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IKOVE Q1 2023 UPDATE

STARTUP NURSERY HIGHLIGHTS

In Q1 2023 we launched our new website. Please visit us at **www.thestartupnursery.com.**

PORTFOLIO COMPANIES

DEEPTECH PORTFOLIO

AssetWatch

2023 Q1 Business Update
The first quarter of 2023 proved to be a tumultuous quarter at the macro-economic level. Three of the largest bank failures in history—Silicon Valley Bank, Signature Bank and Credit Suisse—sparked an inflationary liquidity response by regulators. Inflation remained persistent, the labor market remained tight, and many forward-looking indicators continued to show recessionary signals, including shrinking corporate profits. We anticipated a slowdown and somewhat of a pullback from our customer base in response to the continued uncertainties and the general market volatility.

Overall, AssetWatch ended Q1 2023 on track with us achieving our Annual Operating Plan metrics for the first quarter.

Key Financial Metrics for Q1 2023

- Annual Recurring Revenue grew by ~10% quarter-over-quarter to $13.7M (100% of Q1 plan)
- GAAP Revenue for the quarter was $3.1M (99% of plan)
- Sustained gross margins at 70%
- People Metrics:
  - Staff grew to 109 employees in Q1 (tracking to the Q1 plan of 110 people)
  - Our staff are now located across the USA with a presence in 27 US states
- We expanded our customer facilities by ~11% from 377 to 419 facilities

In March, AssetWatch was recognized as a "Top Place to Work" by Columbus CEO. This award is a great testament to the company culture and employee engagement, and is a valuable

recruiting tool for top talent. We will be onboarding a new VP of People in Q2 to continue to nurture and grow the solid cultural foundation we have built so far.

We are winding down our ATS relationship as planned and will continue doing so through the rest of 2023. In addition, ATS offered up its common and preferred equity in AssetWatch for a secondary sale in Q1 with interested parties expected to close on the secondary sale in Q2 2023.

Outlook for 2023

As noted earlier we are seeing ongoing budget pressures in our customer base with persistent economic uncertainties going into Q2 2023 and we don't expect these to change anytime soon. We are also seeing new competitor pressure as more competitors enter this space and adoption of condition monitoring technologies grows. These additional market pressures are expected as the market matures and expands. We are responding by focusing on what we do best, scaling the business and delivering our 10X customer experience. In addition, we are in the process of beta testing two new innovative market offerings which will add to our Vero product solution. These new offerings will be tested in Q2 with the goal of rolling them out in a full commercial launch in Q3 2023.

As we enter Q2 2023 we are remain focused on growth, ensuring robustness and repeatability of our product, operational processes and customer retention. Depending on the realities we face in Q2 we could very well reassess our growth and investment strategy to align to market changes with a deeper focus on cash management and cash runway preservation.

We continue to receive unsolicited interest in AssetWatch from growth investors, which is a strong indicator that we are delivering value and being noticed. As noted in the prior investor update, we expect to go back to the market in the second half of 2023 for a Series B investment round to further invest in growing and scaling the business (details still to be determined).

Despite the ongoing market challenges, I remain confident that we will continue to win against the competition. We will innovate, and we have the solution that everyone wants.

VISGATE
TECHNOLOGIES

This technology, developed out of Ohio State University, is a Gate Drive for High Powered Silicon Carbide (SiC) and Gallium-Nitride (GaN) Inverters, that acts as a power amplifier which accepts low-power input from a controller integrated circuit (IC) and produces a high-current drive input for the gate of a high-power transistor such as an insulated-gate bipolar transistor (IGBT) or power a metal-oxide-semiconductor field-effect transistor (MOSFET). The technology addresses key risks to adoption of the new circuit technologies, particularly in short circuit protection.

With the potential to disrupt markets such as Aerospace, Space, Land Transportation, and Sea Transportation, as well as a global market expected to be over $2 billion by 2024. We believe this technology will address emerging market needs for advanced high-power electronics.

VisGate received a $100,000 award from the State of Ohio's Third Frontier Technology Validation and Start-up Fund (TVSF) Non-dilutive grant that will fund development of a H-Bridge circuit module that could be incorporated in applications such as electric vehicle (EV) charging systems. This win is extremely valuable because it allows VisGate to develop a product to take to market and establish product-market fit prior to our pursuing seed funding.

