

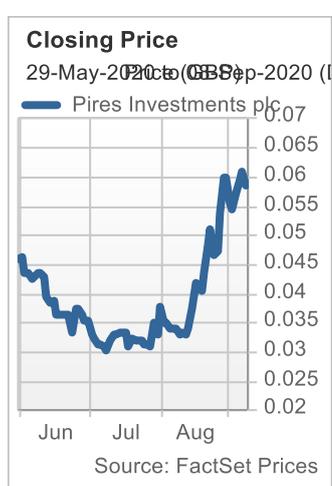


# PIRES INVESTMENTS PLC

9 SEPTEMBER 2020

## BUY

Ticker	PIRL LN
Share Price (p)	5.85
Target Price (p)	14.00
Upside	139%
Shares out (m)	119.47
Market Cap (£m)	7.0



## EARLY STAGE TECH INVESTOR WITH RECORD OF SUCCESS

Pires Investments plc is an AIM-listed investment company specialising in early stage next generation technology investments, with a particular focus on companies in high growth technology segments such as cybersecurity, artificial intelligence, Internet of Things and immersive technologies. The company has already achieved impressive early investment returns and we expect further upward portfolio re-valuations based on future up-rounds and exits. Pires is actively working on a number of new investment opportunities. To date, co-investors in underlying portfolio companies include prominent VC tech investors such as Enterprise Ireland, EQT Ventures, SpeedInvest, HTC and UTEC Ventures. We believe the shares deserve a material premium to NAV, based on a potential exit value for its technology portfolio of up to £21 million.

### RARE INVESTMENT OPPORTUNITY

Pires offers UK public market investors a rare opportunity to invest in a listed vehicle that aims to achieve a diversified exposure to early stage high-growth software technology companies. To date investment has been at the seed stage of software companies that operate within its key target markets to help grow them towards their next funding rounds and enable rapid growth in revenues.

Whilst the company has started (and intends to continue) to make direct investments (like GetVisibility, a machine learning-based security platform for unstructured enterprise data) its principal investment today is a 13% stake in the Sure Valley Ventures fund (SVV), a regulated Venture Capital (VC) fund. This investment route has enabled the company to gain access to bigger companies with more exciting growth prospects that would otherwise not be available if it were to invest directly alone.

The SVV investment portfolio has already delivered substantial early investment returns:

- Its first exit, Artomatix, an artificial intelligence media company, was completed in December 2019 at a price representing +500% of the initial investment.
- Its first IPO (VR Education Holdings plc) was completed in March 2018 at a price representing +600% of the valuation of the initial investment. The shares have since risen by 25%.
- Several other SVV portfolio companies have completed up rounds since the initial investment, including Admix (+450%), Warducks (+450%) and Buymie (+200%)

### FOCUSED ON HIGH-GROWTH TECHNOLOGY SECTORS

The target technology segments within the portfolio represent markets with substantial forecast growth rates over the next five years. High-quality companies have been identified within these segments through accessing proven sector expertise and the valuable strategic partnerships with some of the most reputable Venture Capital groups in the industry.

Whilst the latest NAV for Pires Investments stands at £3.1 million, we believe there is likely to be a number of upward re-valuations within the portfolio over the next twelve months. More importantly, we believe the portfolio is exceptionally well positioned to benefit both from the significant forecast growth within individual technology segments, and also the growing appetite amongst financial and strategic investors to buy companies within these segments. Assuming a 10x exit multiple across the whole portfolio would yield £13.8 million for the SVV stake and value Pires Investments at £17.2 million. As such, **we are initiating coverage with a BUY recommendation and a 14 pence per share target price.**

### ANALYST

Alan M Howard, CFA  
+44 (0)20 3167 7272  
[alan.howard@mirabaud-msl.com](mailto:alan.howard@mirabaud-msl.com)

### SALES

Lucas McHugh  
+44 (0) 20 3167 7233  
[lucas.mchugh@mirabaud-msl.com](mailto:lucas.mchugh@mirabaud-msl.com)

Nick Orgill  
+44 (0) 20 3167 7283  
[nick.orgill@mirabaud-msl.com](mailto:nick.orgill@mirabaud-msl.com)

Pav Sanghera  
+44 (0) 20 3167 7284  
[pav.sanghera@mirabaud-msl.com](mailto:pav.sanghera@mirabaud-msl.com)

Guy Wheatley  
+44 (0) 20 3167 7280  
[guy.wheatley@mirabaud-msl.com](mailto:guy.wheatley@mirabaud-msl.com)

Jason Woollard  
+44 (0) 20 3167 7285  
[jason.woollard@mirabaud-msl.com](mailto:jason.woollard@mirabaud-msl.com)

## FINANCIAL OVERVIEW

Based on the company's interim accounts for the six months ended 30<sup>th</sup> April 2020, and adjusting for subsequent investments, we show below an estimate of the breakdown of the company's net asset value as of 31<sup>st</sup> July 2020.

