the Board has delegated the normal operational management of the Group to the Executive Directors and other senior management, there are detailed specific matters subject to decision by the Board of Directors. These include acquisitions and disposals, joint ventures and investments, projects of a capital nature and all significant contracts. The Non-Executive Directors have a responsibility to challenge constructively the strategy proposed by the Executive Directors which includes to scrutinise and challenge performance to ensure appropriate remuneration and succession planning arrangements are in place in relation to Executive Directors and other senior members of the management team as appropriate. The senior executives enjoy open access to the Non-Executive Directors. The Chairman is responsible for leadership of the Board and ensuring its effectiveness on all aspects of its role including Corporate Governance. The Chairman sets the Board's agenda and ensures that adequate time is available for discussion of all agenda items, especially strategic issues. The Chairman promotes a culture of openness and debate by facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations between Executive and Non-Executive Directors. The Chairman is also responsible for ensuring that the Directors receive accurate, timely and clear information. The Chairman also ensures effective communication with shareholders. All Directors allocate sufficient time to the Group to discharge their duties.

There is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board. The search for Board candidates is conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board. The Board is responsible for ensuring that a sound system of internal control exists to safeguard shareholders' interests and the Group's assets. It is responsible for the regular review of the effectiveness of the systems of internal control. Internal controls are designed to manage rather than eliminate risk and therefore even the most effective system cannot provide assurance that every risk, present and future, has been addressed. The key features of the system that operated during the year are described below.

ORGANISATIONAL STRUCTURE AND CONTROL ENVIRONMENT

The Board of Directors meets at least six times per year to review the performance of the Group and to address important matters. It seeks to foster a strong ethical culture across the Group. There are clearly defined lines of responsibility and delegation of authority from the Board to the operating subsidiaries and our portfolio companies. The Directors of each subsidiary meet on a regular basis with members of the Group Board in attendance.

BOARD STRUCTURE

Group's Board contains a balance of Executive and Non-Executive Directors, including an Executive Chairman who is responsible for dealing with the strategic direction and long-term success of the Group. The Board will meet every three months or at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. The Non-Executive Directors, are all considered independent directors. The Board considers that it departs from the principles of the QCA Code in respect to the fact that the Chairman and CEO role is combined which is a due to the current size of Tekcapital which dictates that this is the most efficient and cost-effective mode of operation at this time. The board will continue to monitor the appropriateness of a combined chair and CEO and will continue to consider a separation of these roles in the future when the opportunity arises and when Tekcapital is of a size when it can justify adding an additional non-executive director to the board.

CORPORATE GOVERNANCE

The Board has established an audit committee, remuneration committee and nominations committee, with formally delegated duties and responsibilities and written terms of reference. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

BOARD COMPOSITION, EXPERIENCE AND DYNAMICS

The Company operates in complex and challenging technological and geographical areas and the Board is mindful that in order to deal effectively with the challenges of the business and to maximise its growth opportunities it has to incorporate a broad range of skills and diversity. The Board maintains a skills, diversity and experience matrix which will be periodically reviewed at Board meetings to evaluate current and future requirements. The Board and its committees will also seek external expertise and advice where required. Board members undertake continuing professional development as an when appropriate.

BOARD EVALUATION

The Board considers evaluation of its performance and that of its committees and individual directors to be an integral part of corporate governance to ensure it has the necessary skills, experience and abilities to fulfil its responsibilities. The goal of the Board evaluation process is to identify and address opportunities for improving the performance of the board and to solicit honest, genuine and constructive feedback. The Board considers the evaluation process is best carried out internally at the Group's current size, However the Board will keep this under review and may consider independent external evaluation reviews in due course as the Company grows. The Board will, as a whole or in part as appropriate, undertake the evaluation process aided by the Executive Chairman, and independent Non-Executive Directors or external advisors as necessary. The Chairman is responsible in ensuring the evaluation process is 'fit for purpose', as well as dealing with matters raised during the process. The Chairman will keep under review the frequency, scope and mechanisms for the evaluation process and amend the process as required.

Where deficiencies are identified these will be addressed in a constructive manner. Where necessary individual Directors will be offered mentoring and training. If deficiencies are identified within the Board as a whole, then changes or additions to the Board will be considered in conjunction with the Remuneration Committee. The evaluation process will be focused on the improvement of Board performance, through open and constructive dialogue and the development and implementation of action plans. The Board will report on its evaluation and actions in its Annual Report. Succession planning is a vital task for boards and the management of succession planning represents a key measure of the effectiveness of the Board and a key responsibility of both the Nominations Committee and wider Board.

INTERNAL CONTROL

The key procedures which the Directors have established with a view to providing effective internal control are as follows:

• Regular Board meetings to consider the schedule of matters reserved for Directors' consideration;
• A risk management process;
• An established organisational structure with clearly defined lines of responsibility and delegation of authority;
• Appointment of staff of the necessary calibre to fulfil their allotted responsibilities; Comprehensive budgets, fore casts and business plans approved by the Board, reviewed on a regular basis, with performance monitored against them and explanations obtained for material variances; and
• An Audit Committee of the Board, comprising Non-Executive Directors, which considers significant financial control matters as appropriate.

BUSINESS MODEL AND STRATEGY

Tekcapital Group's goal is to improve the quality of life of it customers and create value from its ability to identify, acquire and commercialise promising new university IP. We also deliver a wide range of technology transfer services through a number of operating divisions. These services are designed to assist universities and corporates with the commercialisation of new IP. Over the years we have built up an extensive international network of universities and research institutions that develop licensable IP for potential acquisition, by ourselves or to meet client needs.

CORPORATE GOVERNANCE

CORPORATE CULTURE

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset and provides competitive advantages. The Company operates in international markets and is mindful that respect of individual cultures is critical to corporate success, as an example our Invention Evaluator website is available in English, Spanish and Portuguese. In accordance with the Company's stated mission it endeavours to conduct its business in an ethical, professional and socially responsible manner, treating our employees, customers, suppliers and partners with equal courtesy and respect at all times.

The Board is committed to maintaining good communication and having constructive dialogue with all of its stakeholders, including shareholders, providing them with access to information to enable them to come to informed decisions about the Company. The Investor Relations section of the Company's website provides all required regulatory information as well as additional information shareholders may find helpful including: information on Board Members, Advisors and Significant Shareholdings, a historical list of the Company's Announcements since inception, its Financial Calendar, Corporate Governance information and Media Interviews and information designated as "News."

Results of shareholder meetings and details of votes cast will be publicly announced through the regulatory system and displayed on the Company's website under "Announcements," with suitable explanations of any actions undertaken as a result of any significant votes against resolutions. Information on the work of the various Board Committees and other relevant information are included in the Company's Annual Report.

RISK MANAGEMENT

As an entrepreneurial business focused on emerging technologies, operating in both established and emerging markets, there is clearly an elevated risk which we believe is balanced by potentially greater rewards. The Board is mindful of and monitors both its corporate risks and individual project risks. Risks are categorised by both probability and impact and appropriate measures identified to monitor and mitigate any potential impact when possible. Technology and portfolio company risks are dealt with on a case by case basis and monitored through the life cycle of the investment as risks change and new risks appear. Portfolio company risks and mitigation will be part of regular management meetings. In some cases if we cannot manage or mitigate a specific portfolio company risk we may seek to close the portfolio company to better deploy our resources to higher value opportunities. We have done this on a few occasions. The Company's corporate risks, risk monitoring, and risk management procedures are regularly reviewed by the Board and when appropriate incorporated in RNS releases. The Company discloses portfolio company risks in its Annual Report each year.

AUDIT COMMITTEE

The Audit Committee assists the Board in discharging its responsibilities with regard to corporate governance, financial reporting and external and internal audits and controls, including, amongst other things, reviewing the Company's annual financial statements, reviewing and monitoring the extent of the non audit services undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the Company's internal controls and risk management systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half yearly reports remains with the Board. Membership of the Audit Committee comprises Dr Robert Miller and Louis Castro (as chairman), who is considered by the Directors to have recent and relevant financial experience. The Audit Committee will meet formally not less than three times every year and otherwise as required.

NOMINATION COMMITTEE

The Nominations Committee is responsible for leading the process for board appointments and making recommendations to the Board to implement a formal and transparent procedure for the appointment of new directors to the Board. The Nominations Committee comprises Dr Clifford Gross (as chairman), Louis Castro, Lord David Willetts and Dr Robert Miller. The Nominations Committee will meet not less than twice a year and at such other times as the chairman of the committee shall require.

CORPORATE GOVERNANCE

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual Directors. This includes agreeing with the Board the framework for remuneration of the Chief Executive Officer, all other executive directors, the company secretary and such other members of the executive management of the Group as it is designated to consider. It is furthermore responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and share options. No Director may be involved in any decision as to their own remuneration. The membership of the Remuneration Committee comprises Dr Robert Miller (as chairman) and Louis Castro. The Remuneration Committee will meet not less than three times a year and at such other times as the chairman of the committee shall require.

CORPORATE RESPONSIBILITY

The Board is very aware of the importance of its corporate responsibilities, particularly in terms of ensuring that high standards of behaviour are maintained wherever the Group is operating. The following principles and processes have been established for that purpose:

• Only commercialise technologies that improve the safety, health and well being of the customers we serve;
• Protecting the health and safety of all employees is paramount;
• Comply with relevant International Export Controls for technology transfer;
• The Group maintains a an anti-bribery policy and complies with both UK and local statutes.

FINANCIAL PLANNING, BUDGETING AND MONITORING

The Group operates a planning and budgeting system with an annual budget approved by the Board. There is a financial reporting system which compares results with the budget and the previous year each month to identify any variances from approved.
Plans in addition to Y-O-Y comparisons of relevant KPI's. Monthly rolling cash flow forecasts form part of the reporting system. The Group remains alert to react to new business opportunities as they arise. With a keen focus on strengthening our portfolio companies.

Capital Management policies and procedures

The Group's capital management objectives are:
• To ensure the Group's ability to continue as a going concern; and
• To provide an adequate return on invested capital (ROIC) and increase in net assets.
• The Group monitors capital on the basis of the carrying amount of equity plus its cash and cash equivalents as presented on the face of the statement of financial position.
• The Group manages the capital structure and seeks to adjust it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may review any dividends paid to shareholders and potentially issue new shares.
•There is no requirement for the Group to maintain a strong capital base for each of its portfolio companies although it seeks to support them when appropriate and feasible. These policies have not changed in the year. The Directors believe that they have been able to meet their objectives in managing the capital of the Group even in the face of a challenging global pandemic.

NON-EXECUTIVE DIRECTORS

The Non-Executive Directors are considered by the Board to be independent in character and judgement and there are not considered to be any circumstances that are likely to affect their judgement as Directors of the Group. Their interests in the share capital of the Company are not considered to be likely to affect their judgement as Directors of the Group.

ANNUAL REPORT

The Directors consider the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model, strategy and risks.

STRATEGIC REPORT

Chairman's Summary

Tekcapital brings new scientific innovations from lab to market to enhance safety and health and improve the quality of life of the customers we serve. Achieving our mission has never been more important than right now, as the COVID 19 pandemic has resulted in significant and unprecedented global health and financial distress.

Key Portfolio companies

Using our proprietary global university network, we provide services to universities and companies to help them commercialize their innovations. Additionally, over the past four years, using these services, we have built a valuable group of portfolio companies to commercialize select intellectual properties we or our portfolio companies have uncovered. We believe that when you couple commercialization ready, compelling university IP with visionary management, vibrant companies will likely emerge, net assets are likely to grow, returns on invested capital will outperform the sector and exits, if they occur, will occur faster. When we realise exits through trade sales or IPO's, the Group's goal is to distribute a portion of the proceeds as a special dividend to our shareholders.

Our current portfolio companies were all started by Tekcapital. Whilst few in number, they are diverse and span multiple sectors including food tech, autonomous vehicles, smart eyewear and respiratory medical devices. All of our portfolio companies have compelling intellectual properties, capable and inspired management and address $B+, fast growing markets. The entire team at Tekcapital is committed to helping these companies grow to achieve their full potential and value, which we view as potentially significant.

Salarius is a food tech business that owns a patented process to produce nanoparticle sized salt.

These small crystals dissolve faster on the tongue, so you need to use less salt, whilst still having the same salty taste. Less salt means about 50% less sodium for most applications. Less sodium means a reduced likelihood of developing high blood pressure and heart disease, the world's number one killer. In addition to its focus on B2B sales of MicroSalt® to snack food companies, Salarius has launched its own snack food brand called SaltMe!™. Beginning in August 2020 they started shipping their first product, SaltMe!™ potato chips, to stores throughout the U.S. According to Future Market Insights, the low sodium ingredient market is estimated to reach US$1.76bn[1] by 2025. Tekcapital owns 97.15% of Salarius and 87.1% of its U.S. subsidiary Microsalt Inc. as of the date of this report.

Lucyd has built a new, online eyeglass business that combines technology with traditional eyewear. Recently they launched Lucyd Lyte™, their most advanced and compelling Bluetooth® eyewear. This product combines proper prescription, designer glasses with Bluetooth technology that you can use to answer your phone, listen to music, and talk with Siri® or Alexa®. The product has initially been very well received and in a recent product comparison was rated overall better than one of the recently introduced Bose e-glasses. Lucyd is focused on expanding its sales online and leveraging retail distribution after the pandemic subsides, through existing specialty and large format stores in 2021. Lucyd has developed and filed 24 U.S. utility and design patents covering their products. According to Statista, the current online market for eyewear is US$3.8bn[2] per year. Tekcapital owns 100% of Lucyd and approximately 90% of its U.S. subsidiary Innovative Eyewear Inc as of 30 November 2020.

FINANCIAL PERFORMANCE

In 2020, despite the global COVID 19 pandemic and the related social and economic hardship, we are fortunate that our team is healthy, all of our active portfolio companies made significant progress and the value of our portfolio holdings increased by 50%. This increase was driven primarily by:

- increase in the fair value of Group's holding in Guident Ltd (increase of US$6.5m), as a result of the addition of new intellectual property and discounting of management's projections to 30 November 2020
- increase in the fair value of Group's shares in Lucyd Ltd (increase of US$1.6m) driven by commercial progress and extending management's forecasts to 5 years
- increase in the fair value of Group's shares in Salarius Ltd (increase of US$0.7m) driven by commercial progress

As a result, for the year, our net assets increased by approximately 45% to US$32.7m, a record level for our Company. Total revenues increased 28% to $9.9m with unrealised profit on the revaluation of investments driving that increase by $8.7m. Our after-tax profit increased by 39% to $7.7m.

SOURCE

[1] https://www.futuremarketinsights.com/reports/sodium-reduction-ingredient-market

[2] https://www.statista.com/outlook/12000000/109/eyewear/united-states#market-onlineRevenueShare

Guident owns or holds the exclusive licence to a group of patents that we believe can improve the safety of autonomous vehicles and land-based autonomous delivery devices. Guident has significantly progressed its R&D efforts, increased its intellectual capital in 2020 with several additional patent acquisitions and in-house developed properties and software, along with key team additions.