In Q1 we finalized license negotiations with the Ohio State Innovation Fund (OSIF), and identified a resource to design, build and test the circuit module. We expect this development work to commence early in Q2, 2023.

DIRETOTECH

The beginning of 2023 has been extremely promising for DiretoTech, with sustainable growth booming. Throughout Q1 2023, we observed sustainable growth, with a monthly revenue increase of around 38%, and by 122% compared to Q4 2022.

In March 2023, we achieved the highest monthly revenue in DiretoTech's history, a significant milestone for the company.

During Q1 2023, Direto developed a dashboard that enables in-depth analysis of our database and negotiation history. This analysis allows us to further automate the client acquisition process and get more insight into the efficiency of our platform. With this tool, we can make more sound and strategic decisions, thus optimizing our operations and boosting our growth.

With the continuous increase in transaction volume since Q4 2022, along with an impressive 30% debt recovery rate for debts up to 2 years past due, surpassing any other platform in the market, the Direto Tech suite of solutions stands out as the most efficient in our industry.

This progress opens new opportunities for us to expand into other services and remuneration modalities. We are excited to formalize the advancement of our partnership with Banco Sicoob for Boleto Blindado. Thanks to this strategic collaboration, we have reduced our costs per payment slip paid by more than 60%, thus allowing us to offer this service in a more competitive way in the Brazilian market.

Continuous client expansion through digital media is one of our main strategies for attracting new clients and increasing our database. This quarter, we have reached a significant milestone of 216 clients, registering a 402% growth in the last 12 months. We plan to steadily increase our investments in this strategy to further accelerate client acquisition. In addition, we plan to automate the acquisition process by linking it to data from our platform to secure greater accuracy in the amount being charged as based on each client's profile.

In the commercial area, the results obtained with the class councils during the last quarter are encouraging. They have proven to have a strong potential for revenue generation and have a great appeal for the use of Direto's tools for a better performance in debt recovery. CREF-MA and CREF-DF have become success stories within the client portfolio and have opened doors for negotiations with important trade associations in Brazil.

With the entry of new clients in the last few months, we achieved a growth of debts on the platform by 118% in the last 12 months with a total value amount close to R$ 170 million in registered securities.

The Direto Tech platform has over 400K individual debtors in addition to over 5 million clients in the databases of the creditors that work with Direto. Currently we reach roughly 8% of the potential relationships that sit with our current creditor relationships.

EXPANDING THE FOOTPRINT–*PRODUCTS*

We see the opportunity to offer products that are symbiotic with our collection capabilities, adding recurring sources of revenue

Boleto Blindado

Automatic collection services, including "protesto", on payment slips issued by retailers, condos, schools, associations, etc.

Benefit to Direto Tech

- Recurring fee charged in every payment slip, unrelated to delinquency
- Possibility of collecting on delinquent slips

Potential Revenue

>R$500k/month by YE2023

Stage

Pilot Testing

Crédito Direto

Offering loans to debtors in our database, leveraging our superior information database and collection capabilities to manage delinquency effectively

Benefit to Direto Tech

- High risk-return ratio given superior database
- Ability to monitor through credit cycle

Potential Revenue

>R$900k/month by YE2025

Stage

Launch 2H2023

Cash Direto

Offering debtors cash back options when using our payment platform, complete with blockchain integration and partnerships with clients

Benefit to Direto Tech

- Recurring revenues generated within platforms
- No credit exposure

Potential Revenue

>R$250k/month by YE2025

Stage

In development

Collection Management

Helping clients manage their outstanding loans, from advisory services to collection to eventually acquiring delinquent portfolios

Benefit to Direto Tech

- Create long term relationships with clients, improving recurrence and generating more leads

Potential Revenue

Unclear

Stage

After 2025

cognovi Labs

In the first quarter of 2023 we made excellent strides in our continued pivot into partnerships and the significant opportunities that support our strategic execution. During 1Q23, the Teaming Agreements we signed in December 2022 with two of the largest Prime contractors for the Department of Defense started to move towards submission, with expected award announcements in 2Q23 or 3Q23. Our technology was actively sourced for proven impact across the government sector.