**Figure 1: Pires Investments plc – Net Asset Value Breakdown**

	30/04/2020 (Actual) (£ M)	31/07/2020 (Estimated) (£ M)	Comments
<b>Investment in Sure Valley Venture Fund (SVV)</b>	1.22	1.59	13% in technology-focused VC fund
<b>Unlisted Investments</b>	0.22	0.22	Direct investment in GetVisibility
<b>Other Listed Investments</b>	0.24	0.19	Non-core investments
<b>Cash &amp; Net Receivables</b>	1.40	1.05	
<b>TOTAL NET ASSETS</b>	<b>3.08</b>	<b>3.05</b>	

Source: Mirabaud Securities, Pires Investments plc

The principal investment which Pires owns at present is a 13% stake in the **Sure Valley Ventures Fund ("SVV")**, a sub-fund of Suir Valley Funds ICAV, an Irish regulated venture capital fund that regularly co-invests with leading UK & European venture capital funds including Enterprise Ireland, one of the largest VC investors in Europe. This investment route has enabled the company to gain access to bigger companies with more exciting growth prospects than would otherwise be accessible. It also ensures there is a number of knowledgeable, well-funded and well-connected investors backing each portfolio company including VC investors such as Wheatcroft (the venture arm of UK property group, Grosvenor Estates), EQT Ventures (Sweden), SpeedInvest (Austria) and FluxUnit (the VC arm of German industrial group, Osram).

As a consequence, the company's overall portfolio is now heavily exposed to early stage technology businesses, with over 90% of its investments deployed in that sector, including **one unlisted technology investment** (GetVisibility), where Pires invested directly. Pires has a 6% direct holding in GetVisibility which represents the company's second largest investment. GetVisibility is a revenue-generating machine learning company that provides a solution for global enterprises to control their unstructured data. This is a major issue for enterprises due to the rapid proliferation of multiple devices, cloud storage and stricter privacy regulation. Mimecast, a more mature company which solves a related problem for email, was created in the UK, backed by venture capital and is now listed on Nasdaq with a market capitalisation of just under US\$3 billion.

Pires initially invested £1.1 million for its 13% stake in SVV in November 2019, whilst making a total capital commitment to the fund of €3.51 million. **To date, Pires has contributed €1.80 million of paid-in capital whilst achieving cash returns of €0.87 million via distributions from investment exits conducted by SVV.**

Pires also holds a **small number of listed non-core investments**, including positions in Eco (Atlantic) Oil & Gas Ltd, (ECO LN); and Portage Biotech Inc. (PTGEF US). These investments have been partially sold in recent months, and the company intends to divest itself completely of these positions in future periods.

## THE SURE VALLEY VENTURES (SVV) PORTFOLIO

---

### SVV INVESTMENT STRATEGY

To date, SVV has invested in 13 early stage technology companies, with a particular focus on the following high-growth technology segments:

- **Artificial Intelligence & Machine Learning**
- **Cybersecurity**
- **Internet of Things (“IOT”)**
- **Immersive Technologies - Augmented & Virtual Reality**

#### **Artificial Intelligence & Machine Learning**

The AI software market is expected to grow 42% per annum over the next five years to reach over \$118 billion in 2025. AI brings with it the promise of genuine human-to-machine interaction – when machines become intelligent, they can understand requests, connect data points and draw conclusions. While AI involves the broad science of mimicking human abilities, machine learning is a specific subset of AI that trains a machine how to learn. The development of big data in recent years – advancements in computer processing and data storage that make it possible to ingest and analyze more data than ever before – coincided with more data being produced from more devices and machines connected to the internet. Both of these advancements brought AI closer to its original goal of creating intelligent machines.

