

22 January 2025

Mindflair plc

("Mindflair" or the "Company")

Proposed Share Option Scheme

Mindflair plc (AIM: MFAI), the company investing in next generation technology focused on AI announces the proposed adoption of a new Share Option Scheme (the "Scheme") and the issue of options.

Rationale for the Scheme

The adoption of the Scheme underscores the Company's commitment to the aligning of the interests of its management team to those of its shareholders and to compensate the management team for the waiving and reduction of cash remuneration over the last 12 months in order to conserve the cash resources of the Company over a difficult period in financial markets.

Furthermore, whilst not being a requirement, the Company has specifically made the Scheme subject to shareholder approval which is consistent with the Company's ethos of working closely with and in the interest of its shareholders.

The Scheme

The Company has conditionally granted 41,500,000 options, in aggregate, with an exercise price equal to nominal value of the Company's ordinary shares, over new ordinary shares in the Company ("Ordinary Shares"), which would represent 7.8% of the Company's current issued share capital, subject to the Scheme being approved by shareholders at the Company's next general meeting. The recipients and details of the Scheme are set out below:

Name	Date of issue	Position	Options	Exercise Price	Maturity
Nicholas Lee	22/01/2025	Director	28,000,000	0.25p	22 January 2035
David Palumbo	22/01/2025	Non-Executive Director	8,500,000	0.25p	22 January 2035
Robert Porter	22/01/2025	Employee	5,000,000	0.25p	22 January 2035

Nicholas Lee, a Director of the Company, has been conditionally granted 28,000,000 options over new Ordinary Shares. These options vest as follows:

- 9,333,333 options vest following shareholder approval ("First Tranche");
- 9,333,333 options vest upon the Company's share price increasing to 2.5 pence per Ordinary Share, measured over a consecutive 5-day period (a circa 130% increase from the current share price); and
- the remaining options vest upon the Company's share price increasing to 34.0 pence per Ordinary Share, measured over a consecutive 5-day period (a circa 260% increase from the current share price).

David Palumbo, Non-Executive Director, and Robert Porter, an employee of the Company, have been conditionally granted 8,500,000 and 5,000,000 options, respectively. These options vest in three equal tranches subject to time-based milestones:

- one third of the options granted shall vest following shareholder approval ("First Tranche");
- one third of the options granted shall vest on 22 January 2026; and
- one third of the options granted shall vest on 22 January 2027.

The current grant of options under the Scheme amounts to 7.8% of the Company's current issued share capital, although the Scheme will permit the issuance of up to 15 % of the Company's issued share capital under option in the future, as enlarged from time to time. if required.

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A further announcement in relation to a circular being posted to convene a general meeting will be made in due course.

Nicholas Lee, Director, said:

"The Scheme is an effective way of both compensating the directors and employees for the significant reduction in cash compensation in order to conserve cash for the Company whilst, at the same time, aligning their compensation with shareholders' interests such that a significant element of the return from this arrangement only crystallises once the Company's share price has increased substantially from current levels."

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement. The person who arranged for the release of this information is Nicholas Lee, a director of the Company.

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Notes to Editors

About Mindflair plc

Mindflair plc (AIM: MFAI) is an investment company providing investors with access to a portfolio of next generation technology businesses focused on AI with significant growth potential.

The Company is building an investment portfolio of high-tech businesses across areas such as Artificial Intelligence, Internet of Things, Cyber Security, Machine Learning, Immersive Technologies and Big Data, which the Board believes demonstrate evidence of traction and the potential for exponential growth, due to increasing global demand for development in these sectors.

For further information, visit is <http://www.mindflair.tech/>.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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