We have always been, and remain, very bullish by our DoD efforts since inception, but we are now even more pleased given the milestones we crossed last quarter. 1Q23 has been the quarter where we experienced the most rapid and meaningful progress towards conversion to DoD revenues.

In 1Q23, we completed our first and very successful pilot as part of our multi-pronged approach that started at the end of 2022 into Deloitte. As a result, key leaders and their teams actively adopted and deployed our technology as the differentiated offering to win new client engagements across multiple government agencies. At the request of Deloitte, we provided pricing for specific engagements so we can convert this pilot into a long-term commercially profitable client relationship in FY 2023. We are confident that this will allow us to scale across the enterprise, both on the government and the commercial side.

In the commercial sector we continued to focus on channel partnerships. By leveraging our partners existing client relationships, we can capture corporate clients more quickly, efficiently and at scale. Given the channel partnerships in place, we are prioritizing the shortening of the sales cycle across all our commercial opportunities to maximize short- and medium-term revenues.

The explosion of ChatGPT and Generative AI over the last few months had a direct impact on the acceptance of Artificial intelligence. AI has been a hot topic of conversation for many years, and despite some AI companies' successes, we have never truly witnessed this level of market adoption. Additionally, the speed at which the Generative AI/ Large Language Model market is moving and the demand for new solutions, have created a unique and urgent opportunity for Cognovi.

While we have been building Cognovi for a few years, we have been waiting for this moment of AI awareness and adoption. Being early turned out to be a blessing as it allowed us to build and validate an exceptional technology stack, directly implementable across multiple verticals and use cases.

As a result of this market opportunity, we are launching a consumer application. Stay tuned!

While I have not been able to cover all of our new opportunities, suffice it to say that 2023 appears to be the year where Cognovi's Emotion AI will help lead the future of AI.

CODERS4 FUTURE

Everything that is considered innovative and scalable needs a computational division. With a world immersed in the pandemic of COVID 19, the only way out was through technology and the creation of software solutions. Technologies such as Artificial Intelligence, Blockchain, and Data Science are pillars for the new economy of the world today, which has learned to work and use software as a service.

With this view, Coders4future has as its basic premise the development of computational skills, where the key objective is to learn how to solve problems and not simply learn a programming language. With methods aimed at collaborative learning, we are focused on developing real

solutions and are fully aligned with the needs of companies that require collaborative teams. Therefore, we can reach two markets, companies with an increasing need for technology professionals for the survival of their businesses, and people with the right skills who can change their world by gaining the computational knowledge we provide.

ParaGen TECHNOLOGIES

IIn Q1 2023 our focus continues to be our two commercial entities: RenovoDerm and Atreon Orthopedics. Hospitals are back at pre-COVID procedure levels, and we continue to accumulate excellent clinical data for marketing and reimbursement expansion.

RENOVODERM

We continue to see excellent clinical results with complex surgical and chronic wounds from RenovoDerm. With complex surgical wounds we are targeting general surgeons, trauma surgeons, plastic surgeons, orthopedic reconstructive surgeons for OR utilization. Also, our inpatient, complex OR surgical business continues to accelerate demonstrating: accelerated time to wound closure of full thickness tissue, helping to reduce risk of complications, reduce the over utilization of other advanced modalities and high-cost CTPs to the healthcare system. On average we see 50% closure within two weeks and complete wound closure within four weeks.

Sales continued to grow with a 24% increase over Q4 2022 and a 37% increase over Q1 2022. Also, we added 13 new distributors in Q4. Phoenix is now represented by 71 national distribution partners.

We received approval at one new hospital system (SCRIPPS), four surgical centers and seven private practices. We currently have open VAC submissions or evaluations at eleven hospital systems or surgical centers; with an additional eight private practice evaluations ongoing.

The team launched a new Phoenix Surgical line of products and a new marketing campaign targeted towards both in-patient and out-patient centers.

