

Allied Minds

Portfolio update

Federated moving towards commercialisation

Allied Minds' portfolio company Federated Wireless has announced new connectivity-as-a-service (CaaS) offerings with Microsoft Azure and Amazon Web Services. This brings to market the first private 4G/5G wireless cloud solution, offered as an end-to-end managed service. These parallel announcements herald a trial period, with initial commercialisation expected towards the end of FY20, but with meaningful revenues expected to build in subsequent years. Having only received FCC approval for initial commercial deployment of CBRS in September 2019, commercialisation has proceeded more quickly than anticipated, underlining Federated Wireless's first-mover advantage in the US. Allied Minds has also recently completed payment of a special dividend of 12.62p per share (£30.5m in total) to shareholders, from the sale of its stake in HawkEye 360.

Period end	Ownership adjusted value (OAV) (US\$m)	Parent-level net cash (US\$m)	NAV (US\$m)	NAV/share (p)	P/NAV (x)
12/16	415.8	136.7	552.9	208.0	0.19
12/17	395.6	84.2	479.8	150.0	0.26
12/18*	226.7	50.6	277.3	88.8	0.44
06/19**	266.1	31.3	297.3	94.7	0.41

Note: NAV is calculated as fair value plus net cash at the parent level. *FY18/H119 NAV is based on our estimate of fair value as this is no longer disclosed by the company. **H119 net cash and NAV are adjusted for post period-end investments.

Federated Wireless has announced new connectivity-as-a-service offerings with Microsoft Azure and Amazon Web Services. This brings to market the first private 4G/5G wireless cloud solution, offered as an end-to-end managed service. Having only received FCC approval for initial commercial deployment (ICD) in September 2019 (following completion of its \$51m Series C investment round), commercialisation has proceeded more quickly than anticipated, underlining Federated Wireless's first-mover advantage in the US. Federated Wireless has more than 30 customers offering live commercial services and another 50 at development stage. Customers include: Verizon, Charter, American Tower, Airspan, Boingo Wireless, Cambium Networks, Cradlepoint, Contour Networks, Ericsson, ExteNet Systems, Geoverse, JMA Wireless, Landmark Dividend, Motorola Solutions, Nokia, Samsung, Telrad and Wave Wireless.

Investment companies

19 February 2020

Price **39.15p**
Market cap **£95m**

US\$1.30/£

Net cash (US\$m) at 30 June 2019 46.6

Shares in issue 241.6m

Free float 91%

Code ALM

Primary exchange LSE

Secondary exchange N/A

Share price performance



Business description

Allied Minds is a technology investment company with a concentrated portfolio focused on early-stage spin-outs from US federal government laboratories and universities.

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