

Pires Investments PLC
("Pires" or the "Company")

Unaudited interim results for the six months ended 30 June 2021

Pires Investments plc (AIM: PIRI), the investment company focused on next generation technology, is pleased to announce its unaudited interim results for the six-month period ended 30 June 2021.

Highlights

Company highlights

- Profit achieved of £1.53 million during the period (six months ended 30 April 2020: loss before taxation of £427,000)
- Net asset value ("NAV") of £7,080,000 as at the period end (31 December 2020: £2,926,000), equating to NAV per share of 4.94 pence, an increase of over 80% since 31 December 2020

Portfolio highlights

- Interest in Sure Valley Ventures ("SVV") increased to circa 20% via the purchase of a shareholding in Sure Ventures plc ("SV plc")
- New investments made by SVV include Virtex, PreCog, Smarttech247 and follow-on investments in Warducks and Getvisibility
- Significant increase in valuation of the majority of portfolio companies based on new funding rounds involving third party investors
 - Portfolio continues to attract international investors such as EQT, University of Tokyo, Foresight Williams Technology (a joint collaboration between Foresight Group and Williams Advanced Engineering), Business Growth Fund, Puma Investments, Japanese Miyako Capital, Austrian APEX Ventures and Silicon Valley's R42 Group
- New direct investment made in PreCog and follow-on investments in Low6 and Getvisibility, coupled with an increase in valuation of Getvisibility
- Investments made in the digital assets technology sector

Post-period end highlights

- £11 million raised by VividQ from investors including the University of Tokyo, Foresight Williams Technology and Silicon Valley's R42 Group
- €3 million raised by Ambisense through funding round led by BGF and supported by existing investors, including SVV, Atlantic Bridge and Enterprise Ireland
- CameraMatics announced a partnership with UK transport and logistics operator Maritime Transport Ltd
- Balance of proceeds received from the sale of Artomatix
- Capital restructuring of the Company's balance sheet approved by shareholders
- Smarttech247, a recent portfolio investment, is already actively pursuing an IPO

Nicholas Lee, Director of Pires, commented:

"This has been another very busy and exciting period for the Company, with a significant level of investment activity and gains made across the portfolio. We strongly believe that our investment portfolio has the potential to deliver a high level of return, as demonstrated by the progress made to date. In particular, our investment in SVV is performing beyond the Board's expectation, with the

majority of the portfolio companies attracting additional investment from other investors at significantly higher valuations compared to the level of original investment and thereby also ensuring that these companies are well funded going forward.

Furthermore, SVV has almost completed its initial portfolio investment deployment and we anticipate further increases in the value of the portfolio companies and subsequent exits over the medium term. We are also excited about our investment in the digital asset technology sector where we have already achieved substantial gains.”

Investment overview

The Company’s principal investment portfolio categories are summarised below:

Category	Cost or valuation at 30 June 2021	Cost or valuation at 31 December 2020
	£000s	£000s
Sure Valley Ventures	3,851	1,507
Direct investments	884	419
Digital assets sector	1,951	-
Cash/other listed securities	474	1,122
Total	7,160	3,048

Investment in SVV

During the period, the Company increased its exposure to SVV through the purchase of 1.5 million shares in SV plc using new Pires shares as consideration. SV plc has a 25.9% interest in SVV and a direct investment in VividQ, one of the SVV portfolio companies. As a result of this transaction, Pires now has an aggregate (direct and indirect) interest in SVV of around 20%.

Within the SVV portfolio, new investments have been made in: Virtex, a company building a platform for the next-generation of live, immersive entertainment within the virtual reality gaming and e-sports industries; PreCog, a security solution platform company that provides data intelligence to combat crime, terrorism and protect vulnerable people; and Smarttech247, a global artificial intelligence based cyber security cloud business that protects enterprises as they migrate to cloud-based IT operations. Smarttech247 is profitable with high forecast revenue growth and has over 100 technology partners, including Tanium and CrowdStrike, and 50 clients based in Europe and the US. Smarttech247 has also recently announced its intention to seek a listing by way of a reverse takeover transaction which is expected to complete later in the year.