Guident has begun its B2B marketing program and seeks to develop partnerships smart city operators, vehicle OEM's and fleet operators to provide remote tele-monitoring and control centres for autonomous vehicles and fleet operators. Such monitoring has recently been required by law in the State of Florida and is being reviewed in other jurisdictions. According to Allied Market Research[1], the global market for autonomous last mile delivery is projected to reach US$11.9 billion in 2021. Additionally, Guident has a acquired an exciting, new regenerative shock absorber technology, to help extend the range of electric vehicles. Guident has executed NDA's with two listed OEM's to test these new shocks for potential use in their electric vehicles and is currently fabricating prototypes for testing. Tekcapital owns 100% of Guident and 96% of its U.S. subsidiary Guident Corporation as of 30 November 2021.

Belluscura has developed an improved portable oxygen concentrator to provide on-the-go supplemental O^2, with user replaceable filter cartridges. When a patient's disease progresses, they now can upgrade the filter cartridge to provide more liters of O^2 per minute, like memory on a laptop, rather than having to replace an expensive medical device. This cost savings will be beneficial to patients and insurance companies and should help make respiratory healthcare more affordable which is core to Belluscura's mission. Belluscura filed for 510(K) clearance from the US FDA in 2020 and received clearance in March 2021.

Belluscura have announced that they may plan to float on the AIM or conduct an alternative financing, in the near-term, to finance and accelerate the manufacture and distribution of their portable oxygen concentrators. According to Global Market Insights, the medical portable O^2 market is currently $1.4bn[2] a year and growing by more than $100m/year[2]. Belluscura has 18 patents filed or licensed to-date covering devices and systems for treating people suffering from acute respiratory distress caused by COPD or the Coronavirus. Tekcapital owns approximately 23% of Belluscura as of the date of this report.

Fundraisings during the period

Early-stage businesses facing large market opportunities need talent, technology and capital to succeed. To help address this we completed the following fundraises in 2020.

On 6 February 2020, the Group announced it had completed a fundraising of US$0.96m (before expenses) through the placing of 14,800,000 new Ordinary Shares with new and existing investors at a price of 5 pence per new Ordinary Share.

On 1 May 2020, the Group announced it had completed a fundraising of US$1.15m through placing of 9,250,000 new Ordinary Shares with new and existing investors at a price of 10 pence per new Ordinary Share.

On 17 September 2020, the Group announced it completed a fundraise US$0.5m (before expenses) through placing of 4,750,000 new ordinary shares with existing investors at a price of 8 pence per new Ordinary Share.

Post end of period, the Company completed the following fundraising:

On March 18, 2021, the Company announced that it had raised US$5.28m (before expenses) through placing of new Ordinary Shares with existing and new investors at a price of 10 pence per new Ordinary Share.

Principal Risks and Uncertainties

The specific financial risks are discussed in the notes to the financial statements. Other risks are as follows:

We believe the principal financial risks and benefits of the business relate to the value and performance of the Group's portfolio companies. We believe that the fair value of each portfolio company is a time dependent valuation that may become impaired if the business does not achieve it milestones, growth trajectory, product development goals, market acceptance, capital raises or other key performance metrics. Individually and as a group our portfolio companies have a material impact on our financial performance.

SOURCE

[1] https://www.alliedmarketresearch.com/autonomous-last-mile-delivery-market

[2] Global Market Insights: Oxygen Cylinders Market Size and Competitive Market Share & Forecast, 2017 –2024

- The risk of individual portfolio company negative performance, in the future, may be ameliorated, as our portfolio becomes more mature, and when our portfolio companies develop significant capital reserves, predictable revenues and have demonstrated significant increases in value.
- The principal operational risk of the business is management's ability to assist our portfolio companies in achieving their goals and ultimate exits whilst having a small team and an additional goal of increasing our service revenues.
- The Group is dependent on its executive team and directors for its operations and ultimate success and there can be no assurance that it will be able to retain the services of these key personnel in the future.
- The COVID-19 epidemic may produce negative economic activities which could reduce the Group's economic performance. Further, until the Group covers all of its operating costs from service revenue and/or portfolio company exits, it will seek to raise additional capital to fund operations and provide follow-on investments in portfolio companies.

Current Trading and Outlook

We are enthusiastic about the development of Tekcapital's portfolio companies, their performance to-date and their prospects to significantly expand in 2021. The Board is confident that continued investment in our portfolio companies remains the right approach for potential long-term value creation. Additionally, we are currently exploring early-stage venture funding and conducting equity crowdfunding for a number of our portfolio companies, to provide additional growth and runway for these companies.

Whilst the Company is progressing very well, investors should note that net asset values will fluctuate from period to period due to individual portfolio company performance, valuations and changes in market conditions and macro-economic financial conditions, including the current Coronavirus pandemic, and that changes in the value of our portfolio companies can have a significant impact on our NAV, revenue, income and future prospects.

We are grateful for the patience and support of our shareholders. We are also sincerely appreciative of our dedicated, creative and incredibly hardworking team, without whom, none of the results reported herein would be possible.

Section 172 (1) statement

Our Board ensures that all decisions are taken for the long term, and collectively and individually aims to always uphold the highest standard of conduct. Similarly, our Board acknowledges that the business can only grow and prosper over the long-term if it understands and respects the views and needs of the Company's investors, customers, employees, suppliers and other stakeholders to whom we are accountable, as well as the environment we operate within. When making decisions, each director ensures that they act in the way that would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the following matters:

a) The likely consequences of any decision in the long term

In line with our strategy, Tekcapital's purpose is to find and invest in exciting new discoveries from our global university network that can enhance people's lives. We believe that when you couple commercialization ready, compelling university IP with strong senior management, vibrant companies will likely emerge. When we realise exits the Group's goal is to distribute a portion of the proceeds as a special dividend to our shareholders.

With this in mind, we apply the same high standards of responsible stewardship to our businesses as if we were to own them forever, and it is this approach to decision making that requires the Directors to have regard to the likely consequences of decisions in the long-term.

b) The interests of the Company's employees
The Board strives to maintain and develop a culture where everyone feels valued and included. The Board also considers the health, safety and wellbeing of all Tekcapital employees in every days' decisions. Feedback from employees is actively encouraged and is considered a key driver in developing our business activities, processes and workplace environment. Initiatives to encourage wellbeing are well established and continue to evolve and are strongly influenced by the workforce. Professional and personal development of employees is viewed as fundamental to the continued success of the Company.

c) The need to foster the Company's business relationships with suppliers, customers and others
The Board ensures that the Company's mission is focused on improving the world with university discoveries, and focuses on innovations that, if successful, can improve the quality of life of customers we serve.
The Board recognises that it is crucial that we deliver a reliable service to our customers and maintain excellent relationships with suppliers. The Board also considered near-term demand and how customers' priorities might change over a longer period of time, including effect of the COVID-19 pandemic.

d) The impact of the company's operations on the community and the environment
In their decision making, the Directors need to have regard to the impact of the Company's operations on the community and environment. The Board plays a constructive role in tackling issues through engagement and making sure the Company's investments focus on improving quality of life and attempt to solve significant health and safety problems facing communities.

e) The desirability of the Company maintaining a reputation for high standards of business conduct
The Board recognises that culture, values and standards are key contributors to how a company creates and sustains value over the longer term, and to enable it to maintain a reputation for high standards of business conduct. High standards of business conduct guide and assist in the Board's decision making, and in doing so, help promote the Company's success, recognising, amongst other things, the likely consequences of any decision in the long-term and wider stakeholder considerations. The standards set by the Board mandate certain requirements and behavior with regards to the activities of the Directors, the Group's employees and others associated with the Group.

f) The need to act fairly as between members of the Company
The Company has one class of ordinary shares, which have the same rights as regards voting, distributions and on a liquidation. Management are also significant shareholders in the Company, holding approximately 9.3% of the register, together putting them in the top 3 shareholders of the Company. On this basis the Board feels that the executive Directors are fully aligned with shareholders.

On the basis of the above, the members of the Board consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 30 November 2020.

Clifford M. Gross
Chairman and CEO

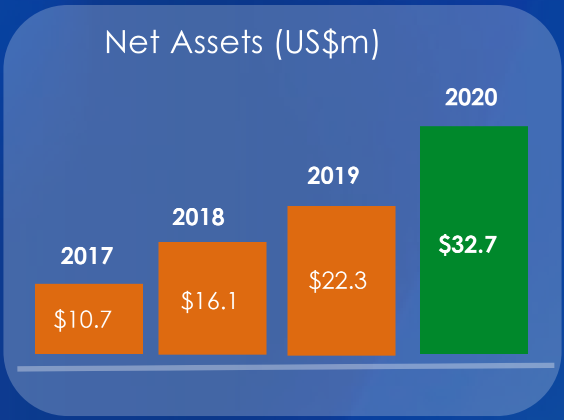
29 April 2021

STRATEGIC REPORT: FINANCIAL REVIEW & KEY PERFORMANCE

THE KEY PERFORMANCE INDICATORS (KPIs) FOR THE GROUP

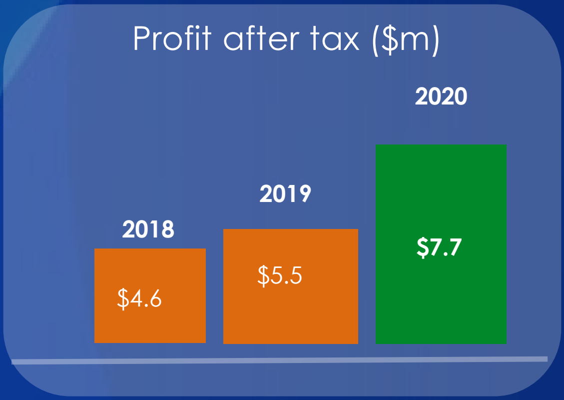
The Key Performance Indicators (KPIs) listed below represent those that are typically applied to companies that seek to commercialise university technologies and serve as a starting point for evaluating the Group's performance:

KPI	DESCRIPTION	2020 PERFORMANCE	2019 PEFORMANCE
FAIR VALUE OF THE PORTFOLIO	Updated value of portfolio companies using costs, independent valuations or observed third party investments	$30.5m	$20.3m
TOTAL REVENUE	Service revenue plus change in fair value of portfolio	$9.9m	$7.7m
PROFIT	After tax profit	$7.7m	$5.5m
NET ASSETS PER SHARE	Total assets minus total liabilities per share	$0.35	$0.35
ROIC	Returns on invested capital	23%	24%



Three of our five Key Performance Indicators showed improvement in 2020. The Group has now demonstrated four consecutive years of growth in Net Assets.

The Group's cash position at the end of the period is US$0.5m with modest liabilities as costs have been settled without delay using available funds. The Group had no debt as of 30 November 2020 and completed a post period placement raising gross proceeds of US$5.28m.



The Group has also demonstrated consistent growth in revenue from services. The Group was able to achieve this growth while simultaneously reducing its administrative expenses for the third straight year.

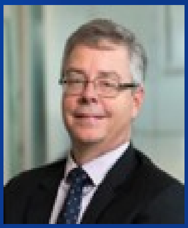
Directors do not believe there are any material environmental issues that need to be reflected in our KPIs for 2020.

The Group has received a R&D Tax Relief Credit for the total of US$58,000 in connection to the following R&D activities:

- The design and development of a unique and first of a kind Innovation Discovery Network solution, developed to facilitate an improved university technology search engine
- The Report Builder to develop and test new invention report templates and revamp the invention evaluator bespoke software
- The Invention Evaluator migration and integration with bespoke customer portal.

BOARD OF DIRECTORS

Cliff is a successful executive with more than 25 years of leadership experience in academia and business. He is passionate about commercialisation of university discoveries to improve the quality of life. He founded three companies (Biomechanics Corp., UTEK & Tekcapital) which subsequently listed, where he served as CEO and Chairman and co-founded numerous private companies including HumanCAD, Salarius, Belluscura, Lucyd and Guident. Previously he was President and CEO of Innovacorp, the provincial venture capital fund of Nova Scotia. Cliff was Acting Director of the graduate program in Biomechanics and Ergonomics at New York University, Chairman of the Nelson Rockefeller Department of Biomechanics at the New York Institute of Technology and Research Professor at the University of South Florida. He has authored several books including Too Good to Fail: Creating Marketplace Value from the World's Brightest Minds and is a named inventor on more than 30 issued patents. A number of the ergonomic products he has developed became significant commercial successes including the DeWalt Cordless Drill for Black & Decker, The Parachute Chair for Knoll, the ergonomic mouse for Logitech, HumanCAD, the first PC based human CAD software and the flexible back belt, which is used to reduce back stress for individuals worldwide. Several of his products were included in a Smithsonian exhibit on ergonomic design. Cliff is a Fellow of the National Academy of Inventors and serves on the board of the State University of New York at Empire State College. He received his Ph.D. from New York University and an MBA from Oxford University.



Robert practiced at the Mayo Clinic for twenty years, serving as a Physician-Executive before retiring as an Emeritus Professor in 2019. He served as Vice Chair of the national Mayo Clinic Cancer Center Practice Committee, overseeing cancer care delivery at all of Mayo's national sites, and was Medical Director Particle Therapy at Mayo Clinic Florida where America's first carbon ion radiotherapy facility is being built. He also previously served as Vice Chairman of the Board of Trustees of the Mayo Clinic Health System – Albert Lea and Austin. He is the author of over 190 peer-reviewed papers. Robert has successfully led a series of national, NIH funded Phase III clinical trials searching for new pharmaceutical solutions to reduce symptoms of cancer therapy. He is currently Director of Radiation Oncology at the University of Tennessee in Knoxville, Tennessee. Robert began his scientific career as a medical physicist at the University of Kentucky, before going on to graduate from medical school at the University of Kentucky. Robert also received an MBA from Oxford University. He is currently Director of Radiation Oncology at the University of Tennessee in Knoxville, Tennessee.

The Rt Hon Lord Willetts FRS is President of the Resolution Foundation and former Minister for Universities and Science. He served as the Member of Parliament for Havant (1992-2015), and previously worked at HM Treasury and the No. 10 Policy Unit. Lord Willetts is a visiting Professor at King's College London, Governor of the Ditchley Foundation, former Chair of the British Science Association and a member of the Council of the Institute for Fiscal Studies. He is also an Honorary Fellow of Nuffield College, Oxford. Lord Willetts has written widely on economic and social policy. His book 'The Pinch', which focused on intergenerational equity, was published in 2010, and he recently published 'A University Education'. Lord Willetts is a graduate of Oxford university and has been awarded numerous honorary doctorates.