#### **Cybersecurity**

Cybersecurity refers to a large and growing industry providing technologies designed to protect networks, devices and data from attack, damage or unauthorized access. The global cybersecurity market is estimated to grow 12.6% per annum over the next seven years, growing from \$112 billion in 2019 to \$282 billion in 2027. The growth of the market is not only being driven by the rising adoption of e-commerce online platforms, but also by the integration of machine learning and big data technologies which allow organizations to study and analyze potential risks. Cybersecurity solutions based on complex mathematical prediction models which handle large amounts of data can only be fulfilled by cloud technology in a secure and reliable environment. So integrating cloud computing with cyber security solutions has also proven to be a key industry trend in recent years.

#### **Internet of Things**

The Internet of Things (IoT) is a broad market segment, defined as the interconnection via the internet of computing devices embedded in everyday objects enabling them to send and receive data. The market is forecast to grow 40% per annum over the next five years to reach US\$1,612 billion by 2025. The global growth and advancement of internet coverage, the increased speed and capability of connectivity and the mass market penetration of smartphones/tablet sales has opened up significant opportunities for software companies. Businesses from many industries are embracing the efficiencies, cost savings and the “direct to consumer” penetration this technological advancement has offered.

#### **Augmented & Virtual Reality**

The AR/VR market is evolving at a rapid pace and is forecast to grow 63% per annum over the next five years to reach US\$571 billion by 2025. Significant investment into hardware capability and headset development has been made by major industry players such as Facebook, Oculus Rift, HTC, Samsung and others. This investment has ignited a new and exciting industry, in which hardware manufacturers and AR/VR users are now searching for software capabilities/support and content.

## SVV PORTFOLIO OVERVIEW

SVV has total capital commitments of €27 million. Investors, including Pires Investments PLC, have already received two distributions from the fund since the fund was launched in March 2017.

The first major exit for the fund was an AI software company called **Artomatix**, which has developed technology that cuts the cost of content creation for animated movies, video games and AR/VR applications through AI automation.

**SVV invested in Artomatix in three separate tranches, initially leading the first seed round in October 2018, alongside Enterprise Ireland. Artomatix was subsequently sold to Unity Technologies Inc. for cash in December 2019 in a trade sale at a valuation of more than five times the value of its initial investment after a period of just 14 months.**

As of today, the Sub-Fund has current investments in twelve individual businesses. An overview of the portfolio is detailed below based on our valuation of Pires' effective interest in each of the underlying portfolio companies.

**Figure 2: Pires' Interest in SVV Portfolio: Potential Exit Based Valuation**

Investment	Potential Exit Multiple		
	5x (€m)	10x (€m)	15x (€m)
Admix	1.25	2.51	3.76
Ambisense	0.36	0.72	1.07
Buymie	0.68	1.35	2.03
Cameramatics	0.65	1.30	1.95
Getvisibility	0.65	1.30	1.95
NDRC	0.20	0.39	0.59
Nova Leah	0.49	0.98	1.46
VividQ	0.72	1.43	2.15
VRE	1.35*	1.35*	1.35*
Volograms	0.49	0.98	1.46
Warducks	0.87	1.74	2.61
WIA	0.49	0.98	1.46
	<b>8.18</b>	<b>15.31</b>	<b>21.84</b>
<b>In £M</b>	<b>7.37</b>	<b>13.79</b>	<b>19.68</b>

\* based on current market capitalisation

We estimated earlier in Figure 1 that **the book value of Pires' interest in the SVV portfolio was £1.59 million as at 30 July 2020**. However, the book value of the unlisted investments is broadly based on the original investment cost, with adjustments including where there is an exit or a new funding round led by a new independent investor. As such, if there is operational progress within the portfolio businesses, the NAV tends to lag about 1-2 years behind the actual fair value that a buyer of the business would typically calculate.

For example, the SVV investment in Artomatix was carried in its books at the original investment cost throughout the 14 month period it had an interest in the business. However, investors received a sum 5 times higher at the end of the period, based on a valuation that fairly reflected the progress the business had made. Furthermore, a number of the investments have seen increased valuations of a similar magnitude.

The key in determining the value of a VC portfolio is not using historical NAV due to the 1-2 year out of date nature of the NAV but to assess the exit potential (IPO, trade-sale, dividend recap) of the underlying portfolio.