Additionally, during the period, a number of the portfolio companies have been revalued upwards based on new funding rounds which have taken place at higher valuations compared to the valuation at the time of the initial investment. These companies include:

- CameraMatics raised €4 million in additional funding at a valuation that represents over 300% of the CameraMatics' valuation as at the time of SVV's initial investment in November 2017. The round was led by Puma Investments, a leading provider of growth capital. CameraMatics also announced a major partnership with UK transport and logistics operator Maritime Transport Ltd.

- Getvisibility completed a further funding round at a significant premium to the last round. This was led by Herb Hribar who was formerly CEO of Eircom, the largest telecoms group in Ireland and is currently a director of ScienceLogic, Inc, a leading provider of AI-based operations technology which recently completed its own US\$105 million round. Mr Hribar, who is based in the US, recently become Chairman of Getvisibility and is leading Getvisibility’s dialogue with potential Silicon Valley investors.
- Post the period end, VividQ has also raised new funds (£11 million) at a significant premium to previous valuations. This funding was led by a consortium of new international investors including the University of Tokyo, Foresight Williams Technology (a joint collaboration between Foresight Group and Williams Advanced Engineering), Japanese Miyako Capital, Austrian APEX Ventures and Silicon Valley’s R42 Group and follow-on investments from SVV, University of Tokyo Edge Capital (UTEC) and Essex Innovation. SV plc has a significant direct investment in VividQ thereby providing Pires with a disproportionately greater interest in VividQ through its shareholding in SV plc.

VR Education (“VRE”), one of the portfolio companies which is already listed on AIM, and from which funds have already been returned to Pires, has also made significant progress during the period with revenue up 83% for the half year to 30 June 2021. In particular, its ENGAGE product has now reached the milestone of over 130 commercial customers, including Abbott Laboratories, KPMG, MongoDB, and the US State Department as recent additions. Its strategic partner HTC Corporation (“HTC”) has commenced selling its ENGAGE product, VIVE Sessions, in China, as part of a software bundle with HTC’s new headset, the VIVE Focus 3, and with new HP ProBook laptops being sold in the region. In June 2021, VRE announced the planned development of a new fully featured corporate metaverse called "ENGAGE Oasis" with the launch expected in the first half of 2022. In addition, it raised €9.0 million (£7.7 million) before expenses at a price of £0.16 per share by way of an oversubscribed placing, announced on 18 June 2021 – the company’s net cash position was €9.2 million as at 30 June 2021.

As at the period end, SVV had a portfolio of 13 investee companies at different stages of development spanning a range of sectors. The portfolio provides Pires with exposure to a number of key, cutting-edge and rapidly growing technology sectors. Further details of the portfolio companies and recent developments are set out below:

Artificial intelligence	
Ambisense	Provides an Artificial Intelligence platform to deliver environmental risk assessment to allow real-time gas and environmental monitoring using both IoT and sensor solutions. The company has already been awarded a number of major contracts and has a substantial pipeline of opportunities.
Buymie	An artificial intelligence-based same day grocery delivery company operating in both the UK and Ireland working with companies such as Tesco, Lidl, Asda and the Co-op.
Security	
Nova Leah	An artificial intelligence cyber-security assessment and protection platform for connected medical devices.
Getvisibility	An artificial intelligence security company addressing the substantial problem faced by corporations in storing, sorting, accessing and protecting data. Recently raised additional funds at a significant premium and has been voted as one of Ireland’s top 18 start-ups.