Louis Castro has over 30 years' experience in investment banking and broking both in the UK and overseas. Most recently he was the Chief Financial Officer at Eland Oil & Gas, a mid –cap quoted company. Previously he was Chief Executive of Northland Capital Partners in London and before this was Head of Corporate Finance at Matrix Corporate Capital and at Insinger de Beaufort. He started his career by qualifying as a Chartered Accountant with Coopers & Lybrand (now PWC). Louis chairs the Audit Committee and is a member of the Remuneration Committee. He is a Fellow of the Institute of Chartered Accountants In England and Wales and has a Double Degree in Engineering Production & Economics from Birmingham University.

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W1S 2PP

Investor Relations
Flagstaff Strategic and Investor Communications 1 King Street
London EC2V 8AU

DIRECTORS' REPORT FOR THE YEAR-ENDED 30 NOVEMBER 2020

Directors

The following Directors held office during the period:
Clifford M Gross, Ph.D.
Robert Miller, M.D.
R W "Bill" Payne (resigned 31 December 2019)
Louis Castro (appointed on 2 December 2019)

The following officers no longer hold office with the Company:
The RT Hon Lord David Willets FRS (appointed on 6 January 2020)
Malcolm Groat (held office from April 2014 through completion of term in July 2020)

The Group has chosen to set out in the groups strategic report information required to be contained in the directors' report. It has done so in respect of future developments. The principal activity of the parent company is that of an investment entity.

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and parent company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
Each of the current Directors, whose names are listed in the Directors' report on this page of the financial statements confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit (or Loss) of the Group and Company; and
- the chairman's statement contained in the annual financial statements includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website www.tekcapital.com. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

The Group meets its day to day working capital requirements through its service offerings, bank facilities and monies raised in follow-on offerings. The Group's forecasts and projections indicate that the Group has sufficient cash reserves to operate within the level of its current facilities. Whilst it is the Group's intention to rely on the available cash reserves, future income generated from its growing service offerings and reductions in its cost base, a negative variance in the forecasts and projections would make the Group's ability to continue as going concern dependent on an additional fund raise.

If the Group's forecasts are not achieved, the Directors would seek to raise the additional funds through equity issues. Whilst the COVID-19 epidemic is contributing to uncertainty in the markets and the full impact is difficult to measure, at the time of approving the accounts after making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Information has been included in the strategic report in relation to disclosures under S414C(11) of the Companies Act 2006.

Dividends
No dividend was paid or was proposed during the year ended 30 November 2020.

Audit Committee
The Board operates an Audit Committee, chaired by Louis Castro. This Committee carries out duties as set out in the AIM Admission Document, supervising the financial and reporting arrangements of the Group. During the period, no issues arose that the Directors consider appropriate to disclose in their Report.

Remuneration Committee
The Board has delegated to its Remuneration Committee, chaired by Dr Robert Miller, certain responsibilities in respect of the remuneration of senior executives. During the period, no issues arose that the Directors consider appropriate to disclose in their Report.

Directors' Emoluments

	Salary & fees US $	Benefits in kind US $	Bonus US $	2020 Total US $	2019 Total US $
Clifford M Gross	191,865	22,745	154,375	**368,985**	208,810
M J Malcolm Groat	10,247	-	-	**10,247**	15,284
R W "Bill" Payne	3,802	-	-	**3,802**	19,105
Robert Miller	21,600	-	-	**21,600**	21,600
Louis Castro	37,146	-	-	**37,146**	-
Lord David Willets	28,218	-	-	**28,218**	-
	292,879	22,745	154,375	**469,998**	**264,799**

Director's proportion of the stock option expense is below US$20,000. The Group did not make any contributions to a pension scheme in the year ended 30 November 2020 (2019: Nil). Directors' beneficial interests in shares

	2020 No of Shares	2019 No of Shares	2020 No of Options	2019 No of Options
Clifford M Gross	**8,657,500**	**8,657,500**	3,000,000	450,000
Lord David Willets	**-**	**-**	100,000	-
Robert Miller	**2,664**	**2,664**	200,000	320,000

Please note the above figure for Clifford M Gross does not include 100,000 shares held by both of Dr. Gross's adult children who are not considered a PCA as defined in the Article 3(1)(26) of the UK Market Abuse Regulation.

The details of the options held by each director at 30 November 2020 are as follows:

DIRECTORS' REPORT FOR THE YEAR-ENDED 30 NOVEMBER 2020

	No of Options	Exercise Price	Grant Date	Date from which exercisable	Life
Clifford M Gross	3,000,000	£0.12	28-Aug-20	Special Conditions*	5 Years
Robert Miller	100,000	£0.375	29-Jun-16	Special Conditions*	5 Years
	100,000	£0.0783	30-Aug-19	Special Conditions**	5 Years
Lord David Willets	100,000	£0.0525	6-Jan-20	Special Conditions**	5 Years

*The options vest in three equal annual instalments from the date of grant and there is a special condition which means the options will vest when the closing price for a share has been traded at more than 50 pence (sterling) for ten consecutive trading days.
** The options shall vest when the net asset value, as stated in the annual consolidated accounts, meets, or exceeds USD$20.53m during the 36 months after the grant date. The threshold shall be re-tested when each set of accounts published during the 36 months are finalised.
525,000 options were held by Harrison Gross, family member of Dr. Clifford Gross.

Principal Risks and Uncertainties

Please refer to strategic report.

Post Balance Sheet Events

For further details, please refer to note 28 in the notes to the accounts. Information has been included in the strategic report under S414C(11).

Independent auditors

HW Fisher LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure of information to auditors

Each of the persons who was a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

By order of the Board of Directors and signed on behalf of the Board

Louis Castro

Louis Castro
Director
29 April 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEKCAPITAL PLC

Opinion

We have audited the financial statements of Tekcapital Plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 November 2020 which comprise:

- the consolidated Statement of Comprehensive Income;
- the consolidated and parent company Statements of Financial Position,
- the consolidated and parent company Statements of Changes in Equity;
- the consolidated Statement of cash flows;
- the related notes to the consolidated and parent company financial statements including a summary of significant accounting policies

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards ('IFRSs') as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 November 2020 and of the Group's profit for the year then ended;
- the Group's financial statements have been properly prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union;
- the parent company financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Summary of our audit approach

<u>Context</u>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEKCAPITAL PLC

The parent company continued to recognise Tekcapital Europe Limited and Tekcapital LLC as subsidiaries and has continued to consolidate both entities in preparing the consolidated financial statements. The other subsidiaries continue to be treated as portfolio investments under IFRS 10, investment entities.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters that we identified in the current year were:

- Going Concern, based on the Group's ability to raise funds.
- Valuation of unquoted equity investments.
- Revenue recognition and accuracy of cut off in the period;
- Management override of controls;
- Reliance on Expert

Our application of materiality

The materiality that we used for the consolidated financial statements was US$227,000. We determined materiality using 1% of gross assets calculated prior to any proposed uplift in fair value of assets in the current year.

The materiality that we used for the parent company's financial statements was US$86,000. We determined materiality using 1% of gross assets.

Area of focus	How our audit addressed the area of focus
Valuation of unquoted equity investments 92% of the Group's total assets (by value) is held in investments where no quoted market price is available. Unquoted Investments are measured at fair value. The valuation techniques used fall under level 2 and level 3 of the fair value hierarchy. This is a key area of estimation and we therefore considered this to be an area of significant audit risk and focus. The Group engages an independent expert valuer for the purpose of determining the fair value of the assets held within the investments to help mitigate this risk.	Our audit work included, but was not restricted to the following: • We reviewed the appropriateness of the Group's disclosures within the financial statements in relation to valuation methodology, key valuation inputs and valuation uncertainty. • We addressed the competency, qualifications, independence and objectivity of the valuer as documented in the key area of focus below. • We re-performed the calculations to ensure numerical accuracy and assessed the reasonableness of inputs used in the valuation and performed benchmarking. • We performed a review of the valuations sensitivity to the discount rates and other key areas of estimation and reviewed the sensitivity disclosure calculations. • We agreed the inputs in the discounted cash flows used valuations to the independent reports. • We reviewed documentation related to the crowdfunding activities of the relevant newly formed subsidiary entities of the investment entities to ascertain any observable transactions and their relevance to the valuations. • We considered the impact of deferred tax on the fair value gains recognised on the IP held in the investments and considered these amounts within the valuations. • For items which were material but were not fair valued on the investment company's balance sheet we vouched to appropriate audit evidence. • We reconciled of the fair value movements to the financial statements. • We reviewed the underlying licence agreements on the patents to ensure the ownership / exclusivity. • We assessed the critical accounting judgement disclosure at note 4 to the financial statements in respect of the directors' determination of the Group as an investment entity. • The investments have been fair valued as at 30 November 2020. Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to in respect of these matters.
Going concern The parent company and subsidiaries are not currently profit generating and are reliant upon their ability to raise funds. The operating profit is a result of the fair value gains on the investments which is unrealised.	Our audit work included, but was not restricted to the following: • We have reviewed the directors' statement regarding the appropriateness of the going concern basis of accounting contained within note 2.1.1 to the financial statements. • We have reviewed the available consolidated financial forecasts of the Group in line with the assertions provided throughout the audit to assess their reasonableness. • We have applied sensitivities to the consolidated financial forecasts to review the impact in line with the wording included within the going concern policy and agreed that should there be a significant negative variance in the forecasts projected the Group would be reliant upon a future fundraise • We have reviewed the post year end management accounts. • We have reviewed Company's announcements and considered if any items will have a financial impact affecting the going concern

Area of focus	How our audit addressed the area of focus
	• We have reviewed the disclosures at note 3 that describe the financial risks and explain how they are being managed or mitigated. • We have reviewed the US$5.28m gross fundraise completed 18 March 2021 and have considered this when reviewing the sensitised forecasts. Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to in respect of these matters. We agreed the director's disclosure of the going concern as disclosed within note 2.1.1 of the financial statements. We did not identify any such material uncertainties. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Company's ability to continue as a going concern.
Assessment of revenue recognition There is a presumed risk of misstatement arising from lack of completeness or inaccurate cut-off relating to revenues. Revenue also includes a significant amount of unrealised income from investments held at fair value through profit and loss which is material to the financial statements	Our audit work included, but was not restricted to the following: • We evaluated the sales controls system in place to determine the controls surrounding the income. • We checked a sample of the sales agreements and contracts through to the income recognised in the accounts and invoices. • We also completed checks on deferred and accrued income, no material misstatements were identified in respect of the deferred income not recognised. • We reviewed the revenue recognition accounting policy at note 2.20 of the financial statements to ensure the application was consistent. • We assessed the accounting policy for the fair value gains / losses on the investments measured at fair value to check that the movements had been accounted for in accordance with the stated accounting policy. Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to in respect of these matters.
Management override of controls Management is in a unique position to override controls that otherwise appear to be operating effectively.	Our audit work included but was not restricted to the following: • We undertook testing on the companies controls, we extended our audit testing to perform enhanced management override procedures. • We undertook a review to gain an understanding of the overall governance and oversight process surrounding management's review of the financial statements. • We examined the significant accounting estimates and judgements relevant to the financial statements for evidence of bias by the directors. • We reviewed the financial statements and considered whether the accounting policies are appropriate and have been applied consistently. • We undertook a review of the journals posted through the nominal ledger for significant and unusual transactions and investigated them, reviewing and confirming the company valuation of journal entry postings. • We undertook a review of the consolidation journals to ensure they were reasonable. Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to in respect of these matters.

Area of focus	How our audit addressed the area of focus
Reliance on experts The Group engaged with an independent expert valuer to value the IP held within the portfolio companies. The IP within the portfolio companies is the main driver for the fair values and these are material to the financial statements and reliance on expert is therefore considered a risk area. The independent expert valuer produced reports on the IP held within Lucyd Limited, Salarius Limited and Guident Limited.	Our audit work included but was not restricted to the following: • We reviewed the reports prepared by the expert valuer and considered the appropriateness of assumptions used in determining the fair value of the investments. • The senior members of our team communicated directly with the expert valuer to discuss and challenge the valuation methodologies, key assumptions and to consider if there were any indicators of undue management influence on the valuations. • We ensured the expert valuer was independent from the Company through direct confirmation. • We reviewed the expert valuers methodologies in line with guidance issued for valuing intangibles and reviewed the approaches with our internal valuations team. • We re-performed the calculations and present value workings to ensure the effect of the discounting was correctly applied. • We undertook a review of the expert in line with ISA 500. Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEKCAPITAL PLC

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report

Use of our audit report

This report is made solely to the parent company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Carolyn Hazard (Senior Statutory Auditor)
For and on behalf of HW Fisher LLP
Chartered Accountants
Statutory Auditor
Acre House
11/15 William Road
London
NW1 3ER
United Kingdom

Date: 29 April 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2020

Group	Note	Year ended 30 November 2020 US $	Year ended 30 November 2019 US $
Continuing Operations			
Revenue from services	6	**1,195,252**	1,200,551
Unrealised profit on the revaluation of investments	12	**8,688,111**	6,516,813
Total Revenue		**9,883,363**	7,717,364
Cost of sales		**(458,728)**	(606,166)
Gross Profit		**9,424,635**	7,111,198
Administrative expenses	7	**(1,742,641)**	(1,590,563)
Operating Profit		**7,681,994**	5,520,635
Profit on ordinary activities before income tax		**7,681,994**	5,520,635
Income tax expense	9	**(2,076)**	(2,345)
Profit after tax for the year		**7,679,918**	5,518,290
Other comprehensive income			
Foreign exchange profit		**92,949**	31,855
Total other comprehensive income		**92,949**	31,855
Total comprehensive profit for the year		**7,772,867**	5,550,145
Profit per share			
Basic earnings per share	10	**0.095**	0.095
Diluted earnings per share	10	**0.094**	0.095

The Group has used the exemption under S408 CA 2006 not to disclose the Company income statement.

Items in the statement above are disclosed net of tax.

The notes on pages 44 to 76 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 NOVEMBER 2020

Group	Note	As at 30 November 2020 US $	As at 30 November 2019 US $
Assets			
Non-current assets			
Intangible assets	13	**838,770**	838,770
Financial assets at fair value through profit and loss	12	**30,491,657**	20,335,925
Convertible loan notes	15	**588,169**	476,122
Property, plant and equipment	14	**9,622**	17,353
		31,928,218	21,668,170
Current assets			
Trade and other receivables	15	**647,436**	815,866
Cash and cash equivalents	16	**538,473**	472,899
		1,185,909	1,288,765
Total assets		**33,114,127**	22,956,935
Current liabilities			
Trade and other payables	20	**247,442**	310,160
Current income tax liabilities		**500**	500
Deferred Revenue	21	**154,721**	118,595
		402,663	429,255
Total liabilities		**402,663**	429,255
Net assets		**32,711,464**	22,527,680
Equity attributable to the owners of the Parent			
Ordinary shares	18	**521,830**	372,984
Share premium	18	**13,211,344**	10,993,546
Retained earnings	19	**18,780,012**	11,055,821
Translation Reserve	19	**270,447**	177,498
Merger Reserve	19	**(72,169)**	(72,169)
Total Equity		**32,711,464**	22,527,680

The notes on pages 44 to 76 are an integral part of these financial statements.

