Tekcapital Portfolio Company Update: Belluscura

Tekcapital portfolio company Belluscura (LON:BELL) have provided an update on the roll-out of their portable oxygen devices, alongside the announcement of a distribution agreement with a leading US supplier. Tekcapital has a 14% stake in AIM-listed Belluscura, currently valued in the region of £11m.

- **Belluscura H1 2022 revenue of $0.6 million (H1 2021: $nil), a 34% increase over H2 2021.** The company reported Adjusted EBITDA of $5.1 million loss (H1 2021: $1.2 million loss)1 while increased Basic loss per share of $0.04 (H1 2021: $0.03). Net cash at 30 June 2022 of $11.3 million.

- **Belluscura have entered into a 'transformational' agreement with a US leading Durable Medical Equipment distributor.** This is in addition to the signing of a supply agreement with VGM Group, the largest Member Service Organisation in the US, comprising over 3,000 members.

- **1,100 X-PLOR and DISCOV-R devices sold to date.** Belluscura are an early stage company and at the beginning of their life cycle having secured early sales and future distribution agreements.

Chronic Pulmonary Obstructive Disease

Some 90% of those chronic pulmonary obstructive disease sufferers are believed to have been smokers and have developed this condition from having been exposed to lung irritants over a period of time. The condition is not curable but, depending upon the seriousness, various treatments can slow it down.

World's First

Bellascura has developed a medical device, that is both light in weight and highly adaptable as the condition progresses. Believed to be the world's first modular portable oxygen concentrator, it can deliver up to 95% pure oxygen to patients 24 hours a day, 7 days a week to help improve the quality of life for people who suffer from chronic lung diseases.

Massive Sales Potential

It is now down to the number of these X-PLOR units that can be manufactured and sold across the world. The company is still at a very early stage in its growth but when the numbers start rising, its profits may be exponential.

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EPIC Code	TEK.L
Market Cap	£32.2m
Current Share Price	21.75p

Income Statement

Income Statement 6 months to end May 2022

	$ms
Revenue	8.0
Operating Profit	6.7
Pre-Tax Profit	6.7
Profit After Tax	6.7
Comprehensive Income	6.4

Balance Sheet

Balance Sheet 6 months to end May 2022

	$ms
Non-Current Assets	74.6
Current Assets	3.0
Cash and Equivalents	1.1
Net Assets	76.9
Total Equity	76.9

Bull Factors

» Diverse Portfolio Companies
» Companies are revenue generating
» More liquidity events on horizon
» Favourable Price-to-NAV discount

Bear Factors

» Awaiting greater market traction
» Low cash and equivalents

Mark Watson-Mitchell
research@kemenycapital.com
www.kemenycapital.com

Sources: Company reports, Bloomberg

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