PreCog	A security solution platform company that provides data intelligence to combat crime, terrorism and protect vulnerable people. The company recently completed a £1 million fundraising round. Customers include leading law enforcement and security agencies and transport infrastructure groups.
Smarttech247	A global artificial intelligence based cyber security cloud business that protects enterprises as they migrate to cloud-based IT operations. The company has recently won a major new contract with a Fortune Global-1000 company employing over 100,000 staff and already has a purchase order under this contract for €6 million. It has also recently announced its intention to list via an RTO process.
Immersive Technologies	
VR Education	A developer of virtual reality and immersive experiences with a specific focus on education and enterprise learning and development. The company is listed on AIM, has over 100 commercial customers and is rapidly growing revenue and margins. It recently raised €9.0 million in new funds.
Admix	A platform enabling the monetisation of interactive programmatic brand placements in, for example, video games and other AR/VR applications. The company is rapidly growing revenues and numbers of active users.
Warducks	A game development studio known for the production of leading games and is soon to launch an AR game that could be the next Pokémon Go.
VividQ	A deep tech software company which has developed a framework for real-time 3D holographic displays for use in heads-up displays and AR headsets and glasses. The company recently completed a significant £11 million funding round at a significant premium.
Volograms	A reality capture and volumetric video company. It is currently trialling a new app which has had very positive feedback to date.
Virtex	A company building a platform for the next-generation of live, immersive entertainment within the virtual reality (“VR”) gaming and e-sports industries. It is actively developing its new Stadium app.
Internet of things	
CameraMatics	Platform enabling transport fleet managers to reduce risk, increase driver safety and comply with growing industry governance and compliance. It recently raised €4 million at a 300% uplift in valuation. The company is growing revenues significantly and building its presence in the very significant US market where it has already won a number of new contracts.
Wia	Provides a platform solution for smart buildings. Its platform provides full device and application management, security, data capture and storage, analysis and control.

Direct investments

During the period, the Company increased its investment in Low6, an influencer-led B2B gamification company for sports franchises around the world. Low6 recently raised an additional £6.5 million in July 2021 in an over-subscribed pre-IPO fund raising. Its user base continues to increase and it now has over 250,000 users. Low6 is also actively progressing its IPO.

The Company made a new investment of £250,000 in PreCog, a security solution platform company that provides data intelligence to combat crime, terrorism and protect vulnerable people, as part of its £1 million fundraising round. Its customers include leading law enforcement and security agencies and transport infrastructure groups.

Pires also made a follow-on investment in Getvisibility, as part of a €1.1 million funding round led by a new lead investor Herb Hribar, who has also become Chairman of the company. This new funding took place at a significant premium to the valuation at which Pires made its original investment of €250,000 in March 2020. The funds raised will be used to enhance the company's marketing and sales capability in addition to deepening its technology and research know-how. The company is accelerating customer growth and is also now servicing customers in Europe and the MENA region.

Digital assets sector

The Company completed its first investment in the digital assets sector through an investment in De Tech Studio Limited and YOP tokens. Certain YOP tokens were sold to realise a substantial cash profit and the balance of the investment was used to subscribe for shares in Pluto Digital Assets plc ("Pluto"). The rationale for this transaction was to diversify and de-risk the investment and provide greater liquidity given Pluto's intention to list.

Pluto is a software technology company and operator in the decentralised finance ("DeFi") and non-fungible tokens ("NFT")/Metaverse (virtual environments) sectors. It is currently developing a DeFi software platform, that provides a highly usable web DeFi portal to open up DeFi to a mass audience. This platform provides vault middleware to find and categorise a set of proprietary DeFi vaults to offer users the ability to generate yield from crypto currencies. Furthermore, Pluto has partnered with a leading NFT metaverse platform and is currently engaging with owners of digital media and rights to offer their content to the NFT community. In addition to Pluto's operational activities, it has made further investments in Web3 ventures and has acquired an NFT portfolio including assets such as Cryptopunks, Artblocks and BAYCs.

Pluto has advised the Company that it currently holds treasury assets including Bitcoin, Ethereum, Polkadot, Cardano and Solana. The company has also advised that, overall, its portfolio of venture and treasury assets has been performing well and the company's current NAV per share exceeds 6 pence, the price at which Pluto carried out its most recent fund raise in March 2021.

During the summer of 2021, Pluto has been focusing on expanding its product team and forming key partnerships. This work has progressed well and the company now believes that it is well-positioned to proceed with its planned IPO.

The Company's equity holding in Pluto is valued at almost £2 million based on the price of 6 pence per share, which represents a significant uplift on the Company's initial investment in this sector.

Key financial indicators

The key unaudited performance indicators are set out below:

Performance indicator	30 June 2021	31 December 2020	Change
	£000s	£000s	
Profit/(loss) attributable	£1,532	£(687)	
Net asset value	£7,080	£2,926	+142%
Net asset value – fully diluted per share	4.94p	2.7p	+83%

The Company has generated significant profits during the period driven by increases in value of its investment portfolio. At the same time, the Company's net assets have continued to increase over the period, although we do not believe that the Company's net assets fairly represent its financial potential, given the scope for significant valuation uplift for the companies within the portfolio. This is clearly demonstrated by the gains, both realised and unrealised, that have been achieved to date from its investment portfolio. Furthermore, realisations that are achieved within the SVV portfolio result in cash distributions to the Company and are not retained within the fund thereby delivering a real cash return to the Company.