ATREON ORTHOPEDICS

For Atreon Orthopedics in Q1 2023 A ROTIUM Patient Outcome Poster was accepted at Shoulder360 showing a 7.1% retear rate with ROTIUM vs. 50% retear rate without. The poster represents all of Dr. Brian Badman's patients enrolled in our prospective study that are post-op 1-2 years.

Atreon also began product development work on a new onlay product and continued work on expanded indications.

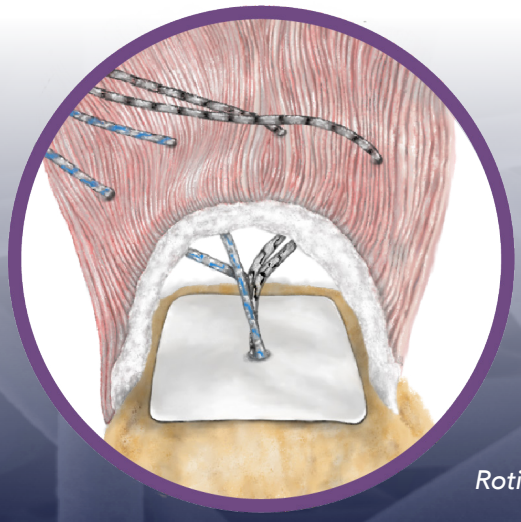
ROTIUM

Sales continued to show increases compared to prior year—190% growth compared to Q1 2022. Rotium is being used by sixty surgeons on an ongoing basis.

The Average Selling Price (ASP) per unit continues to climb, indicating an acceptance in bone/tendon surgeries.

As mentioned above, we slowed development efforts for Tarian Medical to focus resources on the commercialization of the Phoenix and Rotium devices.

We also slowed development efforts for Vascular Genesis to focus resources on the commercialization of the Phoenix and Rotium devices. However, we continue to work with the University of Chicago and Children's National Hospital in planning animal surgeries for a patient-specific vascular graft.



Rotium patch

CAPTURE

The Capture BOD is pleased to present this quarterly update. Q1 2023 has provided Capture a chance to catch our breath and begin to assess where we have been successful and where we need to focus as we move forward. This update addresses both business units (Capture Diagnostics COVID testing pivot and Capture Collective biodosimetry commercialization).

As the government and Hawaii State sponsored COVID testing programs have wound to a close in Q2 of 2022, Capture Diagnostics has been able to sustain revenue through our customer/partner relationships with the TV, film, and entertainment industry. However, overall revenues have been steadily declining quarter over quarter. We also have confirmation that the COVID testing mandate will end on May 15, 2023.

Summarizing the pivot into COVID testing impact for the company retrospectively over a two-year period, a total of $141,063,137 in revenue was realized. The revenue can be described as a "windfall", with the sharp fall beginning in Q1 2022 and continuing to decline through the remainder of 2022. This was characteristic of all COVID testing-focused businesses.

Capture's profitability also has provided operational funds to safeguard and partially execute on our original investment thesis in radiation biodosimetry. We have allocated funds to continue and accelerate our commercialization efforts through at least year end 2023 and possibly well beyond.

Moving forward within the Capture Diagnostics business unit we will continue to evaluate how to optimize our infrastructure and diagnostic testing laboratory footprint and the value this brings to the overall company.

The Capture Biodosimetry team continued executing per the plans set in motion earlier in 2022, achieving over 95% of the Q4 2022 and 98% of Q1 2023 targeted goals and milestones. The migration to the new Microsoft-based IT infrastructure and implementation of our Cybersecurity Maturity Model Certification (CMMC) Level 1 compliant infrastructure has continued on schedule. As previously briefed, CMMC compliance will provide the basic cybersecurity credentials necessary for Capture to work as a government contractor, and it is a significant milestone for a startup of our maturity level to obtain. Other Infrastructure accomplishments include the implementation and initial population for our Quality Management System (QMS), which will be our system of record for the product roadmap and FDA regulatory compliance documentation.

The team has also successfully submitted for two more grants, as well as an FDA "pre-submission". This FDA submission is an important and critical step in the productization process for any medical device and the FDA response to this submission is one of our critical milestones for the second half of 2023. Additionally, we now have established a research lab in Columbus, OH. The buildout was completed on time and under budget and is now set up for operation. Our contracted work with Battelle Memorial Institute has concluded, thus, validating our V1 Assay can be successfully run by independent 3rd parties. This work also served as a jump start to the work that will be conducted in Laboratory.