In the table above, we have calculated a range for the potential exit value of Pires' interest in the SVV portfolio. Our low point is based on a 5x exit multiple (ie similar to that already achieved with the portfolio's first exit, Artomatix and for a number of other portfolio company valuation uplifts). Artomatix was held for a relatively short period of 14 months. It is expected that other portfolio companies will be held for longer periods where value can be further created and even higher multiple exits achieved.

However, given the quality and potential of the companies within the portfolio and the progress made to date, higher valuations could easily be achievable which is why we have included an upper end to the range of a 10 times exit multiple.

As a result, based on the mid-point of each end of the range, we estimate the potential exit value for Pires' interest in the SVV portfolio is £13.8 million .

**PORTFOLIO COMPANY 1: IMMERSIVE VR EDUCATION (AIM: VRE), (Euronext Growth: 6VR)**

Legal Name	VR Education Holdings PLC
Industry Sector	Immersive Technology: VR/AR
Website	<a href="https://immersivevreducation.com">https://immersivevreducation.com</a>

VRE is a ground-breaking developer of Virtual Reality ('VR') software and immersive experiences with a specific focus on education and enterprise learning and development. VRE's core platform is the Engage VR platform that enables educators to develop VR education experiences and enterprises to develop corporate learning and development VR simulations for workplace training.

VRE recently announced that they ran HTC's annual conference for them in virtual reality through their Engage VR platform. The company also signed a partnership agreement with US-based VictoryXR, a world leader in VR and augmented reality ('AR') content creation for schools and education, for the use of the group's ENGAGE platform.

VRE has won several international awards for its work, including awards for both its Engage Platform and Apollo 11 VR, which uses archive footage and audio from NASA to relive the historic moon landing of Apollo 11 in 1969. The company is also collaborating with Oxford University and the Royal College of Surgeons to develop VR-based training programs for medical professionals.

SVV made an initial investment in IVRE in March 2017, as part of a €1 million seed round investing alongside **Enterprise Ireland** and **Kernel/Bank of Ireland**. Twelve months later in March 2018, the company went public on the London (AIM) and Dublin stock exchanges, raising a further £6.0 million in a transaction that valued the business at £19.3 million. SVV invested further at the time of the IPO, taking its overall position to 13.94 million shares, or 7% of the company. IVRE was the first software company to list on the Irish stock exchange in eighteen years.

In May 2020, VRE announced a new strategic partnership with the listed Taiwanese tech giant, **HTC Corporation**, in which HTC agreed to make a €3 million investment in the company. Subsequently, in June 2020, **SVV sold shares worth £522,422** in the market (which is expected to lead to a £65,000 cash distribution to Pires) **returning the investment cost to investors** and now holds a 4.38% stake in the company.

PORTFOLIO COMPANY 2: WIA

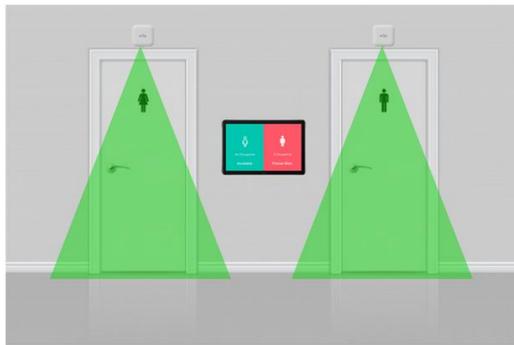
Legal Name	WIA Technologies Limited
Industry Sector	Internet of Things (IoT)
Website	<a href="https://www.wia.io">https://www.wia.io</a>

Dublin-based Wia has developed a ground-breaking IoT cloud platform that enables developers to turn any type of sensing device into a secure, smart and useful application in a matter of minutes, generating considerable time and cost savings for teams who would have previously had to spend many months on 100,000s of lines of code to try to build out their own cloud infrastructure.

Wia’s award-winning cloud platform is today used by developers in over 85 countries. In addition, Wia has partnerships in place with leading technology companies including Sigfox, PubNub and Twilio, and plans to expand to the US later in the year.

In July 2020, Wia released the latest iteration of the Wia Cloud, an IoT platform designed to enable Smart Buildings and tools for Real Estate, Operations and Facilities Management teams to understand the performance of their building and make data-based decisions.

