

Proposed disposal of Allied Minds' interest in HawkEye 360 for \$65.6 million

Boston, MA (24 September 2019) Allied Minds plc (LSE: ALM), the IP commercialisation company focused on early stage company development within the technology sector, announces that it has conditionally agreed to sell its entire stake in its portfolio company HawkEye 360 to Advance for cash consideration of \$65.6 million ("Proposed Disposal"), subject to shareholder approval.

Highlights

- Gross cash proceeds from the Proposed Disposal of \$65.6 million
- Represents a 5.6x return on invested capital; equivalent to an internal rate of return (IRR) of 96.0% over four years
- \$32.8 million, or 50% of the gross proceeds, to be returned to shareholders
- Irrevocable undertakings or letters of support in favour of the transaction representing 58.0% of issued share capital

HawkEye 360 was founded by Allied Minds in 2015 with the objective to use formation flying satellites to create a new class of radio frequency ("RF") data and data analytic products. HawkEye 360 operates a first-of-its-kind commercial satellite constellation launched in December 2018 to identify, process, and geolocate a broad set of RF signals. It extracts value from this unique data through proprietary algorithms, fusing it with other sources of data to create powerful analytical products that solve hard challenges for its global customers. Products include maritime domain awareness and spectrum mapping and monitoring; customers include a wide range of commercial and government entities.

Joe Pignato and Mike Turner, Co-CEOs of Allied Minds, commented:

"This is a major development. The sale provides an excellent return on invested capital, enables us to make a significant return of cash to shareholders, and strengthens our ability to continue to fund and support our existing technology portfolio. Our focus now is on realising value from the rest of our portfolio through continued operational and financial support, as well as selective, well-timed exits to maximise returns to shareholders."

The Proposed Disposal is a class 1 transaction under the UK Listing Rules. Completion of the Proposed Disposal is expected to take place in Q4 2019 following satisfaction of conditions precedent. The sole material condition is approval by Allied Minds' shareholders at a general meeting. Allied Minds will in due course publish a class 1 circular setting out further details on the Proposed Disposal and including a notice of a general meeting.

Allied Minds has received confirmations of intention to vote in favour of the Proposed Disposal from shareholders representing an aggregate of approximately 58.0% of the issued share capital, comprising irrevocable undertakings in respect of an aggregate of 87,939,320 ordinary shares, representing approximately 36.4% of the issued share capital, and non-binding letters of intent in respect of an aggregate of 52,108,765 ordinary shares, representing approximately 21.6% of the issued share capital.

Gross cash proceeds from the Proposed Disposal will comprise (i) \$5.0 million in respect of Series B preferred stock subscribed by Allied Minds on 5 August 2019 for a consideration of \$5.0 million, and (ii) \$60.6 million in respect of Series A preferred stock previously subscribed by Allied Minds. The consideration of \$60.6 million for Series A preferred stock represents a 5.6x return on invested capital of \$10.8 million, equivalent to an internal rate of return (IRR) of 96.0%. The Board of Directors believes the price agreed for the Proposed Disposal is a compelling risk-adjusted rate of return.

Allied Minds intends to initially return \$32.8 million to shareholders, or 50% of the gross proceeds. The remainder of the proceeds will be used to fund potential follow-on investment opportunities within Allied Minds' existing technology portfolio, working capital, and transaction expenses.

In order to be able to return these proceeds to shareholders, Allied Minds intends to take the necessary steps to create sufficient distributable reserves, including a resolution at the general meeting. Subject to there being sufficient available distributable reserves, Allied Minds intends to return proceeds to shareholders via a special dividend, share buyback or other method, and will evaluate market conditions and other factors, and consult with shareholders on the preferred method of capital return. Further details on the Board's current expectations regarding the use of proceeds and the proposed return of capital to Allied Minds' shareholders will be set out in the class 1 circular.

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About HawkEye 360

HawkEye 360 is a Radio Frequency (RF) data analytics company. It operates a first-of-its-kind commercial satellite constellation to identify, process, and geolocate a broad set of RF signals. It extracts value from this unique data through proprietary algorithms, fusing it with other sources to create powerful analytical products that solve hard challenges for our global customers. Products include maritime domain awareness and spectrum mapping and monitoring; customers include a wide range of commercial, government and international entities. More information about HawkEye 360 can be found at www.he360.com.

As at 31 December 2018, the gross assets of HawkEye 360 were \$26.6 million. HawkEye 360's underlying operating loss for the year ended 31 December 2018 was \$8.0 million. The following individuals are deemed to be key individuals to HawkEye 360: John Serafini, Chief Executive Officer; Chris DeMay, Founder and Chief Technology Officer; Rob Rainhart, Chief Operating Officer; and Alex Fox, EVP Business Development, Sales and Marketing.

About Advance

Advance is a private, family-owned business that owns, operates and invests in assets spanning media, communications, technology and other promising growth sectors. Advance's mission is to build the value of its companies over the long-term by fostering growth and innovation. Advance's portfolio includes Condé Nast, Advance Local, Stage Entertainment, American City Business Journals, Leaders Group, Turnitin, 1010data and Pop. Together these operating companies employ more than 15,000 people in 18 countries. Advance is also among the largest shareholders in Charter Communications, Discovery and reddit. www.advance.com

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.

This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014.

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