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Tekcapital plc
22 May 2026

The information contained within this announcement is deemed by the Company to constitute inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) and certain other enacting measures ("UK MAR"). With the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain and disclosed in accordance with the Company's obligations under Article 17 of UK MAR.

22 May 2026

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

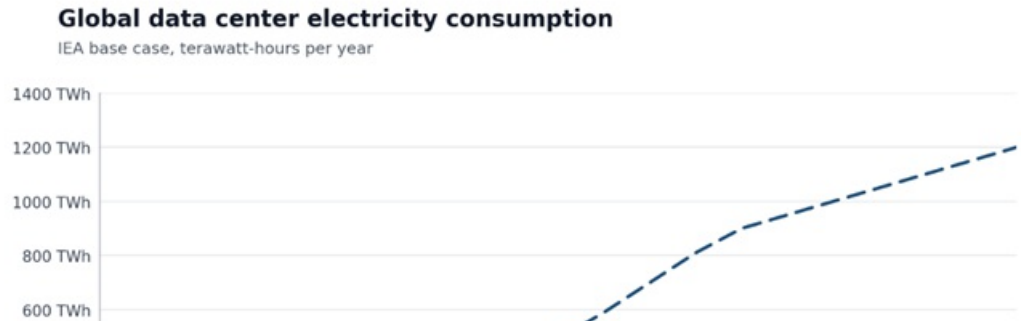
Tekcapital Secures Stake in a New Portfolio Company to Commercialise IP for Geothermal-Powered AI Data Centres

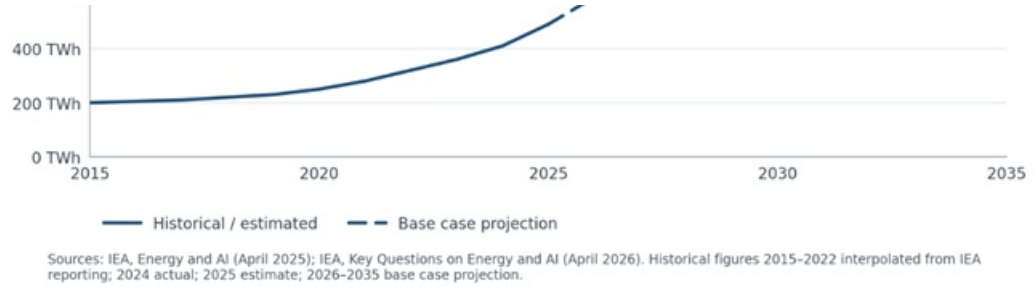
Tekcapital Plc (AIM: TEK), the UK intellectual property investment group focused on creating valuable products that can improve people's lives, is pleased to announce the formation of its fifth portfolio company Vesari Inc ("Vesari"). Vesari, is a new U.S. incorporated company (Vesari.ai) established by Executive Chairman Clifford Gross to acquire, develop and commercialise generative artificial intelligence ("AI") intellectual property in the field of geothermal-powered hyperscale data centres.

Strategic Rationale

Vesari's investment thesis is that access to reliable, scalable power rather than semiconductor availability is the principal constraint on AI infrastructure growth. Demand for AI compute continues to expand at a pace that is outstripping available power infrastructure and increasing the cost of electricity to consumers worldwide:

- Data centre electricity consumption in the United States has risen to approximately 4-5% of total national electricity usage and is projected to reach 9-17% by 2030.[1]
- U.S. data centre power consumption has tripled since 2014[2], and Global data centre power consumption is projected to reach 800 TWh by 2028.[3]
- Grid interconnection queues in major markets frequently exceed five years, with transmission upgrades adding significant cost and delay.
- Goldman Sachs Research projects global data centre power demand to increase by approximately 165% by 2030 relative to 2023 levels.[4]





Sources: IEA, Energy and AI (April 2025); IEA, Key Questions on Energy and AI (April 2026). Historical figures 2015–2022 interpolated from IEA reporting; 2024 actual; 2025 estimate; 2026–2035 base case projection.

Vesari is being established to address this bottleneck by co-locating hyperscale AI compute directly with geothermal power generation in a fully integrated, behind-the-meter configuration. The architecture is designed to operate independently of traditional grid infrastructure and to use low-Earth-orbit ("LEO") satellite connectivity in place of conventional terrestrial fibre networks.