Clear milestones have been identified by Mike Brown, Executive Vice President of Strategy (and leader of the Biodosimetry Business Unit) and his leadership team. A couple of these will be realized by the July timeframe, and several others are scheduled to be completed prior to the end of 2023. While the overall mission of Capture Collective remains the same:

"To commercialize a High-Throughput (HT) biodosimetry assay capable of quantitatively detecting absorbed radiation dose in response to a nuclear event to guide the countermeasures."

There has been a shift in the US Governments guidance regarding solutions in this space. A 2021 requirements publication by RNCP/NIAID (Radiation and Nuclear Countermeasures Program and National Institute of Allergy and Infectious Diseases) highlights that the government is no longer interested in purchasing a "dose only" solution for the national stockpile.

The founding thesis for Capture Collective had two initial fundamental goals identified to pursue our Mission Statement. One main goal was to drive toward non-dilutive funding. A secondary goal was to assess Capture's ability to compete for a piece of the pie for the US Government Emergency Readiness Stockpile to "provide a High Thruput (HT) Radiological Biodosimeter capable of triaging exposed individuals in the event of a mass radiation exposure or adverse radiological event" (detonation of a "dirty bomb", leak or meltdown from a reactor source, a battlefield nuclear detonation, or similar). A potential pathway that has recently been presented to Capture by our governmental advisors, is to expand upon the "dose only" capability of our assay and add biomarkers with additional value.

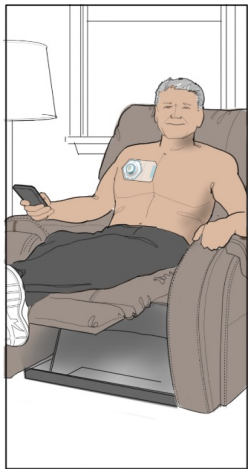
Turning toward the future, feedback from the FDA regarding our FDA Pre-submission along with governmental guidance as we evaluate additional biomarkers, will be key inputs as we plan for 2024 and beyond. Part of the specific challenge with the FDA, and one of the main reasons for Capture prioritizing our FDA Pre-submission, is that the current designation for a "dose only" radiation biomarker based high throughput assay is currently EUA (Emergency Use Only).

Based on current assets and cash on hand, we can comfortably operate well beyond this year-end 2023 milestone. We will be establishing clear and concise "go, no–go" criteria for where we need to be and establish the rubric on which the year-end BOD recommendations will be based.

TegoSens

In Q1 2023 we continued to execute our business plan. The execution speed reflects the lower staffing levels and is aligned to the funds raised. Near commercial ready prototype in build. This product iteration will be used for the animal study, which is now in process as of April 2023. Expected completion by July end 2023. Any additional refinements to sensor firmware & software subject to completed animal study learnings. Development work for product ancillaries in progress.

Requested FDA for a pre-submission meeting for feedback for our planned FDA 510K clearance. Anticipate a meeting with FDA in late June. First draft of pivotal clinical study FDA clearance completed and submitted to with this request to FDA. Potential sites for this clinical study identified and started initial discussions to select sites. Contracts for this study with selected sites to be signed in line with funds needed to support the study. Filed a new patent application for the technology and anticipate continuing new IP filings to strengthen the patent portfolio.



TegoSens device

ULEVO HEALTH

Ulevo Health, Inc., based on a technology licensed through the University of Miami, Florida, offers a patented technology for a personalized device designed to automatically detect and reduce muscle spasms with vibration. This technology is designed to alleviate the most disabling aspects of spasticity, the involuntary muscle contractions (spasms) that occur throughout the day and night and without warning, which interfere with bodily functions, exacerbate pain, limit rehabilitation, disrupt daily activities, especially sleep, and lower overall quality of life.