The financial statements on pages 38 to 76 were authorised for issue by the Board of Directors on 29 April 2021 and were signed on its behalf.

Louis Castro
Director

Dr Clifford M Gross
Chairman and CEO

Tekcapital PLC
registered number
08873361

COMPANY STATEMENT OF FINANCIAL POSITION AT 30 NOVEMBER 2020

Company	Note	As at 30 November 2020 US $	As at 30 November 2019 US $
Assets			
Non-current assets			
Investment in subsidiaries	11	**1,955,215**	1,959,003
Financial assets at fair value through profit and loss	12	**2,081,027**	1,804,120
Convertible Loan Notes	15	**588,169**	476,122
		4,624,411	4,239,245
Current assets			
Trade and other receivables	15	**3,560,188**	2,321,731
Cash and cash equivalents	16	**239,991**	112,114
		3,800,179	2,433,845
Total assets		**8,424,590**	6,673,090
Current Liabilities			
Trade and other payables	20	**79,249**	484,375
		79,249	484,375
Total liabilities		**79,249**	484,375
Net assets		**8,345,341**	6,188,715
Equity attributable to the owners of the parent			
Ordinary shares	18	**521,830**	372,984
Share Premium	18	**13,211,344**	10,993,546
Retained Earnings	19	**(5,351,695)**	(5,079,729)
Translation Reserve	19	**(36,138)**	(98,086)
Total Equity		**8,345,341**	6,188,715

The Company's loss before tax for the year ended 30 November 2020 was $316,239.

The notes on pages 44 to 76 are an integral part of these financial statements.

The financial statements on pages 38 to 76 were authorised for issue by the Board of Directors on 29 April 2021 and were signed on its behalf.

Louis Castro
Director

Dr Clifford M Gross
Chairman and CEO

Tekcapital PLC
registered number
08873361

CONSOLIDATED STATEMENT OF CHANGES IN THE EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2020

		Attributable to equity holders of the parent company					
Group	Note	Ordinary Shares US $	Share Premium US $	Translation Reserve US $	Merger reserve US $	Profit and loss account US $	Total Equity US $
Balance at 30 November 2018		**326,036**	**10,218,805**	**145,643**	**(72,169)**	**5,516,655**	**16,134,970**
Share issue	18	46,948	892,018	-	-	-	**938,966**
Cost of share issue	18	-	(117,277)	-	-	-	**(117,277)**
Profit for the year	19	-	-	-	-	5,518,290	**5,518,290**
Other comprehensive income	19	-	-	31,855	-	-	**31,855**
Share based payments	26	-	-	-	-	20,876	**20,876**
Balance at 30 November 2019		**372,984**	**10,993,546**	**177,498**	**(72,169)**	**11,055,821**	**22,527,680**
Share issue	18	147,298	2,450,245	-	-	-	**2,597,543**
Share options exercised	18	1,548	29,805	-	-	-	**31,353**
Cost of share issue	18	-	(262,252)	-	-	-	**(262,252)**
Profit for the year	19	-	-	-	-	7,679,918	**7,679,918**
Other comprehensive income	19	-	-	92,949	-	-	**92,949**
Share based payments	26	-	-	-	-	44,273	**44,273**
Balance at 30 November 2020		**521,830**	**13,211,344**	**270,447**	**(72,169)**	**18,780,012**	**32,711,464**

Share premium - amount subscribed for share capital in excess of nominal value, net of directly attributable costs.

Translation reserve - amount subscribed for foreign exchange differences recognized in Other Comprehensive Income

Merger reserve - amount subscribed for share capital in excess of nominal value in relation to the qualifying acquisition of subsidiary undertakings.

Profit and loss account - cumulative net gains and losses recognised in the consolidated statement of comprehensive income

The notes on pages 44 to 76 are an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN THE EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2020

		Attributable to owners of the parent company				
Company	**Note**	**Ordinary Shares US $**	**Share Premium US $**	**Translation Reserve US $**	**Profit and loss account US $**	**Total Equity US $**
Balance at 30 November 2018		**326,036**	**10,218,805**	**(101,969)**	**(5,131,273)**	**5,311,599**
Share issue	18	46,948	892,018	-	-	938,966
Cost of share issue	18	-	(117,277)	-	-	(117,277)
Profit for the year	19	-	-	-	30,668	30,668
Other comprehensive income	19	-	-	3,883	-	3,883
Share based payments	26	-	-	-	20,876	20,876
Balance at 30 November 2019		**372,984**	**10,993,546**	**(98,086)**	**(5,079,729)**	**6,188,715**
Share issue	18	147,298	2,450,245	-	-	2,597,543
Share options exercised	18	1,548	29,805			31,353
Cost of share issue	18	-	(262,252)	-	-	(262,252)
Profit for the year	19	-	-	-	(316,239)	(316,239)
Other comprehensive loss	19	-	-	61,948	-	61,948
Share based payments	26	-	-	-	44,273	44,273
Balance at 30 November 2020		**521,830**	**13,211,344**	**(36,138)**	**(5,351,695)**	**8,345,341**

Share premium – amount subscribed for share capital in excess of nominal value, net of directly attributable issue costs.

Translation reserve – amount subscribed for foreign exchange differences recognized in Other Comprehensive income.

Profit and loss account – cumulative net gains and losses recognized in the consolidated financial statements of comprehensive income

The notes on pages 44 to 76 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 NOVEMBER 2020

Group	Note	For the year ended 30 November 2020 US $	For the year ended 30 November 2019 US $
Cash flows from operating activities			
Cash outflows from operations	24	**(948,166)**	(1,397,294)
Tax paid		**(2,076)**	(2,345)
Net cash outflows from operating activities		**(950,242)**	(1,399,639)
Cash flows from investing activities			
Purchase of financial assets at fair value through profit and loss	12	**(1,345,679)**	(111,810)
Purchases of property, plant and equipment	14	**(950)**	(862)
Net cash outflows from investing activities		**(1,346,629)**	(112,672)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	18	**2,628,896**	938,966
Costs of raising finance	18	**(262,252)**	(117,277)
Net cash inflows from financing activities		**2,366,644**	821,689
Net increase/(decrease) in cash and cash equivalents		**69,773**	(690,622)
Cash and cash equivalents at beginning of year	16	**472,899**	1,165,442
Exchange (losses)/gains on cash and cash equivalents		**(4,199)**	(1,921)
Cash and cash equivalents at end of year	16	**538,473**	472,899

1. General Information

Tekcapital PLC (Companies House registration number: 08873361) is a company incorporated in England and Wales and domiciled in the UK. The address of the registered office is detailed on page 28 of these financial statements. The Company is a public limited company limited by shares, which listed on the AIM market of the London Stock Exchange in 2014. The principal activity of the parent company is that of an investment entity and that of the Group is to provide universities and corporate clients with valuable technology transfer services. The Group and the parent company also acquire exclusive licences to university technologies that it believes can positively impact people's lives, for subsequent commercialisation.

The principal accounting policies applied in the preparation of these consolidated financial statements and parent company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Amounts presented in this report are rounded to nearest US$1.

2. Accounting policies

2.1 Statement of compliance

The consolidated financial statements of Tekcapital PLC Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention. The consolidated financial statements comprise the financial statements of Tekcapital plc and its subsidiaries, Tekcapital Europe Ltd and Tekcapital LLC.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The financial statements of the parent company have been prepared in accordance with Financial Reporting Standard 101 "Reduced disclosure framework" ('FRS 101'). The company will continue to prepare its financial statements in accordance with FRS101 on an ongoing basis until such time as it notifies shareholders of any change to its chosen accounting framework.

The Company financial statements have been prepared using the historical cost convention except where other measurement basis are required to be applied and in accordance with IFRS under FRS 101. In accordance with FRS101, the company has taken advantage of the following exemptions:

- IAS 7, 'Statement of Cash Flows'

2.1.1 Going concern

The Group and the Company meets its day to day working capital requirements through its service offerings and monies raised through the issues of equity. The Group's forecasts and projections indicate that the Group and the Company have sufficient cash reserves to operate within the level of its current facilities. Whilst it is the Group's and the Company's intention to rely on the available cash reserves, future income generated from its growing service offerings and reductions in its cost base, a negative variance in the forecasts and projections would make the Group's ability to continue as a going concern dependent on an additional fund raise. If the Group's forecasts are not achieved, the Directors would seek to raise the additional funds through equity issues. Whilst the COVID-19 epidemic is contributing to uncertainty in the markets and the full impact is difficult to measure, at the time of approving the accounts after making enquiries, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. The Group and the Company therefore continue to adopt the going concern basis in preparing both its consolidated financial statements and for its own financial statements.

2.1.2 Changes in accounting policy and disclosures

New standards and interpretations not yet adopted by the Group

IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 and is effective for accounting periods beginning on or after 1 January 2023. The Group has not chosen to early adopt this standard and will adopt it for the accounting period beginning 1 December 2023. Directors do not expect any material impact on the consolidated financial statements.

No other issued but not endorsed amendments to IFRS will have a material impact on the Group's financial statements once they become endorsed and effective.

New standards and interpretations adopted by the Group:

IFRS 16 Leases

The Group adopted this standard for the accounting period beginning 1 December 2019. The adoption of this standard has not had an impact on the financial performance or position of the Group for the year or comparative period

2.2 Business combinations

Tekcapital PLC was incorporated on 3 February 2014 and on 18 February 2014 entered into an agreement to acquire the issued share capital of Tekcapital Europe Limited by way of share issue. On 19 February 2014 it acquired the issued share capital of Tekcapital LLC also by share issue. This has been accounted for as a common control transaction under IFRS 3 using the pooling of interest method by using the nominal value of shares exchanged in the business combination and no fair value adjustment.

The consolidated financial statements comprise the financial statements of Tekcapital PLC and all subsidiaries controlled by it.

Subsidiaries are entities that are controlled by the Group. Control is achieved when the Group has the power to govern the financial and operating policies of an entity so as to obtain economic benefit from its activities. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated when necessary amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

2.3 Foreign currencies

(a)Functional and presentation currency

These consolidated financial statements are presented in US Dollars which is the presentation currency of the Group. This is because the majority of the Group's transactions are undertaken in US Dollars. Each subsidiary within the Group has its own functional currency which is dependent on the primary economic environment in which that subsidiary operates. Effective 1 December 2014 Tekcapital PLC and Tekcapital Europe Limited changed their functional currency to UK Sterling. This is because, the primary economic activity of these entities is undertaken in the UK.

(b)Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

(c) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing exchange rates at the date of that balance sheet.

(ii) income and expense for each income statement are translated at the average rates of exchange during the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions)

(iii) all resulting exchange differences are recognised in other comprehensive income.

2.4 Investment in subsidiaries

Investments in subsidiaries including Tekcapital Europe Ltd and Tekcapital LLC are recognised initially at cost. The cost of the investment includes transactions costs. The carrying amounts are reviewed at each reporting dated to determine whether there is any indication of impairment. Investments in portfolio companies are held at fair value through the profit and loss. Directors' judgment was exercised in determination that the Group meets the following criteria and should be recognized as an investment entity under IFRS 10 par. 27. Directors re-evaluated the below criteria and concluded they were met as at 30 November 2020:

- Obtains funds from one or more investors for the purpose of providing clients with investment management services
- Commits to its investors that its business purpose is to invest funds solely for return from capital appreciation, investment income or both
- Measures and evaluate the performance of substantially all of its investments on a fair value basis.

Tekcapital's IP search and technology transfer investment services represent investment advisory services, and therefore Tekcapital Europe Limited and Tekcapital LLC continue to be treated as subsidiaries and are consolidated in the Group financial statements. These services may be provided to investors, clients and third parties. The Board considers that the criteria are met in the group's current circumstances.

The Board envisages that Tekcapital's shareholder returns will derive primarily from mid to long-term capital appreciation of a portion of its intellectual property investments, as well as from providing IP investment services to clients. Consequently, the Group's portfolio companies are measured at fair value in accordance with IFRS 9 as disclosed in Note 2.9.

2.5 Non-controlling interests

Losses applicable to non-controlling interests in a subsidiary are allocated to the non-controlling interests, even if doing so causes the non-controlling interests to have a deficit balance. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary. Upon the loss of control the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary are de-recognised. Any resulting gain or loss is recognised in the profit and loss.

2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation of assets are calculated to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over the estimated useful economic lives as follows:

Furniture	3 years
Computer equipment	3 years
Leasehold improvements	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The asset's carrying amount is written down immediately to its recoverable amount if the assets carrying value is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised within 'Other gains / (losses) – net' in the income statement. When re-valued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.7 Intangible assets

(a)Invention Evaluator

This is an intangible asset and a piece of computer software acquired for use by one of the subsidiaries of the Group and is shown at original cost of purchase less impairment losses.

Under IAS38, this asset is regarded by the Directors as being an intangible asset with an indefinite useful life. The Directors believe that the asset is unique in that no competitor offering currently exists, the service appeals globally to many types of clients including Fortune 100 companies, there is no expectation of obsolescence in the foreseeable future, and the service provided by the asset generates sufficient ongoing revenue streams.

Consequently, no write down in the value of this asset either by way of amortisation or impairment has occurred in this financial year. In the Directors' opinion this asset has an indefinite useful life.

(b)Computer software and website development

Costs associated with maintaining computer software programmes and the Company website are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

(i) it is technically feasible to complete the software product so that it will be
(ii) available for use; management intends to complete the software product and
(iii) use or sell it;
(iv) there is an ability to use or sell the software product;
(v) it can be demonstrated how the software product will generate probable future economic benefits; adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
(vi) the expenditure attributable to the software product during its development can be reliably measured.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed four years.

(c) Licences

Costs associated with the acquisition of Licences for technologies with the express purpose of developing them further for a commercial market are recognised as an intangible asset when they meet the criteria for capitalisation. That is, they are separately identifiable and measurable and it is probable that economic benefit will flow to the entity.

Further development costs attributable to the licensed technology and recognised as an intangible asset when the following criteria are met:

(i) it is technically feasible to complete the technology for commercialisation so that it will be
(ii) available for use; management intends to complete the technology and use or sell it;
(iii) there is an ability to use or sell the technology;
(iv) it can be demonstrated how the technology will generate probable future economic benefits;
(v) adequate technical, financial and other resources to complete the development and to use or sell the technology are available; and
(vi) the expenditure attributable to the technology during its development can be reliably measured.

Licences and their associated development costs are amortised over the life of the licence or the underlying patents, whichever is shorter.

(d) Vortechs Group

This is an intangible asset acquired for use by one of the subsidiaries of the Group and is valued at original cost of purchase.