During the period, the holders of warrants over 17,053,579 ordinary shares in the Company exercised their warrants at 4 pence per share with total net proceeds to the Company of £682,143. There are currently unexercised warrants over 33,221,403 new ordinary shares in the Company which expire in June 2022.

The Company is also very pleased to welcome a new Director, David Palumbo, to the Board. David is currently CEO of EQTEC plc and brings a wealth of experience in the venture capital and technology sectors. Also, at the recent AGM, Peter Redmond retired from the Board. We would therefore like to thank Peter for his time at Pires and his valuable contribution to the progress that the Company has made over recent years. We all wish Peter the very best in his future endeavours.

Furthermore, at the Company's recent AGM, shareholders approved the Company to proceed with a capital restructuring and reduction in order to both simplify the Company's capital and reserves and to eliminate the historical deficit on the profit and loss account in order to allow the Company to pay dividends and make distributions going forward.

With regard to Covid-19, the Company has remained fortunate in being able to trade as normal, with very limited impact on its investments.

In summary, the Company's investment in the technology sector has already proven to have been successful, with a substantial amount of the original investment already having been returned. Going forward, the Company is very well positioned to become a leading next generation technology investment company with an interest in a portfolio of high-tech companies that have the potential for significant growth.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The person who arranged the release of this information is Nicholas Lee, Director of the Company.

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Notes to Editors

About Pires Investments plc

Pires Investments plc (AIM: PIRI) is an investment company providing investors with access to a portfolio of next generation technology businesses 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: <https://piresinvestments.com/>.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2021

	Unaudited	Unaudited	Audited
	6 months ended 30-Jun 2021	6 months ended 30-Apr 2020	14 month period ended 31-Dec 2020
	£000s	£000s	£000s
Continuing activities			
	Notes		
Revenue			
Investment income	-	-	-
Other income	-	-	1
Total revenue	-	-	1
Gains/(Losses) on investments held at fair value through profit or loss	1,802	(261)	(149)
Operating expenses	(270)	(166)	(539)
Operating profit from continuing activities	1,532	(427)	(687)
Profit before taxation from continuing activities	1,532	(427)	(687)
Tax	-	-	-
Profit for the period from continuing activities	1,532	(427)	(687)
Profit for the period and total comprehensive income attributable to equity holders of the Company	1,532	(427)	(687)
Basic profit/ (loss) per share	3		
Equity holders			
Basic and diluted	1.07p	(0.81)p	(0.64)p

UNAUDITED STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

	Unaudited	Unaudited	Audited
	As at 30-Jun 2021 £000s	As at 30-Apr 2020 £000s	As at 31-Dec 2020 £000s
Notes			
CURRENT ASSETS			
Investments	6,800	1,684	2,029
Trade and other receivables	4	1,031	15
Cash and cash equivalents	360	400	1,019
TOTAL CURRENT ASSETS	7,164	3,115	3,063
TOTAL ASSETS	7,164	3,115	3,063
EQUITY			
Called up share capital	12,214	11,996	12,135
Shares to be issued	-	132	-
Share premium account	7,701	4,249	5,158
Share premium account for shares to be issued	-	808	-
Retained earnings	(13,000)	(14,272)	(14,532)
Capital redemption reserve	165	165	165
TOTAL EQUITY	7,080	3,078	2,926
4			
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	84	37	137
TOTAL LIABILITIES AND CURRENT LIABILITIES	84	37	137
TOTAL EQUITY AND LIABILITIES	7,164	3,115	3,063