In Q1, 2023, Ulevo received final and identical reimbursement pathway reports. We Ulevo believes that the company will be successful in identifying far more opportunities for payment and reimbursement for the devices in additional spaces, both vendors identified: 1. Eligibility for De Novo Code, 2. Immediate DME Code (E1399) - $320 Plus(+), and 3. Immediate Reimbursement for Procedure (Either of:)

1. Current Chronic Care Management–Up to $256 Monthly
2. Remote Physiologic Monitoring–$56.41 Monthly.
3. Remote Therapeutic Monitoring–Up to $256 Monthly

In Q1, Ulevo produced our 2nd prototype, without cost and entirely within both the University of Miami's Miller School of Medicine and School of Engineering. In addition, the Miami Miller School of Medicine and The Miami Project to Cure Paralysis agreed to their 2nd human study and established a Principal Investigator, Dr. James Guest, MD, who is currently developing the IRB and 2nd human trials budget. While formal fundraising began in Q4, new direct investor solicitation continued through Q1 and into Q2, with the next formal event April 05, 2023.

Further in Q1, 2023, 3rd party board-design, form and human factors designers, as well as FDA consultants for formal submissions to the FDA have been engaged. Based on reimbursement pathway, the company's FDA pathway has changed to full 510(k) submission to maximize all reimbursement opportunities.

TECHNOLOGIES LICENSED AND BUSINESSES LAUNCHED

This platform will operate in the Brazilian real estate market. Amidst the pandemic crisis the real estate market grew 26% in 2020 and there are projections of 35% growth in 2021.

The main objective of this platform is to promote security and agility while buying, selling, and renting real estate.

The main technological differentiator of this environment is the possibility of using blockchain to ensure that the whole process, from signing contracts using notary offices, rental insurance companies, banks, real estate agencies, and partners is secure and 100% digital.

With the involvement of Brazilian real estate market specialist Jefferson Jacob Junior, the definition of the market of operation and launching strategy was revised in the last quarter. Because of this 4I seeks to establish more partnerships with small real estate agencies before launching the platform's development. This will be important to start operations with a considerable portfolio of properties on the platform.

Development is planned to start at the end of Q1 2023, with six months of development anticipated before proof-of-concept (POC) is launched to the market. We will start the project with a local real estate company and a partnership with the largest real estate registry of Pará. Following this validation period, the expansion to other markets will occur.

The Bellalura technology uses the application of low magnetic field technology for non-invasive cosmetic treatments, initially targeted for aesthetic facial treatments or "facial rejuvenation."

While the FDA pathway analysis report was completed, identifying predicates and a straightforward 510(k) procedure, the IRB committee within Florida International University, from which the technology was optioned, have authorized additional personnel and resources to be allocated from the university's Herbert Wertheim College of Medicine to assist FIU's School of Engineering and the technology's inventors. While this effort to coordinate both Engineering and Medical Schools has required the bulk of Q1, 2023, the strength of the combination of these 2 mutually beneficial entities within FIU will allow for further and detailed human testing. To affect this additional human testing, the establishment of FIU Wertheim College of Medicine personnel, specifically dermatologists, is now planned for Q2 and Q3 of 2023, with testing and trials to be completed by late Q4, 2023 or early Q1, 2024. This completed testing will allow for the development of the next generation and 1st commercially-viable prototype, providing for a far more specific funding sources, both public and private, as well as distribution channels.

MemScan

MemScan's development team is from the University of Miami, FL and is based within the Bascom Palmer Eye Institute, one of the world's top eye and vision research centers. MemScan is developing a diagnostic tool that combines artificial intelligence, fractal analysis, electroretinography and a proprietary algorithm for the purposes of accurately diagnosing cognitive impairment.

In Q1, 2023, the company established a formal management team and have set-out, initially, to submit grant requests to both the State of Ohio and the National Science Foundation (SNF). The use of these prospective grant funds will be a continuation of the algorithm development for this technology which is scheduled to continue into Q2, 2023. In addition, the development team has introduced both the prospective addition of artificial intelligence (AI) to the technology stack, a substantial enhancement, as well as the develop of a compact fundus camera for selected spectral illumination during retinal imaging, both additional targets for grant funding.