At this time Wia also launched their DFS-1 people flow monitor product and cloud services for helping organisations get their staff back to work as shown in the Figure below:



**Measuring People Flow at low cost**

The Wia DFS-1 is a device for measuring the in and out-flow of doors and hallways. The device utilises time-of-flight sensor technology to create virtual zones which are then used to detect people and the direction of their movement. It is fully anonymous data collection and is GDPR compliant.



- Real-time people counting
- Ultra-low-power PIR for detecting motion
- Anonymous data - GDPR compliant
- Wia Cloud ready
- NB-IoT cellular and Bluetooth connectivity
- Quick installation

Wia’s new suite of products and tools have garnered very strong demand from organisations and building managers as they forms an ideal solution for businesses now facing the difficult task of trying to allow their employees to return to the workplace following lockdowns caused by the COVID-19 pandemic.

PORTFOLIO COMPANY 3: WARDUCKS

Legal Name	Warducks Limited
Industry Sector	Immersive Technology: AR / Gaming
Website	<a href="https://www.warducks.com">https://www.warducks.com</a>

Founded by former Facebook employee, Nikki Lannen, WarDucks mission is to build incredible, high quality, fun augmented and virtual reality games. The company has six bestselling titles under its belt, the latest two of which were Top Ten on PlayStation VR.

SVV led the seed round investment in the company and EQT Ventures led the Series A round, which represented a **450%** increase in the valuation at which the initial investment was made

The company is currently building on its success to date and is now developing a major new AR mobile game that is in the same category as Pokemon Go. To achieve this the company has hired well known and renowned game developers from the US and brought them to Dublin and also brought on the famous game designer John Romero in to help design the new product. John Romero, cofounder of BAFTA award-winning Romero Games studio and winner of over 100 awards, will work as a Creative Consultant. Romero is best known for his work in Wolfenstein 3D, DOOM, DOOM II, Quake, and has won another award for Gunman Taco Truck last month. Doug Kaufman, the Game Designer behind Civilization II and Rise of Nations, will work as Design Director; and Lawrence Schick will join as Lead Narrative Designer. Lawrence worked with Gary Gygax on Dungeons & Dragons in the 1970s and with Sid Meier at MicroProse in the 1980s. In the 1990s he ran the nascent online game business at AOL, and has now left behind ZeniMax where he was Loremaster on the Elder Scrolls Online.

The company recently hosted a visit in their offices from Tim Cook, CEO of Apple to meet the team and view the game. Tim gave team a public endorsement shortly afterwards as shown in the Figure below:

**Nikki Lannen** • 1st  
CEO at WarDucks Ltd  
3w • Edited • 🌐

Honoured and excited to have Tim Cook come to the WarDucks studio to play our new mobile AR game. He was so impressed he talked about our game on stage today while receiving an Award from the IDA. ...see more

**Tim Cook** ✓  
@tim\_cook

.@War\_Ducks set out to create a game with fun, engaging and colorful characters, and they nailed it. Awesome to see how @NikkiLannen and her talented team in Dublin are embracing AR to take their games to the next level!

11:53 · 20/01/2020 · Twitter for iPhone

PORTFOLIO COMPANY 4: CAMERAMATICS

Legal Name	MySafeDrive Limited
Industry Sector	Internet of Things (IoT) / Artificial Intelligence (AI)
Website	<a href="https://www.cameramatics.com">https://www.cameramatics.com</a>

Founded in Ireland in 2016, CameraMatics is the leader in camera and software solutions for commercial fleets. The company delivers products that allow fleet managers to reduce fleet risk, increase driver safety and comply with growing governance and compliance regulations.

The world of fleet management has changed to one where managing risk and meeting compliance needs presents a greater burden to fleets than logistics and efficiencies. Cameramatics adds an additional, and currently missing, layer of data to fleet and driver management – that missing data is video. Cameramatics goes beyond the traditional 'dumb' camera systems available today. Cameramatics has merged 4 key technologies: video input systems (cameras and scanners), smart processing systems, communications systems and unique algorithmic IP to deliver intelligent driver and fleet safety systems.

The founders, Mervyn O'Callaghan and Simon Murray have decades of fleet and fleet technology experience. They built Edrive Group to a company installing over 12,000 telematics systems per month before its sale in 2016, allowing them to focus on the growing vehicle CCTV and video data opportunity.