Under IAS38, the Group's Vortechs Group asset is regarded by the Directors as being an intangible asset with an indefinite useful life. The Directors believe that this asset is unique as it operates in a niche market, it generates an ongoing revenue stream, and there is no expectation of obsolescence. This asset meets the requirements of IAS38 as it is separately identifiable, controlled by the Group, the cost can be measured reliably, and as a result of owning this asset future economic benefits in the form of service revenue are generated for the Group. In the opinion of the Directors this asset has an indefinite useful life and there has been no amortisation or impairment provided in the current year.

2.8 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circum- stances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows, (CGUs). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.9 Financial instruments

2.9.1 Classification

The Company classifies its financial assets depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

During the financial year the Group held investments into portfolio companies classified as equity investments. They are included in current assets and are measured at fair value through profit and loss in accordance with IFRS 9.

The Company also has loans, convertible loan notes and receivables that are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities that are greater than 12 months after the end of the reporting year. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' in the balance sheet. The Group also has cash and cash equivalents.

All short-term liabilities are measured at cost, the Group does not hold any long-term financial liabilities.

2.9.2 Recognition and measurement

The Company's investments into the portfolio companies are recognised on the acquisition or formation date and measured at fair value through profit or loss in accordance with IFRS 9.

Loans and receivables are recognised on the trade date in which the transaction took place and are recognised at their fair value (which equates to cost) with transaction costs expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the loans or receivables have been collected, expired or transferred and the Group has subsequently transferred substantially all risks and rewards of ownership. Short term financial liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.9.3 Fair value

Financial instruments are measured at fair value including investments in portfolio companies, cash and cash equivalents, trade and other receivables, trade and other payables, and borrowings. This measurement policy does not apply to subsequent measurement at amortised cost of short term financial liabilities and trade receivables.

The Group measures portfolio companies using valuation techniques appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Our newly adopted fair value valuation policy is as follows:

The fair value of new portfolio companies is estimated at the cost of the acquired IP or equity plus associated expenses to facilitate the acquisition.

Existing portfolio companies are valued as follows:

If a market transaction such as third-party funding has occurred during the past 18 months we will value our ownership in the portfolio company at this observed valuation, taking account of any observed material changes during the period.
In the absence of a recent market transaction, fair value will be estimated by alternative methods and where appropriate by an external, qualified valuation expert. The valuation technique used fall under Level 2 – Observable techniques other quoted prices and Level 3 - other techniques as defined by IFRS 13.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximate their fair value. The fair value of borrowings equals their carrying amounts, as the impact of discounts is not significant.

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is the intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Impairment of financial assets

The Group assesses at the end of each reporting year whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and the loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as the improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.12 Trade receivables

Trade receivables are amounts due from customers for the provision of services performed in the ordinary course of business. Collection is normally expected within three months or less (in the normal operating cycle of the business) and is classified as current assets. In the rare circumstances that they exceed a period of greater than one year they are presented as non-current assets. In some instances, the Group accepts convertible loan notes for trade debts these are held separately on the statement of financial position until maturity or disposal on the open market. Any value received which is greater or less than the value of the original debt is taken to the consolidated statement of comprehensive income.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

2.13 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with other banks, other short term highly liquid investments with maturities of three months or less and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.14 Share capital

Ordinary Shares
Ordinary Shares are classified as equity.

Share premium
The share premium account has been established to represent the excess of proceeds over the nominal value for all share issues, including the excess of the exercise share price over the nominal value of the shares on the exercise of share options as and when they occur.
Incremental costs directly attributable to the issue of new ordinary shares and new shares options are shown in equity as a deduction, net of tax, from the proceeds.

Merger Reserve
The consolidated financial statements are accounted for using the 'pooling of interests' method', which treats the Group as if it had been combined throughout the current and comparative accounting periods. Pooling of interests principles for this combination gave rise
to a merger reserve in the consolidated statement of financial position, being the difference between the nominal value of new shares issued by the Company for the acquisition of the shares of the subsidiary and the subsidiary's own share capital.

Non-controlling interest
Non-controlling interest is the portion of equity ownership in a subsidiary not attributable to the parent company.

2.15 Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.16 Share based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- excluding the impact of any non-vesting conditions (for example the requirement of the employees to save).

Assumptions about the number of options that are expected to vest include consideration of non-market vesting conditions. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to the original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transactions costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.17 Current and deferred tax

The tax expense for the yeasr comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in full in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle balances on a net basis.

2.18 Provisions

Provisions and any other anticipated foreseen liabilities are recognised: when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties, and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering a class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

2.19 Leases

At inception, the Company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the Company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Company's estimate of the amount expected to be payable under a residual value guarantee; or the Company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the services supplied, stated net of discounts, and value added taxes. The Group recognises revenue when the contract is identified, performance obligation is determined, transaction price is determined and allocated to performance obligation in accordance with IFRS 15.

The Group also recognises an unrealised profit/loss on the revaluation of investments in share of portfolio companies in accordance with the fair value policy outlined in Note 2.9.

Provision of services

The Group provides following lines of services:

- Invention Evaluator services: provision of reports assessing potential of any new technology. Revenue is recognized upon delivery of a complete report
- IP Acquisition Opportunities services: provision of reports identifying attractive university developed IP. Revenue is recognised upon delivery of a complete report
- Tech transfer recruitment services: recruitment services specialising in technology transfer executives. Revenue is recognised upon placement of an executive
- Training services: custom solutions for new tech transfer offices, spin out companies and accelerators delivered via in person trainings. Revenue is recognised upon completion/delivery of a training.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3. Financial Risk Management

3.1 Financial risk factors

(a) Portfolio Risk/Investment management

Investment into portfolio companies held by the Group requires long-term commitment with no certainty of return.

The fair value of each portfolio company represents the best estimate at a point in time and may be impaired if the business does not perform as well as expected, directly impacting the Group's value and profitability. This risk is mitigated as the size of the portfolio increases. The Group performed sensitivity analysis with regards to assumptions used in determination of fair value of the portfolio in Note 12.

The Group also regularly monitors portfolio companies' liquidity required for returns to occur.

(b) Credit Risk management

Credit risk is managed on a Group basis. In order to minimise this risk, the Group endeavours to only deal with companies that are demonstrable creditworthy, and the Directors continuously monitor the exposure. The Group's maximum exposure to credit risk for the components of financial position at 30 November 2020 and 2019 is the carrying amount of its current trade and other receivables as illustrated in Note 15.

The Group monitors credit risk related to performance of portfolio companies, including considerations related to recoverability of convertible loan notes issued. Progress is monitored and regular discussions are held with management of portfolio companies to assess commercial progress and financial information provided. The Group also monitors credit risk related to creditor amounts due from portfolio companies.

(c) Liquidity Risk management

Cash flow forecasting is performed on a Group basis. The Directors monitor rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. At the reporting date the Group held bank balances of US $538,473. Post period end, the Group completed a post period end placement for gross US$5.28m. All amounts shown in the consolidated statement of financial position under current assets and current liabilities mature for payment within one year, with Trade and Other Receivables exceeding Trade and Other Payables by US $399,994.

(d) Financial risk management

The Company's Directors review the financial risk of the Group. Due to the early stage of its operations the Group has not entered into any form of financial instruments to assist in the management of risk during the period under review.

(e) Market risk management

Due to low value and number of financial transactions that involve foreign currency and the fact that the Group has no borrowings to manage, the Directors have not entered into any arrangements, adopted or approved the use of derivative financial instruments to assist in the management of the exposure of these risks. It is their view that any exchange risks on such transactions are negligible.

The Group also regularly monitors risk related to fair value of financial instruments held such as convertible loan notes held.

(f) Foreign exchange risk management

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency, with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

A sensitivity analysis has been performed to assess the exposure of the Group to foreign exchange movements. If the exchange rate weakened by 10 percent then the effect on the gain before tax would increase by US$46,198 and equity would decrease by US$38,608.

(g) Impact of the COVID-19 pandemic

The current Coronavirus epidemic may produce negative economic activities which could reduce the company's economic performance and the performance of its portfolio companies in ways that are difficult to quantify at this juncture. It may cause a recession in the markets in which the Group operates, reduce the Group's net asset values, revenue, cash flow, access to investment capital and other factors which could negatively impact the Group.

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to adjust or maintain the capital structure, the Group may adjust the level of dividends paid to its shareholders, return capital to shareholders, issue new shares or sell assets to reduce borrowings. The Group has no external borrowings. This policy is periodically reviewed by the Directors, and the Group's strategy remains unchanged for the foreseeable future.

The capital structure of the Group consists of cash and bank balances and equity consisting of issued share capital, reserves and retained losses of the Group. The Directors regularly review the capital structure of the Company and consider the cost of capital and the associated risks with each class of capital. The Company has no external borrowings and this has no impact on the gearing levels of the Group as at 30 November 2020.

The Company's historic cost of capital has been the cost of securing equity financings, which have averaged around 10%. The company's long-term financial goal is to optimise its returns on invested capital (ROIC) in excess of our weighted average cost of capital (WACC) and as such create value for our shareholders. The method the Company seeks to employ for achieving this is to utilise its structural intellectual capital developed through its Discovery Search Network, its Invention Evaluator service and its Vortechs Group Service to mitigate selection bias and improve returns on invested capital. Ultimately, management will seek to monetize these returns with exits from its investments in portfolio companies.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors made the following judgements:

- determination as to the classification of the Group as an investment entity as discussed in Note 2.4
- determination of operating segments as disclosed in Note 5
- determination of reliance of the Group's portfolio companies on funding to achieve their fair values discussed in Note 12.

The Directors also make estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of the assets and liabilities within the next financial year are detailed below.

Key estimate/ judgment area	Key assumption	Potential impact within the next financial year	Potential impact in the longer term	Note reference for sensitivity analysis
Valuation of unquoted equity investments	In applying valuation techniques to determine the fair value of unquoted equity investments the Group and the Company make estimates and assumptions regarding the future potential of the investments. The policy of the Group and the Company is to value new portfolio companies at cost of the acquired IP or equity plus associated expenses to facilitate the acquisition. Existing portfolio companies are valued using either a market transaction such as third-party funding or, in the absence of a recent market transaction, by alternative methods and where appropriate by an external, qualified valuation expert. The fair value of Guident Limited reflects the fair value of the Guident's net assets. This value is primarily based on its IP portfolio detailed in Note 12, valued using the royalty relief method.	Yes	Yes	Note 12

Key estimate / judgment area	Key assumption	Potential impact within the next financial year	Potential impact in the longer term	Note reference for sensitivity analysis
Valuation of unquoted equity investments	The estimates used in this valuation include market size market penetration used to determine projected sales, the royalty relief rate and the discount factor. These estimates are key to calculation of the net present value of future cashflows associated with the patent. The fair value calculation assumes Guident Limited obtains sufficient funding to execute their strategy. The fair value of Salarius Limited reflects the fair value of Salarius Limited net assets. This value is primarily based on the independent patent valuation of US patent 8,900,650 portfolio detailed in Note 12, valued using the royalty relief method. The estimates used in this valuation include market size market penetration used to determine projected sales, the royalty relief rate and the discount factor. These estimates are key to calculation of the net present value of future cashflows associated with the patent. The fair value calculation assumes Salarius Limited obtains sufficient funding to execute their strategy. The fair value of Lucyd Limited reflects: - Lucyd's ecommerce platform valued by estimating the net present value of future cashflows associated with the e-shop. Key assumptions used in estimating future cash flows are projected profits including eyewear unit sales for company's e-commerce channels as well as number of retail stores to determine projected sales, and a discount factor applied for the net present value of future cashflows from the platform. - Lucyd's trademark value based on the Net book value stated at cost. The Group corroborated this valuation with secondary observable input in the form of value of Lucyd Ltd's shares in its US subsidiary (Innovative Eyewear Inc) as determined by recent market transactions of these shares.	Yes	Yes	Note 12
Useful life of Invention Evaluator website	The Directors have considered the useful life of the Invention Evaluator website to be indefinite because of the uniqueness of the service it provides and that there is no competitor in the market in which the Group operates who is able to provide a similar service. The Directors undertake an annual review that considers an appropriateness of the use of an indefinite useful life in addition to impairment review and if required make a provision in the financial statements.	Yes	Yes	Note 13
Useful life of Vortechs Group	The Directors have considered the useful life of Vortechs Group to be indefinite because of the ongoing service revenue that is being generated. The business operates in a specialised market, with few competitors. The Directors undertake an annual review that considers an appropriateness of the use of an indefinite useful life in addition to impairment review and if required make a provision in the financial statements.	Yes	Yes	Note 13
Deferred Tax	Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.	Yes	Yes	Note 22

Key estimate/ judgment area	Key assumption	Potential impact within the next financial year	Potential impact in the longer term	Note reference for sensitivity analysis
Deferred Tax	The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. The Group did not recognize deferred tax liability on fair value gains associated with the revaluation of shares in its portfolio companies due to availability of the substantial shareholdings exemption. This is considered a permanent difference and not a temporary difference.	Yes	Yes	Note 22
Share based payment	The estimate of share based payment requires the Director to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of options and the risk free interest rate	Yes	Yes	Note 26

5. Segmental reporting

The Directors consider the business to have two segments for reporting purposes under IFRS 8 which are:

- professional services, including the provision of recruitment services via Vortechs Group, provision of reports and services provided to locate and transfer technologies to customers, as well as R&D tax relief credits and provision of management services to its portfolio companies. The activities grouped under this segment share similar economic characteristics of provision of intellectual property services to third party services;
- licensing and investment activities, including acquiring licences for technologies, portfolio company investment, development and commercialisation. The activities share the goal of increasing the fair value of investments made into portfolio companies by the Group.

Segmental revenues and results

2020 Consolidated income statement	Professional Services US $	Licensing & Investment US $	TOTAL US $
Net Revenue	1,099,305	8,688,111	9,787,416
Interest Income		95,947	95,947
Cost of Sales	(458,728)		(458,728)
Administrative Expenses	(528,722)	(1,204,482)	(1,733,204)
Depreciation and Amortisation	(2,359)	(7,078)	(9,437)
Group operating profit	109,496	7,572,498	7,681,994
Profit tax expense	(519)	(1,557)	(2,076)
Profit after tax	108,977	7,570,941	7,679,918

2019 Consolidated income statement	Professional Services US $	Licensing & Investment US $	TOTAL US $
Net revenue	1,170,733	6,516,813	7,687,546
Interest Income		29,818	29,818
Cost of sales	(606,166)	-	(606,166)
Administrative Expenses	(503,840)	(1,069,725)	(1,573,656)
Depreciation and amortisation	(4,249)	(12,749)	(16,998)
Group operating profit	56,478	5,464,157	5,520,635
Profit tax expense	(586)	(1,759)	(2,345)
Profit after tax	55,892	5,462,398	5,518,290

Segment assets and liabilities

2020 Consolidated statement of financial position	Professional Services US $	Licensing and Investment US $	TOTAL US $
Assets	2,034,302	31,079,825	33,114,127
Liabilities	(402,663)		(402,663)
Net assets	1,631,639	31,079,825	32,711,464

2019 Consolidated statement of financial position	Professional Services US $	Licensing Activities US $	TOTAL US $
Assets	1,614,014	21,342,921	22,956,935
Liabilities	(429,255)		(429,255)
Net assets	1,184,759	21,342,921	22,527,680

Geographical information

	2020 US $	2019 US $
United Kingdom	**8,688,111**	6,516,813
United States	**1,195,252**	1,200,551
Total revenue	**9,883,363**	7,717,364

Geographical information

	2020 US $	2019 US $
United Kingdom		
Assets	**31,079,825**	21,342,921
Liabilities	**-**	-
United States		
Assets	**2,034,302**	1,614,014
Liabilities	**(402,663)**	(429,255)
Total Net Assets	**32,711,464**	22,527,680

6. Revenue from Services

The below table discloses disaggregated Revenue from Services by their nature/categories as well as timing of the revenue. Please refer to Note 12 for disaggregation of Group's Unrealised profit on the revaluation of investments.