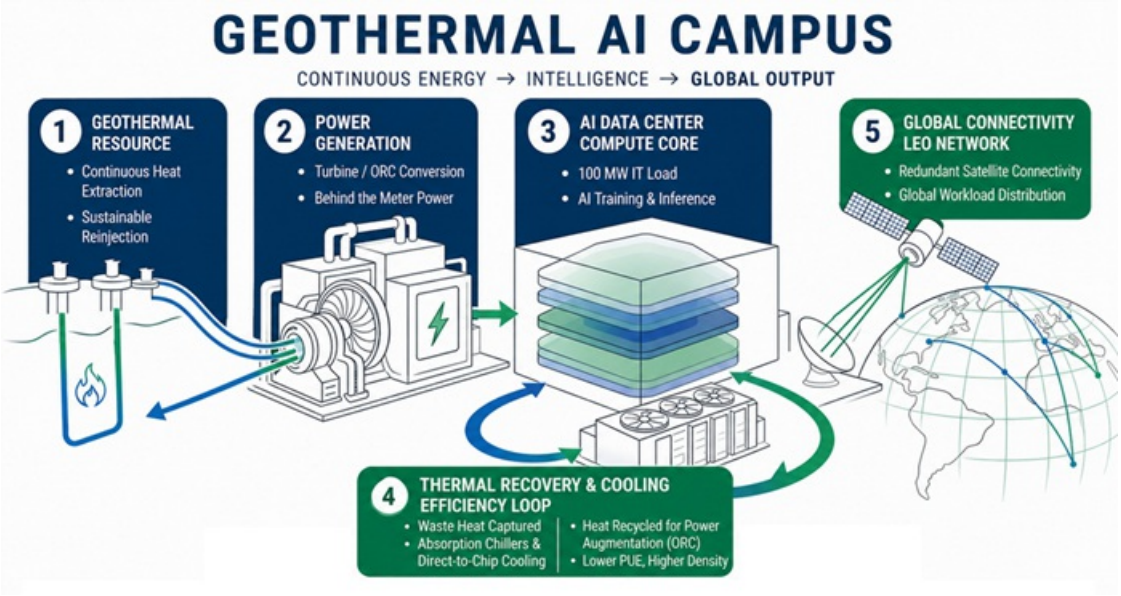
If successfully developed, this model is expected to deliver:

- 24/7 carbon-free baseload compute;
- Elimination of transmission constraints;
- Reduced exposure to power price volatility; and
- No incremental burden on public electricity grids.

Intellectual Property Strategy

Subject to the submission to the United States Patent and Trademark Office, Vesari is expected to hold a portfolio of eleven patent applications. Once these patent applications are filed, the applications will be assigned at no cost from Dr. Gross to Vesari (the "Patent Portfolio"). Dr. Gross believes the applications address core inefficiencies in the conversion of geothermal energy into scalable AI compute infrastructure. The patent specifications have been omitted at this stage to avoid premature disclosure ahead of formal patent filings.

The hypothetical Geothermal AI Campus depicted below is a fully integrated, behind-the-meter architecture in which continuous geothermal heat is converted by turbine and ORC[5] systems into 100 MW of carbon-free electrical power that directly feeds a hyperscale AI data centre. Waste heat from the compute core is captured by a closed-loop thermal recovery and cooling system estimated to deliver improved power utilization effectiveness (PUE)[6].



Efficiency and Value Creation Framework

Vesari's prototype architecture is designed as a closed-loop system integrating power generation, cooling, compute orchestration and commercial monetisation into a single operating framework. Unlike conventional infrastructure, in which these elements operate independently, Vesari's approach is intended to generate compounding efficiency gains across four layers:

- Geothermal integration and islanded architecture
- Cooling and thermal management
- Energy-aware compute orchestration and

- Energy-aware compute orchestration and
- Commercial and deployment optimisation.

The Company believes the principal advantage of Vesari's model lies not in any single efficiency gain in isolation, but in the interaction of these integrated systems, forming a reinforcing feedback loop between power, cooling, compute, pricing and power utilisation, and is expected to enhance energy efficiency, compute throughput and revenue quality. If this system works as anticipated, it will enhance the performance of the system and the annual EBITDA of the compute campus, and in doing so improve the returns on invested capital over the lifespan of the campus.

Corporate Governance and Related Party Transaction

Tekcapital's wholly owned subsidiary, Tekcapital Europe Ltd, has been granted a 51% equity interest in Vesari for no cash consideration, with the balance of 49% held by Dr. Gross, Executive Chairman of Tekcapital. Both shareholdings are in common stock and rank pari passu, with no anti-dilution provisions in favour of either party. Vesari was incorporated at the personal expense of Dr. Gross, and the underlying intellectual property which was developed by Dr. Gross outside of his normal working hours, will be assigned to Vesari at no cost to Tekcapital, Tekcapital Europe Ltd nor Vesari.