Since SVV's investment, the company has progressed rapidly and has proven:

- a 100% return on investment for its customers in 7 months on average
- an average 20% per year savings on insurance-related costs
- an average of 23% reduction in accident claims
- a 72% drop in erratic or unsafe driver behaviour
- 100% remote vehicle checking with evidence

**PORTFOLIO COMPANY 5: NDRC ARCLABS FUND I LIMITED**

Legal Name	NDRC at Arclabs Fund 1 Limited Partnership
Industry Sector	Accelerator – Immersive Technology: AR/VR/, the Internet of Things (IoT), Artificial Intelligence (AI) and General Digital
Website	<a href="https://www.ndrc.ie">https://www.ndrc.ie</a>

The NDRC@ArcLabs investment was structured as a subscription as a limited Partner to the Accelerator. The purpose of the Accelerator is to source and develop 30 start-ups over two years that Sure Valley has the right (but not the obligation) to invest in. The Accelerator is running three calls for 10 start-ups over 2 years in areas that are related to the fund's investment strategy of AR/VR, IoT and AI. As a result of the Accelerator's programme significantly overlapping with the Fund's investment areas we see this Accelerator being a source of proprietary deal flow.

NDRC builds and invests in very young digital companies, or start-ups. It offers early stage investment and development support and its key skill lies in finding companies and teams with the potential to grow internationally. Once a company joins NDRC, the team works intensively with each, over a short time frame, to help them understand what value their company can offer customers, their strategy for growth and getting them ready to meet the demands of both investors and customers.

The short time span and the intensity of this commercialization work is the acceleration process. It is this offering of capital investment and development support that makes NDRC effective. Approximately 50 per cent of the companies NDRC invests in go on to receive follow-on investment, with 25 per cent securing at least €250,000, allowing them to continue on their path to growth. Around half of the companies NDRC has supported are still operating, or have exited, well ahead of international norms. NDRC's track record means investors view NDRC as a very effective filter that helps them find quality digital start-ups.

PORTFOLIO COMPANY 6: NOVA LEAH

Legal Name	Nova Leah Limited
Industry Sector	Cybersecurity / Internet of Things (IoT), Artificial Intelligence (AI)
Website	<a href="https://www.novaleah.com">https://www.novaleah.com</a>

Nova Leah is an internationally recognized leader in the field of medical device cybersecurity. The company specializes in developing cybersecurity risk management compliance solutions for the medical device domain. Its first offering, SelectEvidence improves the security of connected medical devices and patient safety and reduces both the costs associated with new cybersecurity regulatory requirements and the likelihood of product recalls and related lawsuits. The system accurately tracks risks for each device, highlights known vulnerabilities, recommends solutions, provides a feedback mechanism between manufacturers and hospitals and does so within a fully traceable framework.

Connected/IoT medical devices represent a rapidly growing sector in healthcare with an ever-expanding array of devices including insulin pumps, pacemakers, infusion devices, syringe pumps, nurses' workstations, imaging devices; these are all at risk of being targeted by malicious individuals, gangs or nation states. Regulation in the sector is therefore tightening, with the US Food and Drugs Administration and European regulators insisting that manufacturers mitigate risk by increasing security and calling on medical device manufacturers and healthcare providers to adapt a collaborative approach to managing the security of devices from development, implementation, operation through to retirement. In line with this, cybersecurity spend in the healthcare sector is anticipated to grow from the current \$5.5 billion annually to \$11 billion by 2020.

The company's founder, Anita Finnegan, is an expert in the area and originally built the technology in a top medical device software research group in DKIT, while doing a PhD, and later she spun out the technology and developed the market selling to a number of tier 1 medical device manufacturers.

The company has won a host of awards in 2019 including a prestigious Technology Ireland award. The company was also recently a finalist in the Future Unicorn Award 2020 at Digital Europe Awards in Brussels, run by the European Commission.

## PORTFOLIO COMPANY 7: ADMIX

Legal Name	WAM Group Limited
Industry Sector	Immersive Technologies: AR/VR/ Mobile, PC and Console Games
Website	<a href="https://admixplay.com">https://admixplay.com</a>

London-based Admix is a monetization platform for 3D games (mobile, PC and console), AR,VR and esports, empowering developers to generate revenue from content through non-intrusive, programmatic advertising. It is already working with over a hundred VR/AR and 3D game developers to insert ad units and product placements into their content. Admix's unique capabilities include automating the buying and selling of ads using real time bidding to large demand platforms such as Oath, the parent company of Yahoo and AOL, to generate instant and continuous revenue for developers. For advertisers, Admix is the only programmatic route to VR and AR, enabling them to use familiar targeting tools to reach a new audience via a new channel. Admix uses proprietary gaze-tracking algorithms to validate impressions, whilst maintaining anonymity to comply with the new GDPR regulations.

