

23 June 2021

Allied Minds

Portfolio company update and share buyback programme

Allied Minds plc (LSE: ALM, "Allied Minds" or "the Group"), the IP commercialisation company focused on early-stage company development within the technology sector, announces that its portfolio company, Spin Memory, Inc. will embark on an Assignment for the Benefit of Creditors in the coming days.

Allied Minds first invested \$1.5m in Spin Memory in November 2007 and continued to provide funding in subsequent fundraising rounds. Allied Minds' total investment in Spin Memory to date is \$50.5m. As indicated at the full year results in March, despite shareholders providing operational and financial support, Spin Memory faced significant liquidity issues. These were due to challenges in securing new customers, alongside the impact of COVID-19 which significantly delayed the required testing of its development chip with ARM.

In light of these challenges and the significant quantum of capital committed to Spin Memory to date the Board of Allied Minds has concluded that it is no longer prepared to make any further investment into Spin Memory and the Board of Spin Memory has taken the decision to liquidate.

An Assignment for the Benefit of Creditors offers the business a greater chance of liquidating its assets to pay creditors with any additional proceeds being available to return to its shareholders.

Allied Minds is a minority shareholder in Spin Memory with a fully diluted holding of 34%. There can be no guarantee that Allied Minds will receive any capital from the liquidation proceedings.

Share Buyback Programme

Given the developments at Spin Memory, the Board has reviewed the Group's capital position. Based on the expected future capital requirements of the Group's portfolio companies, and thanks in part to the Group's recent operating cost reductions, the Board has determined that the Group currently holds excess capital which should be distributed for the benefit of shareholders. In light of the prevailing share price, the Board believe that a share buyback is the most value accretive means of distributing this capital.

Allied Minds' Board of Directors (the "Board") has approved a new programme to buy back up to \$3.0 million of the Group's shares ("Buyback Programme"). Share purchases will take place in open market transactions and may be made from time to time depending on market conditions, share price, trading volume and other factors. The Group has entered into a non-discretionary arrangement with Numis Securities Limited ("Numis") to manage the Buyback Programme and repurchase the Group's shares on its behalf, and within certain parameters.

The Buyback Programme will run from the date of this announcement to 15 October 2021 or, if earlier, the date of the announcement of the Group's interim results for the six months ending 30 June 2021. Purchases may continue during any closed period to which the Group is subject during the above-mentioned period.

The Buyback Programme is in accordance with Allied Minds' general authority to purchase a maximum of 24,218,799 Ordinary Shares, granted by its shareholders at the Annual

General Meeting held on 12 May 2021 and the purpose is to reduce share capital. Shares purchased under the Buyback Programme will be cancelled.

The Buyback Programme will be effected within the parameters of the Market Abuse Regulation 596/2014/EU and the Commission Delegated Regulation 2016/1052/EU (as in force in the UK from time to time, including where relevant pursuant to the Market Abuse (Amendment)(EU Exit) Regulations 2019). The Group confirms that it currently has no other unpublished price sensitive information.

Harry Rein, Chairman of Allied Minds, commented:

"Like many businesses, COVID-19 had a significant impact on Spin Memory and, as previously mentioned in our full year results and our Capital Markets Day, the Board of Spin Memory has been working to achieve the best outcome for its staff, customers and investors."

"Although there can be no guarantee that we will receive any capital from the proceedings, filing for an Assignment for the Benefit of Creditors provides the best opportunity for that."

"With the developments at Spin Memory, we now hold excess capital within the Group which we are pleased to be able to return to shareholders via a share buyback."

Mark Lerdal, Non-Executive Director of Allied Minds and Board Member of Spin Memory, said:

"The Board and management of Spin Memory are very disappointed to have to make this decision. We have worked hard to explore all options and to try and avoid this outcome, but believe that it is in the best interests of the company and all its stakeholders. We'd like to thank Spin Memory's staff for all their work and dedication during this challenging time."

For more information, please contact:

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This announcement contains inside information for the purposes of the Market Abuse Regulation (EU) No. 596/2014 as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019.

About Allied Minds

Allied Minds plc is an IP commercialisation company focused on early stage company development within the technology sector. With origination relationships that span US federal laboratories, universities, and leading US corporations, Allied Minds historically created, and now operates and funds, a portfolio of companies to generate long-term value for its investors and stakeholders. Based in Boston, Allied Minds supports its businesses with capital, management, expertise and shared services. For more information, please visit www.alliedminds.com.

Allied Minds Forward-Looking Statement

This press release contains statements that are or may be forward-looking statements, including statements that relate to Allied Minds' future prospects, developments and strategies. The forward-looking statements are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from current expectations, including, but not limited to, those risks and uncertainties described in the risk factors included in Allied Minds' regulatory filings. These forward-looking statements are based on assumptions regarding the present and future business strategies of Allied Minds and the environment in which it will operate in the future. Each forward-looking statement speaks only as at the date of this press release. Except as required by law, regulatory requirement, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither Allied Minds nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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