FlexAbiliti

In Q3 of 2022, FlexAbiliti, Inc. was formed to execute an option agreement with the Florida State University Research Foundation Inc (FSURF). The technology optioned is a medical device; a splint that attaches to a patient's lower leg and foot to stretch the patient's Gastrocnemius (calf muscle), improving vascular function in the lower leg. The device is indicated for patients with Peripheral Artery Disease (PAD) who either cannot or will not walk to increase circulation.

The dorsoflexion splint has undergone a small clinical trial, the results of which are due to be published in Q1 2023. A larger clinical trial conducted at the Mayo Clinic, in Jacksonville Florida, is still underway and is due to be completed in Q2 2023. The option duration is conditional, set at 60 days after completion of the Mayo Clinic trials and receipt by Ikove of the results and analysis from those trials. Current actions include periodic status reports from the clinical trials team.

In 2020, it was estimated that PAD affects 21 million people in the US. Lifetime estimates of PAD risk, defined by an ABI <0.90, suggest that 30% of Black individuals and 20% of non-Hispanic White individuals will develop PAD. PAD affects about 8.5 million people in the US (7% of the population). The PAD market was valued at $3.82 billion in 2021 and is expected to grow at a CAGR of 9% from 2022 to 2029.

The device induces dorsoflexion of the foot (toes pushed upward), which reduces muscle oxygenation in the calf muscle and stimulates adaptive responses in blood vessels and muscle fibers to improve circulatory function.

In Q4, YEEO Eco-Safe Inc was formed to execute an option agreement with the University of New Mexico Rainforest Innovations, a New Mexico nonprofit research park corporation associated with the University of New Mexico (UNM). The technology optioned is a novel formulation of larvicide that is effective but safe for the environment and human health. YEEO stands for Yeast Encapsulated Essential Oil, which perfectly describes the product. Essential Oils are aromatic oils naturally produced by plants to deter herbivorous animals and decrease competition from nearby plants. Some of them, such as Orange Oil and Spearmint Oil, are toxic to the larvae of pest insect species. The yeast encapsulation makes them attractive as food for the larvae, which ingest the yeast, then are killed by the Essential Oil inside the yeast.

The optioned technology is currently being tested in Brazil by Fiocruz, a Brazilian Public Health organization. Preliminary results have been encouraging, showing very rapid, near 100% mortality to mosquito larvae. Another series of tests funded by the US Dept of Defense are due to commence in 2023 in Kenya. These tests will assess effectiveness against insecticide resistant mosquito populations and provide data for EPA registration.

In the last quarter, Safety Data Sheets have been created to two of the product formulations, and initial conversations have been had with a consultant to initiate the process of obtaining EPA approval of the products.

In the next 2 quarters, we expect to continue to gather field test data, prepare regulatory approval documents, evaluate costs to produce and distribute the YEEO larvicides (in comparison with alternative treatments) and develop an initial financial model and slide deck for the business, in anticipation of seeking investor funding. The University research team will be conducting research into a slow-release formulation, to extend the duration of efficacy, with a target of 30 days.

Insecticide resistant mosquitos are a target of YEEO Eco-Safe

Ikove negotiated an option for patent-pending technology from the University of New Mexico (UNM) that restructures natural silk for enhanced sunlight rejection. Researchers at UNM have reconstructed silkworm nanostructures to resemble white beetle scales, in an unwoven, silk-type fabric structure, which enhances the resulting fabric's radiative cooling performance and solar rejection under direct sunlight. We found the technology to be a novel method of deriving an advanced material solution from natural nanostructure designs, to develop highly efficient cooling fabrics. The restructured silk fibrous film can reduce the average temperature of a substrate, on which the film is coated, by 7.5 °C relative to a nonwoven raw silk fabric during daytime under solar radiation.

The synthetic silk can be produced by electrospinning as well as by melt-blowing, a method currently used for protective masks. For strength and durability, a thin layer would be deposited or bonded to a stronger, more structural fabric, for example and the composite material would then experience the thermal performance advantages. The inventors are continuing their work to optimize and scale, seeking grant funding to continue development. We plan to further research potentially lucrative market applications for future product development in the coming quarters.

AFFINITY DIAGNOSTICS

In Q1, 2023, Affinity Diagnostics became incorporated in conjunction with signing an option agreement with George Mason University (GMU), which has great significance as our first technology agreement with this highly respected institution. One area where GMU has significant accomplishments and technologies ready for commercialization is in the life sciences field, with a particularly valuable resource in a CAP/CLIA certified laboratory to support medical technology innovation.