Group	Transferred at a point in time	Transferred over time	Total 2020 US$	Transferred at a point in time	Transferred over time	Total 2019 US$
Major service lines:	174,905	-	**174,905**	199,184	-	**199,184**
Sales of Invention Evaluator	261,311	-	**261,311**	454,452	-	**454,452**
Tech transfer recruitment	-	-	**-**	45,800	-	**45,800**
services	-	-	**-**	-	-	**-**
Technology reports		-	**-**			**-**
Training services	-	506,351	**506,351**	-	413,278	**413,278**
Management services	-	67,688	**67,688**	-	58,019	**58,019**
R & D relief	-	95,947	**95,947**	-	29,818	**29,818**
income*	-	89,050	**89,050**	-	-	**-**
Loan convertible interest income						
Other**						
Total Revenue from Services	**436,216**	**759,036**	**1,195,252**	**699,436**	**501,115**	**1,200,551**

*The Group received an R&T tax relief, the directors consider this to be income.
** Includes PPP grant totalling US$77,837 received by Tekcapital LLC which has been forgiven in full.

All of the Group's major service lines are sold directly to consumers and not through intermediaries. All revenue recognised in the reporting period represent performance obligations satisified in the current period.

7. Expenses

7.1 Expenses by nature

Group	2020 US $	2019 US $
Depreciation of property plant and equipment	**9,437**	16,998
Research and development expenses	**417,569**	173,947
Other administration expenses	**1,316,002**	1,463,289
Foreign exchange movements	**(367)**	(63,671)
Total expenses	**1,742,641**	1,590,563

Included in the Other administration expenses is the amount of US$70,766 related to payments under operating lease for the office rental agreement.

7.2 Auditor remuneration

Group	2020 US $	2019 US $
Fees payable to the Group's auditor and its associated for the audit of the Group and Company financial statements	**90,919**	95,313
Fees payable to the Company's auditor and its associates for other		
• The audit of company's subsidiaries	**10,247**	15,920
	101,166	111,233

8. Employees

8.1 Director's emoluments

Group	2020 US $	2019 US $
Directors emoluments	**469,998**	264,799
Directors portion of Share Based Payments	**10,465**	486
Total	**480,463**	265,285

The highest paid Director received a salary of US$191,865 (2019: $187,760) and benefits of US$22,745 (2019: US$21,050). The highest paid Director received a bonus of US$154,375 (2019: US$0). The highest paid Director did not exercise any share options; he received 3,000,000 share options in August 2020. The share-based payments associated with the highest paid Director amounted to US$9,275. No termination benefits, post-employment benefits were provided to Directors. Total of short-term benefits in kind of US$22,745 were provided during the year. The amounts in the table above do not include Employers NI in the amount of US$22,500.

Key management personnel (including Directors and Group Financial Controller) received salary of US$574,995, excluding Stock Base Compensation disclosed in Directors Remuneration Report. Please also refer to Director's Report.

8.2 Employee benefit expenses

Group	2020 US $	2019 US $
Wages and salaries including restructuring costs and other termination benefits	**281,248**	275,765
Social security costs	**48,032**	40,644
Share options granted to directors and employees	**44,273**	20,876
Total	**373,553**	337,285

8.3 Average number of people employed

Group	2020	2019
Average number of people (including executive directors) employed		
Operations	**4**	4
Management	**2**	2
Total average headcount	**6**	6

Average number of employees with the Company in 2020 and 2019 was two (Management).
To enhance flexibility and improve cost control, the Group utilizes consultants for scientific review, administrative and operations support, software development and other knowledge-intensive services.

9. Income tax expense

Group	2020 US $	2019 US $
Current tax		
Current tax on profits for the year	**2,076**	2,345
Total current tax	**2,076**	2,345
Income tax expense	**2,076**	2,345

Group	2020 US$	2019 US $
Profit before tax	**7,681,994**	5,520,635
Tax calculated at domestic tax rates applicable to profits	**1,459,579**	1,048,921
Tax effects of:		
• Expenses not deductible for tax purposes	**22,712**	19,154
• Income not taxable	**(1,650,744)**	(1,238,195)
• Capital allowances in excess of depreciation	**1,793**	3,230
• Unrelieved tax losses and other deductions	**168,736**	169,235
Total corporation tax	**2,076**	2,345

The weighted average applicable tax rate was 19% (2019: 19%).

Unused tax losses for which no deferred tax assets have been recognised is attributable to the uncertainty over the recoverability of those losses through future profits.

10. Earnings 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.

Diluted earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the sum of weighted average number of (1) Ordinary Shares outstanding during the period and (2) any dilutive potential Ordinary Shares outstanding at 30 November 2020:

	2020	2019
Earnings attributable to equity holders of the Company (US$)	7,679,918	5,518,290
Weighted average number of Ordinary Shares in issue:		
Basic	80,713,247	58,010,322
Diluted	81,335,979	58,918,289
Basic earning per share	0.095	0.095
Diluted earning per share	0.094	0.095

The Group completed placements of total of 28,800,000 new ordinary shares during the financial year and issued 300,000 shares due to share option exercise by an employee.

11. Investments in subsidiaries

Company	Shares in subsidiaries US$	Loans to subsidiaries US$	Total US $
Cost and net book value			
As at 1 December 2019	**79,426**	**1,879,577**	**1,959,003**
Additions during the year	-	-	-
Disposal during the year	-	-	-
Foreign currency translation differences	(3,788)	-	(3,788)
Balance at 30 November 2020	**75,638**	**1,879,577**	**1,955,215**

Subsidiaries name (consolidated)		Proportion of ordinary shares directly held	Nature of business	Capital and reserves	Net Profit/ (Loss)
Direct					
Tekcapital Europe Limited	England and Wales	100%	Provision of Intellectual property research services	26,267,890	8,424,175
Tekcapital LLC	USA	100%	Provision of Intellectual property research services	(2,422,933)	(382,023)

Indirect (not consolidated)

The following are directly owed by Tekcapital Europe Limited

Lucyd Limited	England and Wales	100.00%	Provider of high-tech eyewear	(971,831)	(3,360,135)
Innovative Eyewear Inc	United States	90.00%	Provider of high-tech eyewear	107,793	(434,620)
Salarius Limited	England and Wales	97.13%	Developer of low sodium salt and snack foods	4,356,486	4,356,486
Microsalt Inc	United States	87.13%	Developer of low sodium salt and snack foods	58,088	(520,603)
Guident Limited	England and Wales	100.00%	Developer of autonomous vehicle software	(435,336)	(252,587)
Guident Corp	United States	100.00%	Developer of autonomous vehicle software	(435,336)	(252,587)
Smart Food Tek Limited	England and Wales	100.00%	Developer for baked food coating to reduce fat	(116,114)	(103,312)

* As at the year end, the Company has no interest in the ownership of any other entities or exerts any significant influence over or provides funding which constitutes an “unconsolidated structured entity”.
All UK subsidiaries are exempt from the requirement to file audited accounts by virtue of section 479A of the Companies Act 2006.
Tekcapital Europe Ltd (registered address 12 New Fetter Lane, London, United Kingdom, EC4A 1JP) and Tekcapital LLC (registered address 66 West Flagler Street, Suite 900, Miami, Florida, 33130, United States) are consolidated by Tekcapital plc because they continue to provide advisory services in IP search and technology transfer.
All other entities are measured at fair value through profit and loss based in IFRS 10 as referenced in Note 2.4. The Group provides management service support to Lucyd Limited, Salarius Limited and Guident Limited, as well as has provided working capital assistance to Salarius Limited and Guident Limited through convertible loan note financing (see also Note 15). The Group also assists the entities with their fundraising activities.
Registered office of all four subsidiaries owned by Tekcapital Europe Limited: Acre House, 11-15 William Road, London, England, NW1 3ER.
During the year Salarius Limited incorporated Microsalt Inc, a U.S subsidiary to advance sales of its product in the United States. Salarius Limited owns 87.13% of Microsalt Inc.
During the year Lucyd Limited incorporated Innovative Eyewear Inc, a U.S. subsidiary to advance sales of its product in the United States. Lucyd Limited owns 100% shares of Innovative Eyewear Inc.
During the year Guident Limited incorporated Guident CORP, a U.S. subsidiary to advance sales of its product in the United States. Guident Limited owns 100% of Guident CORP.

12. Financial Assets at Fair Value through Profit and Loss

Group's investments in portfolio companies in the years ended 30 November 2020 and 30 November 2019 are listed below and classified as equity instruments. The principal place of business for portfolio companies listed below is England and Wales.

Group	Proportion of ordinary shares held	1 Dec 2019	Additions	Disposal	FX reval	Fair Value change	30 Nov 2020
		US $	US $	US $	US $	US $	US $
Guident Limited	100.00%	15,526,195			46,294	6,457,345	22,029,834
Lucyd Limited	100.00%	1,129,022				1,570,309	2,699,331
Salarius Limited	97.15%	1,833,426	1,121,516		22,905	660,457	3,638,304
Belluscura Limited	17.82%	1,804,121	224,163		52,743		2,081,027
Smart Food Tek Limited	100.00%	43,161			-		43,161
Total Balance		**20,335,925**	**1,345,679**	**-**	**121,942**	**8,688,111**	**30,491,657**

Company	Proportion of ordinary shares held	1 Dec 2019	Additions	Disposal	FX reval	Fair Value change	30 Nov 2020
		US $	US $	US $	US $	US $	US $
Belluscura Limited	17.82%	1,804,121	224,163	-	52,743	-	2,081,027
Total Balance		**1,804,121**	**224,163**	**-**	**52,743**	**-**	**2,081,027**

Group	Proportion of ordinary shares held	1 Dec 2018	Additions	Disposal	FX reval	Fair Value change	30 Nov 2019
		US $	US $	US $	US $	US $	US $
Guident Limited	100.00%	8,545,103	-	-	-	6,981,092	15,526,195
Lucyd Limited	100.00%	3,040,616	-	-	500	(1,912,094)	1,129,022
Salarius Limited	97.15%	923,830	633	-	22	908,941	1,833,426
Belluscura Limited	18.90%	1,126,315	111,177	-	2,338	564,291	1,804,121
Smart Food Tek Limited	100.00%	43,073	-	-	89	-	43,162
eSoma Limited	100%	24,750	-	-	-	(24,750)	-
Non Invasive Glucose Tek Limited	100%	667	-	-	-	(667)	-
Total Balance		**13,704,354**	**111,810**	**-**	**2,949**	**6,516,813**	**20,335,925**

Company	Proportion of ordinary shares held	1 Dec 2018	Additions	Disposal	FX reval	Fair Value change	30 Nov 2019
		US $	US $	US $	US $	US $	US $
Belluscura Limited	18.90%	1,126,315	111,177	-	2,338	564,291	1,804,121
Total Balance		**1,126,315**	**111,177**	**-**	**2,338**	**564,291**	**1,804,121**

Total fair value gain of US $8.7m for the year reflects uplift in value of shares of Guident, Lucyd and Salarius, with no changes Belluscura. Considering early stage of commercialisation, fair value of Smart Food Tek was recorded based on the cost of acquired IP, as their carrying amounts represent a reasonable approximation of fair value.

The valuation techniques used fall under, Level 2 – Observable techniques, other than quoted prices, and Level 3- Other techniques as defined by IFRS 13. These techniques were deemed to be the best evidence of fair values considering early stage of portfolio companies.

Fair value measurement hierarchy for financial assets as at 30 November 2020 with comparative amounts as of 30 November 2019:

	Date of Valuation	Total	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		US $	US $	US $
Guident and others	30 November 2020	28,410,630		28,410,630
Belluscura Limited	30 November 2020	2,081,027	2,081,027	
Total Balance	30 November 2020	**30,491,657**	**2,081,027**	**28,410,630**
Guident and others	30 November 2019	18,531,804		18,531,804
Belluscura Limited	30 November 2019	1,804,121	1,804,121	
Total Balance	30 November 2019	**20,335,925**	**1,804,121**	**18,531,804**

Guident (US$6.5m gain)

An external valuation by an independent patent valuation expert was prepared for Guident' s IP portfolio including:

1. US patent 9,429, 943 ("FAMU 943")
2. International Patent Filing WO2019/147569: Visual Sensor Fusion and Data Sharing Across Connected Vehicles (MSU 569)
3. US Patent No. 9,964,948 ("FIU 948")
4. US Patent No. 8,941,251 ("SUNY 251") – new intellectual property licensed during the period

The total fair value of $19.1m reflects the fair value of Guident' s net assets as determined by:

- Valuation of SUNY 251 of US$4.8m conducted by an external, qualified valuation expert using the Income Approach, Royalty Relief Method. Following valuation inputs were applied by the valuation expert:

  Total market of electronic vehicles ("EVs") sold of 21,952,420 sold in the U.S. between 2023 (start of projections) and 2031 (patent life end). 1% market penetration of Guident's patent starting in 2023 leading to 6% market penetration by 2028 through 2031, resulting in projected 1,137,000 vehicles subject to the licensing revenue. This market penetration assumption is based on a number of factors:

  ✓ Broad protection and claims included in the IP
  ✓ The protection given to the product by its US patent, which effectively gives Guident a barrier to entry in the US through 2031
  ✓ The strength and experience of the management team, whose proven expertise is in the exact areas required to bring the product to market and build the brand;
  ✓ Well documented "range anxiety" issue within the EV market as one of the largest barriers for new EV purchasers. The EV manufacturers are aggressively competing for the increase in their vehicles' operational range and the technology described by SUNY 251 provides the competitive advantage sought.
  ✓ Ongoing discussions with major auto makers regarding this technology.