The Board believes that the structure provides Tekcapital with a capital-light entry into a high-growth, strategically important sector at minimal cost to shareholders, while obviating the need for Tekcapital to fund the search for, acquisition of, and on-going licensing fees associated with new intellectual property to seed Vesari, were it even to be available. It is anticipated that the developed IP should have a compressed commercialisation timeframe, when compared with previous Tekcapital portfolio companies, reflecting the development work already undertaken by Dr. Gross. Further, it is expected that the majority of the funding for the future operations of Vesari will be obtained, independently from Tekcapital. Any material funding forthcoming from Tekcapital will be announced the by Company without delay.

The formation and governance of Vesari were reviewed and approved by an Independent Committee comprising all the non-executive directors of the Company ("Independent Committee"). Dr. Gross recused himself from the Board's consideration of, and voting on, the resolutions giving effect to the transaction, which were unanimously approved by the non-executive directors at the Board meeting held on 16 April 2026, following advice from the Company's Nominated Adviser and external legal counsel.

Key governance features include:

- All incorporation and the initial intellectual property development costs have been funded personally by Dr. Gross, with the underlying IP, including the Patent Portfolio, to be assigned to Vesari without consideration or royalties;
- Tekcapital Europe Ltd will hold with 51% of the common stock in Vesari and Dr. Gross will hold the remaining 49% of Vesari's common stock, with all common stock ranking pari passu;
- The Independent Committee, acting in consultation with the Nominated Adviser when appropriate, will review and approve material transactions between Vesari and Tekcapital Europe Ltd and/or Tekcapital, or between Vesari and any director of Tekcapital Europe Ltd or Tekcapital, and their respective related parties, on an ongoing basis in accordance with AIM Rule 13;
- Tekcapital Europe Ltd retains the right, but not the obligation, to participate in future funding rounds for so long as it holds at least 20% of Vesari's equity, if terms and timings are mutually agreed and subject to the prior approval of the Independent Committee, with Dr. Gross recusing himself from any related vote of the board of Tekcapital;
- Tekcapital Europe Ltd is entitled to appoint a director or observer nominated by the Independent Committee to the Vesari board for so long as it holds at least 20% of Vesari's equity; and
- A specific, limited waiver has been granted under Dr. Gross's employment agreement solely in respect of the Vesari arrangements, and any potential conflicts have been formally reviewed, disclosed and approved by the independent directors.

The Independent Directors, having consulted with the Company's Nominated Adviser, SP Angel Corporate Finance LLP, note that, whilst the incorporation of Vesari is not itself classified as a Related Party Transaction under AIM Rule 13 of the AIM Rules, they have nonetheless reviewed the terms of the transaction and consider them to be *fair and reasonable* insofar as the Company's shareholders are concerned. Future material transactions between Vesari and Tekcapital Europe Ltd and/or Tekcapital, or between Vesari and any director of Tekcapital Europe Ltd or Tekcapital, and their respective related parties, will be subject to review and approval by the Independent Committee and when appropriate in consultation with the Company's Nominated Adviser in accordance with AIM Rule 13.

Louis Castro, Director of Tekcapital plc commented:

"We are delighted to announce the formation of Vesari which has been created to address what we believe is becoming the defining constraint on the AI economy, not semiconductors, but power. By co-locating AI compute directly with geothermal power generation, behind the meter, and connecting it via LEO satellites, we believe, that if successful, Vesari can enable more efficient, 24/7 carbon-free compute capacity. This resource will largely be insulated from grid constraints, power price volatility and should

capacity. This resource will largely be insulated from grid constraints, power price volatility and should not impact the cost of electricity to individuals, communities and municipalities."

"The Board is grateful to Dr. Gross for contributing the underlying intellectual property and funding the formation costs of Vesari at no cost to Tekcapital or its shareholders. Providing a 51% equity interest for Tekcapital on this basis is highly capital-efficient, and we believe Vesari has the potential to become a meaningful value driver for our shareholders over the coming years."

About Tekcapital plc

Tekcapital creates value from investing in new, university and corporate developed discoveries that can enhance people's lives. Tekcapital is quoted on the AIM market of the London Stock Exchange (AIM: symbol TEK) and is headquartered in the UK. For more information, please visit www.tekcapital.com.

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General Risk Factors and Forward-Looking Statements

All statements of opinion or belief contained in this press release, and all views expressed, represent the directors' own current assessment and interpretation of information available to them as at the date of this announcement. In addition, this press release contains certain "forward-looking statements", including, but not limited to, statements regarding the Company's overall objectives and strategic plans, timetables and capital expenditure. Forward-looking statements express, as at the date of this press release, the Company's plans, estimates, valuations, forecasts, projections, opinions, expectations and 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 or any of its portfolio companies will be achieved.

The valuation of the 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 macro-economic. Changes in net asset value can have a significant impact on the revenue, earnings and prospects of the Company. Accordingly, readers are cautioned not to place undue 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 of them. The Company does not undertake to update any forward-looking statements or other information contained in this press release.

Neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers accepts any responsibility or 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 press release, the opinions expressed herein, or any errors, omissions or misstatements, or for any loss howsoever arising from the use of this press release. Neither the issue of this press release 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 its directors. 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 press release should not be considered a recommendation by the Company or any of its affiliates in relation to any prospective acquisition or disposal of shares in the Company. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company, any of its affiliates, or any of their respective directors, officers, employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this press release, and no responsibility or liability is accepted for any such 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.

Accordingly, the Company's ability to compete in the market may be negatively affected if its 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. The Company's success will depend on the ability of its portfolio companies to obtain and protect patents on their technologies and products, to protect their trade secrets, and to maintain their rights to licensed intellectual property and technologies.

Patent applications filed by the Company's portfolio companies, or by their licensors, may not result in the issue of patents in the United States or in any other countries, and any patents that are issued may not afford meaningful protection for the relevant technologies and products. Third parties may challenge such patents through proceedings including interference, opposition and re-examination, or through litigation seeking to establish patent invalidity. In the event that one or more such patents are challenged, a court may hold the patent invalid or unenforceable, which could harm the competitive position of the relevant portfolio company and, in turn, the Company. If one or more of a portfolio company's patents are invalidated or held to be unenforceable, or if the scope of the claims in any such patent is limited by a court decision, the portfolio company could lose certain market exclusivity afforded by patents owned or in-licensed by it, and competitors could more readily bring competing products to market. The uncertainties and costs surrounding the prosecution of patent applications, and the cost of enforcing or defending issued patents, could have a material adverse effect on the business and financial condition of the Company and its portfolio companies.

The Patent Portfolio is currently in preparation and has not yet been filed with the United States Patent and Trademark Office. There can be no assurance that the patent applications, once filed, will result in the grant of patents, or that the scope of any patents granted will be sufficient to provide meaningful commercial protection. Prior to filing, the underlying intellectual property is not protected by patent rights and may be vulnerable to independent development or public disclosure by third parties. The Patent Portfolio is currently held by Dr. Gross personally and is expected to be assigned to Vesari upon filing.

To protect or enforce their patent rights, the Company's portfolio companies may need to initiate interference proceedings, oppositions, re-examinations or litigation against third parties. Such activities are expensive, time-consuming, and may divert management attention from other business priorities. The portfolio companies may not prevail in such activities, and an unsuccessful outcome could give the prevailing party superior rights to the relevant inventions or technologies, which could adversely affect the portfolio companies' ability to commercialise their products and services successfully. Conversely, claims by other parties that a portfolio company's products or technologies infringe their intellectual property rights may also adversely affect the portfolio companies and, in turn, the Company.

From time to time, third parties may assert patent, copyright or other intellectual property rights against the products or technologies of the Company's portfolio companies. Such claims may result in litigation being brought against the relevant portfolio company or its holding company. The portfolio companies (and the Company) may not prevail in any litigation alleging patent infringement, given the complex technical issues and inherent uncertainties involved in intellectual property litigation. If any of a portfolio company's products, technologies or activities, particularly those from which it derives, or expects to derive, a substantial portion of its revenues, are found to infringe a third party's intellectual property rights, the portfolio company could be subject to an injunction requiring the removal of the relevant product from the market, or could be required to redesign the product at material cost. It could also be ordered to pay damages or other compensation, including punitive damages and attorneys' fees. A negative outcome in any such litigation could disrupt sales to customers, harm customer relationships, and reduce market share and revenue. Even where the portfolio company is ultimately successful in defending intellectual property litigation, such proceedings are expensive and time-consuming to address, divert management attention, and may damage the reputation of the relevant portfolio company and the Company.

Several of the Company's portfolio companies may be subject to complex and costly regulations. If government regulations are interpreted or enforced in a manner adverse to them, they may be subject to enforcement actions, penalties, exclusion or other material limitations on their operations, any of which could have a negative impact on their financial performance.

All the risks set out above could have a material adverse effect on the Company's net asset value, revenue, performance and the overall success of its business and the portfolio companies in which it has invested.

[1] Powering Intelligence 2026: Updated Scenarios of U.S. Data Center Electricity Use and Power Strategies

[2] https://eta-publications.lbl.gov/sites/default/files/2024-12/lbnl-2024-united-states-data-center-energy-usage-report_1.pdf

[3] https://www.iea.org/reports/key-questions-on-energy-and-ai/executive-summary

[4] https://www.goldmansachs.com/insights/articles/ai-to-drive-165-increase-in-data-center-power-demand-by-2030

[5] ORC stands for Organic Rankine Cycle

[6] Power Usage Effectiveness is the data centre industry's standard metric for measuring how efficiently a facility uses electricity, defined as: PUE = Total facility energy ÷ IT equipment energy

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