UNAUDITED CASH FLOW STATEMENT
For the six months ended 30 June 2021

	Unaudited 6 months ended 30-Jun 2021	Unaudited 6 months ended 30-Apr 2020	Audited 14 month period ended 31-Dec 2020
	£000s	£000s	£000s
Cash flows from operating activities – Profit/(Loss) for the period	1,532	(427)	(687)
Depreciation	-	-	-
Realised (gain) on disposal of investments	-	(284)	(128)
Fair value movement in investments	(1,802)	545	277
Finance income	-	-	(1)
(Increase)/decrease in receivables	10	(1,019)	(4)
Increase/(decrease) in payables	(53)	(3)	98
Net cash absorbed by operating activities	(312)	(1,188)	(445)
<i>Cash flows from investing activities</i>			
Payments to acquire investments	(2,969)	(1,700)	(2,217)
Proceeds of sale of investments	-	920	1,205
Finance income received	-	-	1
Net cash from investing activities	(2,969)	(780)	(1,011)
<i>Cash flows from financing activities</i>			
Proceeds receivable from shares to be issued	-	941	-
Net proceeds from shares issued	2,622	-	1,048
Net cash from financing activities	2,622	941	1,048
Net (decrease) in cash and cash equivalents during the period	(659)	(1,027)	(408)
Cash and cash equivalents at beginning of the period	1,019	1,427	1,427
Cash and cash equivalents at end of the period	360	400	1,019

Notes to the Unaudited Interim Report

1. GENERAL INFORMATION

Pires Investments plc (the "Company") is a company domiciled in England whose registered office address is 9th Floor, 107 Cheapside, London EC3V 6DN. The condensed interim financial statements of the Company for the six months ended 30 June 2021 is that of the Company only.

The condensed interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The financial information for the 14-month period ended 31 December 2020 has been extracted from the statutory accounts for that period which were prepared in accordance with International Financial Reporting Standards ("IFRS"). The auditors' report on the statutory accounts was unqualified. A copy of those financial statements has been filed with the Registrar of Companies.

The financial information for the six months ended 30 April 2020 and 30 June 2021 were also prepared in accordance with IFRS.

The condensed interim financial statements do not include all of the information required for full annual financial statements.

The condensed interim financial statements were authorised for issue on 14 September 2021.

2. BASIS OF ACCOUNTING

The financial statements are unaudited and have been prepared on the historical cost basis in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") using the same accounting policies and methods of computation as were used in the annual financial statements for the 14-month period ended 31 December 2020. As permitted, the interim report has been prepared in accordance with the AIM rules for Companies and is not compliant in all respects with IAS 34 Interim Financial Statements. The condensed interim financial statements do not include all the information required for full annual financial statements and hence cannot be construed as in full compliance with IFRS.

3. PROFIT/LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	Unaudited 6 months ended 30-Jun 2021 £000s	Unaudited 6 months ended 30-Apr 2020 £000s	Audited 14 month period ended 31-Dec 2020 £000s
Profit/(Loss) on continuing activities after tax	1,532	(427)	(687)

Basic and fully diluted

Basic and fully diluted earnings per share have been computed based on the following data:

		<i>Number of shares</i>	
Weighted average number of ordinary shares for the period	143,210,371	52,766,010	107,298,817
Basic earnings per share from continuing activities (p)	1.07	(0.81)	(0.64)

There were no dilutive instruments that would give rise to diluted earnings per share.

4. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Shares to be issued	Share Premium	Capital Redemption Reserve	Retained Earnings	Total
	£000s	£000s	£000s	£000s	£000s	£000s
At 1 November 2019	11,996	-	4,249	165	(13,845)	2,565
Shares to be issued	-	941	-	-	-	941
Loss for the 6 months ended 30 April 2020	-	-	-	-	(427)	(427)
At 30 April 2020	11,996	941	4,249	165	(14,272)	3,078
Issue of shares (net of costs)	139	(941)	909	-	-	107
Loss for the 8 months ended 31 December 2020	-	-	-	-	(260)	(260)
At 31 December 2020	12,135	-	5,158	165	(14,532)	2,926
Issue of shares (net of costs)	79	-	2,543	-	-	2,622
Profit for the 6 months ended 30 June 2021	-	-	-	-	1,532	1,532
At 30 June 2021	12,214	-	7,701	165	(13,000)	7,080

5. DISTRIBUTION OF INTERIM REPORT

Copies of the Interim Report for the six months ended 30 June 2021 are available on the Company's website, www.piresinvestments.com.

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.