- Valuation of FAMU 943 of US$19.2m (2019:US$16.2m) conducted by an external, qualified valuation expert using the Income Approach, Royalty Relief Method. Following valuation inputs were applied by the valuation expert:
  - ➢ Total US market size of US$35b for autonomous vehicles and drones (as the patent applies to both) for the 11 years period ended 30 December 2033. 1% market penetration of Guident' s patent starting in 2022 with annual increase of 1% leading to a 12% market penetration by 2033, resulting in projected US$3b in sales of drones/vehicles underlying licensing revenue between 2022 and 2033. This market penetration assumption is based on a number of factors:
    - ✓ Broad protection and claims included in the IP
    - ✓ The protection given to the product by its US patent, which effectively gives Guident a barrier to entry in the US through 2033
    - ✓ The strength and experience of the management team, whose proven expertise is in the exact areas required to bring the product to market and build the brand;
    - ✓ There are no foreseeable software development barriers in the commercialisation process
    - ✓ Other foreseeable challenges for directors to deliver successful commercialisation appear to be well within the abilities of directors to handle.
    - ✓ Innovative nature of Guident's IP and the fact that the AV market is dependent on innovators.
    - ✓ Improving regulatory environment with more states in the United States legalizing autonomous vehicles operation in 2019 including large states such as Florida and California, and more states in 2020.

  While management's projection remained unchanged compared to 30 November 2019 valuation, the valuation increased due to discounting of underlying cash flows to 30 November 2020.

- Valuation of MSU 569 of US$3.4m (2019: US$2.8m) conducted by an external, qualified valuation expert using the Income Approach, Royalty Relief Method. Following valuation inputs were applied by the valuation expert:
  - ➢ In January 2024, Guident also expects to introduce an additional, complementary component featuring the MSU 569 technology (Sensory Fusion Component). This component would enable sensory data sharing between the vehicles, providing for new safety standard. Guident expects the Sensor Fusion Component to be sold to customers of the Standard Initial Component when 5G is available so as to further generate an additional $500 of revenue for each sale of the Sensor Fusion.

    For the estimate of the US market derived revenue, using the units of underlying Autonomous Vehicles from FAMU 943, the management assumed 10% of FAMU customers would choose to pay for this additional safety improving capability, starting with 10% of them in 2024 with the share growing to 40% in 2027.

    For the estimate of the international market derived revenue, the management applied comparative share of countries included in the international filing based on authoritative literature from the Allied Market Research report.

  These market penetration assumptions are based on assumptions similar to those considered for the patent FAMU 943.

  In their review of assumptions used in the 30 November 2019 valuation, the management noted only positive developments related to commercialisation of this IP. While management's projection remained unchanged compared to 30 November 2019 valuation, the valuation increased due to discounting of underlying cash flows to 30 November 2020.

- Valuation of FIU 948 of US$0.4m (2019: US$0.3m) conducted by an external, qualified valuation expert using the Income Approach, Royalty Relief Method. Following valuation inputs were applied by the valuation expert:
  - ➢ US sidewalk delivery drone market size of US$1.27b between 2022 and 2036. 1% market penetration starting in 2022 with annual increase leading to 25% in 2027. This market penetration rate assumptions is based on factors analogous to those listed for FAMU 943, with additional legislative/regulatory requirements included as well.

Recent regulatory developments in United States make it mandatory to have back-up human control operators taking control of an AV in the event of an accident or mishap.

In their review of assumptions used in the 30 November 2019 valuation, the management noted only positive developments related to commercialisation of this IP. valuation, the management noted only positive developments related to commercialisation of this IP. While management's projection remained unchanged compared to 30 November 2019 valuation, the valuation increased due to discounting of underlying cash flows to 30 November 2020.

- Assumptions applied to valuations of all patents above:
  - ➢ Total 6% license royalty rate, with 3% royalty attributable to the university and 3% comprising Guident's licencing revenue based on comparable market transactions, with the exception of 30% for FIU 48 (whereby 2.5% is due to the university). The valuation of SUNY 251 used royalty rate of 4.66% based on comparable market transactions, with range of US$1.50 to US$2.00 per underlying product utilizing the IP due to the university.
  - ➢ Corporate income tax rate of 19% applied to projected licensing costs saved 17% discount rate used to discount proceeds as determined by opportunity cost (10%), inflation rate (2%) and technology risk (5%)
  - ➢ The deferred tax liability of (US$ 5.3m) recorded by Guident based on UK corporate tax rate of 19% applied to the fair value gain associated with the patent
  - ➢ Net book value of other assets and liabilities of <(US$0.45m).
  - ➢ Guident Ltd obtains sufficient funding to execute their strategy.

Salarius (US$ 0.7m gain)

The fair value of US$3.6m was recorded by the Group based on following considerations:

- Valuation of US patent 8,900,650 of US$5m (2019: US$3m) conducted by an external, qualified valuation expert using the Income Approach, Royalty Relief Method. Following valuation inputs were applied by the valuation expert:
  - ➢ Sales of low sodium salt to snack food manufacturers ("B2B") of US$146m for the 10-year period ended 2030. The sales assumption, increased compared to last year, is based on a number of factors:
    - ✓ Microsalt is a unique product substantially in advance of alternative, developed, and tested in terms of market acceptability and ready to market;
    - ✓ The protection given to the product by its US patent, which effectively gives Salarius a barrier to entry in the US for 10 more years;
    - ✓ The strength and experience of the management team, whose proven expertise is in the exact areas required to bring the product to market and build the brand;
    - ✓ The company has undertaken efforts to increase its funding needed to drive sales and marketing efforts needed to meet the forecast.
    - ✓ The company effectuated its planned international expansion by entering into an agreement with FXM Mexico, covering logistics, professional and technical consulting, R&D testing and sales assistance including building a robust pipeline of potential customers
    - ✓ Engaged Gehring-Montgomery Inc, adding a distributor of food and raw materials for commercial and industrial manufacturers to assist in the sales of MicroSalt in the US.
    - ✓ The company expanded its pipeline of customers testing the product during the year
    - ✓ Other foreseeable challenges for management to deliver successful commercialisation appear to be well within the abilities of management to handle.
  - ➢ Sales of salty snacks ("B2C") estimated at US$33m for the 10 year period ended in 2030. The projections assume Salarius chips being sold in 348 individual stores by the end of 2021 growing annually to 3,548 by the end of 2023, and by 5% annually thereafter. This assumption is based on factors analogous to the B2B segment, with the addition of following factors:
    - ✓ Commencement of in-store sales for SaltMe potato chips via UNFI in the summer of 2020
    - ✓ Onboarding of Chef's Warehouse in September 2020, bringing more high velocity stores
    - ✓ Successful completion of logistical, distribution and sales channels necessary to open e-commerce sales of SaltMe chips on Amazon.

- Licence royalty rate of 8% with 3% royalty attributable to the university and 5% comprising Salarius' licencing revenue based on comparable market transactions
- 12% discount rate used to discount proceeds as determined by opportunity cost (10%) and inflation rate (2%). Technology risk was determined at 0%, as the patent describes easily manufactured salt compositions, maybe manufactured in many production facilities without extensive modifications. The end product has already been manufactured and used to conduct consumer acceptance tests. Sales and distribution channels have been established.
- The deferred tax liability of (US$0.73m) recorded by Salarius based on UK corporate tax rate of 19% applied to the fair value gain associated with the patent.

Salarius' 87.13% ownership of Microsalt Inc was applied to resulting US$4.3m valuation, resulting in US$3.7m valuation of shares held by Salarius Ltd in its US subsidiary. Subsequently, Group's 97.15% ownership in Salarius Ltd was applied to US$3.7m resulting in fair value of US$3.6m.

During the period, the Group converted US$1,121,516 in convertible note receivable into shares of Salarius Ltd resulting in classification of the amount as addition to the Financial Assets Held at Fair Value.

Lucyd Ltd (US$1.6m gain)

The fair value of US$2.7m was recorded by the Group based on following considerations:

- Valuation of Lucyd's significant assets performed by an external, qualified valuation expert:

  Lucyd's e-commerce platform selling advanced and fashionable eyewear valued at US$3.8m as determined by applying an 15% discount rate on US$10.3m of adjusted net profit projected through 2025. The 15% discount rate was calculated as a total of 10% opportunity cost, 2% inflation rate and 3% technology risk. The projections of profit were increased compared to 30 November 2019 valuation considering:
  - ✓ The company achieved significant R&D improvement related to its new product, making it easier to market and advertise in management's opinion, also expanding potential e-commerce channels from electronic to also optical thanks to its better look and less weight compared to previous version of the product;
  - ✓ The company solidifying its plans to hybrid, having expanded from an online-only company to include brick-and-mortar store sales. While the forecast used by management in the 30 November 2019 valuation assumed some level of in store sales, the improved quality of its new product better fitting optical sections of retail stores, together with creating a plan of target retailers and distributors justified, in management's opinion, increasing the focus on these channels it its projections.
  - ✓ Extending projection period to 5 years due to developments in the product, Vyrb app development and matching industry standards of forecast timelines.
- Lucyd's trademarks valued at US$ 0.2m, assessed using Cost Approach Reproduction Method. Through cost analysis, the fair value approximates cost recognized in Lucyd's balance sheet.
- The deferred tax liability of (US$0.68m) recorded by Lucyd based on UK corporate tax rate of 19% applied to the fair value gain associated with the patent.
- Other assets and liabilities of (US0.45m).

At the same time, Lucyd's wholly owned U.S. subsidiary, Innovative Eyewear Inc sold over 418,000 of its shares through 30 November 2020 at pre-money valuation of US$3.75m (or US$1 per share) as part of the Regulation Crowdfund fundraising undertaken by the company. The management believes this input corroborates the valuation of Lucyd's significant assets.

Belluscura (US $0.0m gain)

The fair value of the holding increased by US$0.6m due to the cost basis addition as the Company participated in the most recent private placement held at 15 pence per share in May 2020. This price per share remained unchanged from preceding placement at 15 pence per share in April 2019 used by the Company and the Group to value its holding in Belluscura as of 30 November 2019. The Group contributed US$224,000 during this placement.

Smart Food Tek (Nil Gain / Nil loss)

Considering early commercialisation stage, the Group records its investment in Smart Food Tek at cost. The directors do not consider that any other available information would materially change or give a more reliable representation of the value.

The Group exercised judgment in determination of sufficiency of portfolio companies' cash reserves, forecasts and ability to raise money to achieve their fair values. Directors reviewed and questioned the forecasts used, standing liquidity and working capital balances, as well as discussed capability and plans to raise money in the future with directors or management of portfolio companies. Based on the review, the Group made a positive determination as to portfolio companies' likely ability to achieve fair values considering liquidity factors.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 30 November 2020 are shown as below. No sensitivities have been included on the other investments not listed in the table below as their fair value equates to cost.

Investment	Valuation Technique	Significant unobservable input	Estimate applied	Sensitivity of the input to fair value
Lucyd	Income Approach	Discount to Future Cash Flows from Eshop Sales	15%	2% increase in the discount factor would decrease the Lucyd valuation by US$0.2m a 2% decrease in the discount factor would increase the Lucyd valuation by US$0.2m
		Eshop adjusted net profit through December	US$6.5m	A 20% increase in net profit would increase the Lucyd valuation by US$0.6m. A 20% decrease in gross profit would decrease the Lucyd valuation by US$0.6m.
Guident	Income Approach Royalty Relief Method	Discount to Future Cash Flows from licensing	17%	2% increase in the discount factor would decrease the Guident valuation by US$3.1m, a 2% decrease in the discount factor would increase the value by US$3.9m
		Royalty Relief Rate	6%(FAMU, MSU US, MSU OUS) 27.5% (FIU 948), 4.66% (SUNY 251)	A 1% increase in the royalty relief rate would increase the Guident valuation by US$7.0m, a 1% decrease in the royalty relief rate would decrease the valuation by US$7.0m
		Gross licensing proceeds & gross revenue	US$3.0b (FAMU), US$286m (MSU US), US$189m (MSU OUS), US$8.7m (FIU948), US$42m (SUNY 251)	A 20% increase in the gross licensing proceeds and gross revenue would increase the Guident valuation by US$4.7m. A 20% decrease would decrease the Guident valuation by US$4.7m.
Salarius	Income Approach Royalty Relief Method	Discount to Future Cash Flows from licensing	12%	2% increase in the discount factor would decrease the Salarius valuation by US$0.4m, a 2% decrease in the discount factor would increase the value by US$0.4m
		Licence Royalty Rate	8%	A 1% increase in the royalty rate would increase the Salarius valuation by US$0.7m a 1% decrease in the royalty rate would decrease the Salarius valuation by US$0.7m.
		Projected sales	US$179m	A 20% increase in the projected sales would increase the Salarius valuation by US$0.7m. A 20% decrease in the projected sales would decrease the Salarius valuation by US$0.7m.

13. Intangible assets

Group	Vortechs Group US $	Website development US $	Invention Evaluator US $	Total US $
At 30 November 2019	500,000	28,121	338,770	866,891
At 30 November 2020	**500,000**	**28,121**	**338,770**	**866,891**
Accumulated amortisation and impairment				
At 30 November 2019	**-**	**(28,121)**	**-**	**(28,121)**
At 30 November 2020	**-**	**(28,121)**	**-**	**(28,121)**
Net book value				
At 30 November 2020	**500,000**	**-**	**338,770**	**838,770**
At 30 November 2019	**500,000**	**-**	**338,770**	**838,770**

The intangible assets presented above are included within Professional Services segment under Note 5 disclosure. Costs of the Group's website development have been fully amortized as of 30 November 2018.

Under IAS38, the Group's Invention Evaluator is regarded by the Directors as being an intangible asset with an indefinite useful life. The Directors believe that the asset is unique in that no competitor offering currently exists, the service is already proven to have appealed globally to many types of clients including Fortune 100 companies, there is no expectation of obsolescence in the foreseeable future, and the service from the use of the asset generates sufficient ongoing revenue streams. The Directors have carried out an impairment review and believe that the value in use is significantly greater than book value.

The Directors have considered the recoverable amount by assessing the value in use by considering the future cash flow projections of the revenue generated by the Invention Evaluator intangible, cash flows were based on the past revenue generation. The projections were assessed for a five year period in order to determine no impairment. The projections are based off revenue generation at US$300k less cost of sales at 50% gross profit margin, no growth has been applied forecasts. A discount factor at 10% (consistent with Group's cost of capital) was used to determine no impairment. The revenue projections are based on company's historical performance and existing pipeline of sales orders. The Invention Evaluator intangible's recoverable amount exceeds its carrying amount by US$229,848.