Surging usage of drugs across the globe has accelerated drug screening adoption. According to the World Drug Report 2022, drug use disorders were estimated to affect 36.3 million people worldwide in 2019, accounting for nearly 13% of the global population. Drug use killed nearly half a million people in the same year and drug use disorders resulted in the loss of 18 million years of healthy life, primarily due to opioids. To address consumption of drugs of abuse, including medications and focusing on effective interventions drug testing is utilized as a tool in the criminal justice system and medical field to ensure compliance. The global drug screening market was valued at $5.3 billion in 2022 and is expected to reach $18.99 billion by 2029, registering a CAGR of 17.3% during the forecast period of 2022-2029. The urine collection method accounts for the largest sampling segment in the drug testing market. It provides revenue contracts through the RFP process, when awarded results in multiple year agreements with favorable reimbursement rates and timelines. In addition, the integrated behavioral health market provides additional revenue opportunities.

GMU has developed a novel collection technology, featuring an "affinity capture matrix" that can capture the sample in a manner that can store the sample after excess liquid is drained off. GMU's development made advances to improve extractability of the drugs from the oral fluid matrix, improved linearity and yield of laboratory testing and stabilization of the drug at room temperature for extended periods of time. Collecting saliva, or "oral fluid," is an ideal biofluid for testing drugs of abuse due to the non-invasive collection, and the sample can be collected by non-medically trained personnel. The need for observed collection to verify the patient authentication is resolved and access to testing increases. The transportation and storage of saliva samples reduces potential cross contamination and rejected samples when they arrive at the laboratory. The additional benefits it offers are cost-effectiveness, high detection accuracy of multiple drugs, and fast turnaround times (the time interval between accessioning the sample at the laboratory to the time the results are verified), which are disruptive to the current testing that is available in the market.

We envision a diagnostic business service model based on this game-changing collection method; technology for authentication (SNP genomic fingerprinting authentication) and high throughput analysis (Mass spectrometry) are commercially available, standard analytics laboratory tools, so the instrumentation needs are established.

We will spend Q2 further evaluating the technology and validating the business model to further develop our strategy. We can leverage expertise from our Capture DX leadership team for knowledge and networks as we develop our business plan.

As we continue to navigate a very difficult economic environment we remain positive that our core positions will continue to do well. With the conclusion of the allocation period for SUN Fund, our goal now is to grow the later stage companies and manage the launch of the new companies with a difficult backdrop. We may take longer to actually go out for external funding for the newer companies and continue development internally as we hope funding environment will improve in 2024.

As always, we thank you for your unwavering support.

Flavio Lobato
Co-Founder and Principal, Ikove Capital

Flavio Lobato is Principal and Founder of Ikove Venture Partners, a Venture Development investment company focused on commercializing life changing technologies in partnership with leading research institutions. He is also Founder and CIO of the Startup Nursery Fund (SUN Fund), Ikove's proprietary investment fund, annualizing at over 40% since launch in 2019.

Flavio is an investment expert with over 25 years of experience in alternative investments and traditional markets, having worked at Goldman Sachs & Co., Credit Suisse | First Boston, Liongate Capital and Swiss Capital Group.

Over the last decade, Flavio has re-focused his career away from Wall Street and become a successful serial entrepreneur where he helped launch and fund over twenty successful startups having direct involvement on Boards and acting as a close advisor and coach to CEOs and management teams.

Flavio is CEO and Chairman of Circular Wave Drive, a speed reducer technology company focusing on revolutionizing robotics.

Mr. Lobato received his MBA from Harvard Business School with honors, and his undergraduate in International Finance and Marketing from the University of Miami, cum laude. He is a student advisor to the Harvard Innovation Lab (I-Lab) and is co-head of Fintech for the Harvard Angels of NYC.

Flavio has written extensively about venture capital and financial markets. A sample of his writings can be found here: https://www.ikovecapital.com/News/Insights/

Flavio is fluent in English, Portuguese, Spanish, and conversational French.

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