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Under IAS38, the Group's Vortechs asset is regarded by the Directors as being an intangible asset with an indefinite useful life. The Directors believe that this asset is unique as it operates in a niche market, it generates an ongoing revenue stream, and there is no expectation of obsolescence. This asset meets the requirements of IAS38 as it is:

- Separately identifiable
- The Group controls this asset
- Future economic benefits flow to the Group in the form of service revenues from this asset
- The cost of this asset can be measured reliably

The Directors have carried out an impairment review and consider the value in use to be greater than the book value. The Directors have considered the recoverable amount by assessing the value in use by considering the future cash flow projections of the revenue generated by the Vortechs intangible, cash flows were based on the past revenue generation plus expected growth. The projections were assessed over a period in excess of 5 years on the basis the directors consider the projections can be reasonably forecast. The projections are based off revenue generation at US$400,000 per annum for 2021 (approximating actual revenue from 2019), reducing to US$300,000 for 2022, US$350,000 for 2023 and back to US$400,000 until 2028. The cost of sales element for 2021 was determined at 90% in line with the agreement, thereafter it drops to US$120,000 p.a. plus inflation at 5%. The reduction in cost of sale is due to the end of a term in the purchase agreement. A discount factor at 10% (consistent with Group's cost of capital) was used to determine no impairment. Vortech's intangible's recoverable amount exceeds its carrying amount by US$678,113.

The tech-transfer recruiting is viewed by directors as permanent part of the Group's business and its offering. This together with the high turnover in this industry leading to continuous hiring needs leads Directors to apply projections of over 5 years in the impairment determination.

14. Fixed Assets

Group	Leasehold Improvements US$	Office Equipment US $	Computer Equipment US $	Total US $
Closing cost 30 November 2018	13,775	24,286	26,856	64,917
Exchange differences			14	14
Additions	-	-	862	862
Closing cost 30 November 2019	**13,775**	**24,286**	**27,732**	**65,793**
Exchange differences				
Additions	-	-	950	950
Closing cost 30 November 2020	**13,775**	**24,286**	**28,682**	**66,743**
Accumulated depreciation and impairment				
At 30 November 2018	**(6,888)**	**(6,142)**	**(18,398)**	**(31,428)**
Depreciation charge	(6,888)	(4,839)	(5,271)	(16,998)
Exchange differences	-		(14)	(14)
At 30 November 2019	**(13,775)**	**(10,981)**	**(23,683)**	**(48,440)**
Depreciation charge		(4,526)	(4,232)	(8,758)
Exchange differences		76		76
At 30 November 2020	**(13,775)**	**(15,431)**	**(27,914)**	**(57,121)**
Closing net book value				
At 30 November 2019	**-**	**13,304**	**4,049**	**17,353**
At 30 November 2020	**-**	**8,854**	**767**	**9,622**

15. Trade and other receivables

Group	**2020 US $**	2019 US $
Trade receivables	**54,014**	144,944
Less provision for impairment of trade receivables	**-**	-
Trade receivables – net	**54,014**	144,944
VAT recoverable	**(934)**	14,333
Receivables from related parties	**579,089**	530,874
Prepayments and debtors	**15,267**	125,715
Total trade and other receivables	**647,436**	815,866
Non-current: convertible loan notes*	**588,169**	476,122

Company	**2020 US $**	2019 US $
Receivables from Group companies	**3,544,286**	2,277,783
VAT	**2,300**	9,025
Prepayments	**13,602**	34,923
Total trade and other receivables	**3,560,188**	2,321,731
Non-current: convertible loans notes	**588,169**	476,122

The fair value of trade and other receivables are not materially different to those disclosed above. The Group's exposure to credit risk related to trade receivables is detailed in Note 3 to the consolidated financial statements.

The Group and the Company held multiple convertible loans issued by its portfolio company, Salarius Ltd for the total US$1,100,000, which was fully drawn by September 2020. In September 2020, at mutual agreement between the Company and Salarius Ltd, the full amount of outstanding receivable was converted into 718 shares of Salarius Ltd issued to the Company at $1,562 per share. Consequently, the Company presented the amount of US$1,121,025 under additions to "Financial Assets Held at Fair Value" as at 30 November 2020 (see Note 12).

The Group and the Company also held:

- Convertible note issued by its portfolio company, Guident Ltd, for the total of US$300,000, issued at 10% coupon rate including option to convert the debt into shares at market price (no discount against future equity placements offered). The note can be converted into Guident's equity upon occurrence of certain conversion events. The US$ 300,000 note originated in December 2018 is payable in December 2021 or can be converted into Guident's equity upon occurrence of certain conversion events. The note was fully drawn as at 30 November 2020.
- Convertible note issued by its portfolio company, Guident Ltd, for the total of US$500,000, issued at 10% coupon rate including option to convert the debt into shares at market price (no discount against future equity placements offered). The note can be converted into Guident's equity upon occurrence of certain conversion events. The US$ 500,000 note originated in March 2020 is payable in March 2023 or can be converted into Guident's equity upon occurrence of certain conversion events. US$227,803 was draw as at 30 November 2020.
- Convertible note issued by its portfolio company, Microsalt Inc, for the total of US$250,000, issued at 10% coupon rate including option to convert the debt into shares at market price (no discount against future equity placements offered). The note can be converted into Microsalt's equity upon occurrence of certain conversion events. The US$ 250,000 note originated in September 2020 is payable in September 2023 or can be converted into Microsalt's equity upon occurrence of certain conversion events. US$60,000 was drawn as of 30 November 2020.

The Group had outstanding receivables from its portfolio companies as at 30 November 2019 in the amount of:

- US$288,165 due from Lucyd Ltd
- US$103,092 due from Smart Food Tek
- US$184,376 due from Innovative Eyewear Inc

The Company recorded a historical US$2,500,000 provision against its receivable from one its subsidiaries, Tekcapital LLC.

16. Cash and cash equivalents

Group	2020 US $	2019 US $
Cash at bank and in hand	**538,473**	472,899
Total cash and cash equivalents	**538,473**	472,899

Company	2020 US $	2019 US $
Cash at bank and in hand	**239,991**	112,114
Total cash and cash equivalents	**239,991**	112,114

17. Categories of financial assets and financial liabilities

Group	2020 US $	2019 US $
Financial assets		
Financial assets at fair value through profit and loss	**30,491,657**	**20,335,925**
Loans and receivables at amortised cost	**1,235,605**	**1,291,988**
Cash and cash equivalents	**538,473**	**472,899**
	32,265,735	**22,100,812**
Financial Liabilities		
Trade and other payables at amortised cost	**239,228**	**303,847**

Company	2020 US $	2019 US $
Financial assets		
Financial assets at fair value through profit and loss	**2,081,027**	1,804,120
Loans and receivables at amortised cost	**4,148,357**	2,797,853
Cash and cash equivalents	**239,991**	112,114
Available for sale	**1,955,214**	1,959,003
	8,424,589	6,673,090
Financial liabilities		
Trade and other payables at amortised cost	**79,249**	484,375

18. Share capital and premium

Group and Company	Number of shares	Ordinary Shares US $	Total US $
Issued and fully paid up			
At 30 November 2018	**54,353,042**	**326,036**	**326,036**
Shares issued in further public offering	9,375,000	46,948	46,948
At 30 November 2019	**63,728,042**	**372,984**	**372,984**
Shares issued in further public offering	28,800,000	147,298	147,298
Shares issued through share option exercise	300,000	1,548	1,548
At 30 November 2020	**92,828,042**	**521,830**	**521,830**

The shares have full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption. The following shares were issued during the year:

- February 2020: 14,800,000 shares were issued in the placing of new ordinary shares at £0.05p. Total proceeds of US$881,174 were netted against cost of raising finance in the amount of US$105,228
- May 2020: 9,250,000 shares were issued in the placing of new ordinary shares at £0.10p. Total proceeds of US$1,086,060 were netted against cost of raising finance in the amount of US$117,889
- September 2020: 300,000 shares were issued in exercise of share options held by Amy Shim at £0.085p. Total proceeds of US$29,805 were received.
- November 2020: 4,750,000 shares were issued in the placing of new ordinary shares at £0.08p. Total proceeds of US$483,011 were netted against cost of raising finance in the amount of US$39,136.

The Company has authorised share capital of 131,667,063, with a nominal value of £0.004. Of these shares, 92,828,042 were issued and fully paid up.

Share premium

Group and Company	Share premium US $	Total US $
As at 30 November 2018	**10,218,805**	**10,218,805**
Shares issued in further public offering	892,018	892,018
Cost of shares issued	(117,277)	(117,277)
As at 30 November 2019	**10,993,546**	**10,993,546**
Shares issued in further public offering	2,450,245	2,450,245
Cost of shares issued	(262,352)	(262,352)
Shares issued in share option exercise	29,805	29,805
As at 30 November 2020	**13,211,244**	**13,211,244**

19. Reserves

Profit and Loss Account

	Group Profit and Loss Account US $	Company Profit and Loss Account US $
At 30 November 2018	**5,516,655**	**(5,131,273)**
Profit/(loss) for the year	5,518,290	30,668
Share based payments	20,876	20,876
At 30 November 2019	**11,055,821**	**(5,079,729)**
Profit/(loss) for the year	7,679,918	(316,239)
Share based payments	44,273	44,273
At 30 November 2020	**18,780,012**	**(5,351,695)**

Merger reserve

Group	Merger reserve US $
At 30 November 2019	(72,169)
At 30 November 2020	**(72,169)**

Translation reserve

	Group Translation reserve US $	Company Translation reserve US $
At 30 November 2018	**145,643**	**(101,969)**
Foreign exchange loss	31,855	3,883
At 30 November 2019	**177,498**	**(98,086)**
Foreign exchange gain	92,949	61,948
At 30 November 2020	**270,447**	**(36,138)**

20. Trade and other payables

The fair values of trade and other payables are not materially different to those disclosed above.

The Group's exposure to currency and liquidity risk related to trade and other payables is detailed in note 3 to the accounts.

Group	2020 US $	2019 US $
Trade creditors	**103,882**	116,936
Social security and other taxes	**8,215**	6,089
Accruals and other creditors	**135,345**	187,135
	247,442	310,160

Company	2020 US $	2019 US $
Amounts due to group companies	-	362,863
Accruals, deferred income and other creditors	**79,249**	121,512
	79,249	484,375

21. Deferred Revenue

The Group's deferred revenue balance of US$118,595 as of 30 November 2019 was adjusted for:

- receipt of Invention Evaluator payments in the amount of US$54,740 to be delivered after 30 November 2020, recognized as addition to the balance deferred revenue during the year ended 30 November 2020
- recognition of US$18,614 of revenue deferred as of 30 November 2019 for reports delivered during the financial year 2020 bringing the total outstanding balance of Deferred Revenue as at 30 November 2020 to US$154,721.

22. Deferred income tax

Unused tax losses for which no deferred tax assets have been recognised is attributable to the uncertainty over the recoverability of those losses through future profits. A tax rate of 19% has been used to calculate the potential deferred tax.

Deferred tax	Group 2020 US $	Group 2019 US $	Company 2020 US $	Company 2019 US $
Accelerated capital allowances	**(1,793)**	(3,230)	**-**	-
Short term timing difference	**-**	-	**-**	-
Tax losses	**(1,958,070)**	(1,791,410)	**(563,069)**	(525,230)
Unprovided deferred tax asset	**1,959,863**	1,794,639	**563,069**	525,230
	-	-	-	-

23. Dividends

No dividend has been recommended for the year ended 30 November 2020 (2019: Nil) and no dividend was paid during the year (2019: Nil).

24. Cash used from operations

Group	2020 US $	2019 US $
Profit before income tax	7,681,994	5,520,635
Adjustments for		
- Depreciation	9,437	16,998
- Share based payment expense	44,273	20,876
- Movement in foreign exchange	96,392	33,776
- Movement in trade and other receivables	56,383	(612,615)
- Financial assets at fair value through the profit or loss	(8,810,053)	(6,519,761)
- Deferred revenue movement	36,126	118,595
- Trade and other payables	(62,718)	24,202
Cash used	(948,166)	(1,397,294)

25. Commitments

Capital commitments

The Group entered into multiple convertible loan note agreements with its portfolio companies. Please see note 15 for details regarding outstanding commitments.

Operating lease commitments

The Group did not have any material contracts withing the scope of IFRS 16. Consequently, the Group did not recognise any right-of-use assets and lease liabilities during the period.

26. Share based payments

The Group operates an approved Enterprise management scheme and an unapproved share option scheme.

The fair value of the equity settled options granted is expensed over the vesting period and is arrived at using the Black-Scholes model. The assumptions inherent in the use of this model are as follows:

Attribute	Input
No. of options granted	7,450,000
Share price at date of grant	£0.05-£0.46
Exercise price	£0.05-£0.46
Options life in years	5
Risk free rate	0.10%
Expected volatility	41%-86%
Expected dividend yield	0
Fair value of options	£0.03-£0.09

The weighted average fair value of options outstanding was £0.03p. Volatility was calculated using Group's historical share price performance since 2017. The share-based payment expense for the year was $44,273 (2019: $20,876). Details of the number of share options and the weighted average exercise price outstanding during the year as follows:

	2020		2019	
Group and Company	**Av. Exercise price per share £**	**Options (Number)**	Av. Exercise price per share £	Options (Number)
As at 1 December	**0.2110**	**5,785,000**	0.3164	3,585,000
Granted	0.1193	4,450,000	0.0781	2,900,000
Exercised	0.0810	300,000	-	-
Forfeited	0.3551	2,485,000	0.2500	700,000
As at 30 November	**0.2351**	**7,450,000**	0.2110	5,785,000
Exercisable as at 30 November		**1,575,000***		**2,610,000***

*The weighted average exercise price for the options exercisable as at 30 November 2020 and 30 November 2019 was £0.19p and £0.34p respectively.

The weighted average remaining contractual life is 4.2 years (2019: 2.7 years). The weighted average fair value of options granted during the year was £0.03p (2019: £0.05p). The range of exercise prices for options outstanding at the end of the year was £0.052p - £0.46p (2019: £0.065p - £0.46p).

27. Related party transactions

Details of Directors' remuneration and grant of options are given in the Directors' report.

Please also refer to Note 15 for detail of transactions with portfolio companies.

525,000 options were held by Harrison Gross, family member of Dr. Clifford Gross.
The company owed US$481 to Max Inglis, General Counsel as of 30 November 2020.

As of 30 November 2020, the Company and the Group was party to the following warrant and option agreements with Belluscura plc for

- 1,273,078 ordinary shares of Belluscura at 16p per share
- 600,000 ordinary shares of Belluscura at 15p per share
- 4,761,905 ordinary shares of Belluscura at 21p per share.

28. Events after the reporting period

On 1 February 2021, Tekcapital Group announced that the Company's shares will cross trade publicly on the US OTCQB Venture Market ("OTCQB"), under the ticker TEKCF, commencing 1st February 2021.

On 18 March 2021, Tekcapital Group completed a placing of 38,000,000 ordinary shares with existing and new investors at 10 pence each to raise US$5.28m before expenses.

In April 2021, Tekcapital Group exercised following warrants and options into following shares of Belluscura:

- 1,273,078 ordinary shares at 16p per share
- 600,000 ordinary shares at 15 per share
- 4,761,905 ordinary shares at 21p per share

Post period end, following amounts were drawn for existing convertible notes:

- US$75,000 for Microsalt Inc
- US$125,758 for Guident Ltd

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