Digi-capital, a leading Silicon Valley based AR/VR adviser, estimates that over 500 million people will consume VR and AR content in the next five years. Currently, developers have limited options to monetize their content; the few solutions that exist are intrusive and not adapted to VR/AR. Admix aims to create the infrastructure to power a new kind of advertising that respects the users and creates a sustainable economy for developers.

Technically Admix has developed what is called a Supply-Side Platform (SSP) which enables developers to monetize their content by creating, managing and sell advertising inventory. Being an SSP, Admix is a broker that sells developers inventory such as games programmatically at scale. Being programmatic automises the buying/selling process. Admix enables, for the first time, VR/AR and 3D inventory to become immediately available to thousands of advertisers connected to the existing ecosystem, which provides these developers with instant revenue. Admix does this by establishing connections to major Demand-Side Platforms (DSP) such as Pubmatic who then in turn connect to Advertisers. To engage with DSP's Admix supports existing DSP and industry standards. Admix's proprietary ad formats have been developed together with existing adtech players and are compatible with IAB/OpenRTB standards, reducing the barriers to entry for advertisers. The DSP's that Admix have connected to, are market-leading partners, such as Pubmatic, that are amongst the largest platforms in the world, used by thousands of brands and advertisers and processing billions of impressions daily, which gives them scale.

SVV invested in the Seed round and Admix recently completed its Series A round led by Force Over Mass which represents a 450% increase in valuation from the initial investment.

PORTFOLIO COMPANY 8: VIVIDQ

Legal Name	VividQ Limited
Industry Sector	Immersive Technologies: Holography for Augmented Reality (AR)
Website	<a href="https://vivid-q.com">https://vivid-q.com</a>

VividQ has developed the world's first software framework for real-time holographic 3D display. The company has world-leading expertise in 3D holography. The company was founded in 2017 by a team of expert engineers, mathematicians and computer scientists from the Universities of Cambridge, Oxford and St Andrews, who solved key technology barriers in the adoption of holographic display.

Holography has long been considered the ultimate display technology. The science fiction ideal of engineering and manipulating light to produce 3D projections appealed to the imagination of millions through franchises such as Star Wars or Star Trek. While physically possible, the tremendous computing requirements to create full-depth holographic display made it unreachable for commercial applications. VividQ has developed solutions required for the mass adoption of holography. Its patented software framework allows for the real-time generation of holograms from 3D data and projection on available micro-displays. Commercially viable holographic display solves a crucial problem of today's Augmented Reality - the lack of depth perception, which disrupts the user's sense of realism and results in eye fatigue and nausea.

Holography overcomes these issues and paves the way for immersive 3D without the need glasses at all. VividQ offers patented software to enable mass adoption of holographic display in AR/VR headsets and smart-glasses, automotive head-up displays, and consumer electronics. To date, VividQ has grown its Commercial and Technical teams in Cambridge and London, made a full release of the software framework, and established the holographic display ecosystem with manufacturers in the US, Taiwan and Europe.

**PORTFOLIO COMPANY 9: AMBISENSE LIMITED**

Legal Name	Ambisense Limited
Industry Sector	Internet of Things (IoT) and Artificial Intelligence (AI)
Website	<a href="https://ambisense.net">https://ambisense.net</a>

Through its proprietary Ambilytics™ platform, Ambisense optimises the delivery of environmental risk assessment on some of the world’s largest infrastructure projects across industrial, Oil & Gas and Waste Management verticals, partnering with global multinationals such as CEMEX, SGS & Arcadis.

Ambilytics™ encompasses both IoT and AI solutions, combining information from remotely deployed field devices with contextual data sources such as weather, satellite, geophysical and operational data to build machine learning models. These models identify the relationships, patterns, and drivers hidden within the data and allow customers to forecast and predict the behaviour of targeted environmental pollutants.

It is estimated that the costs of climate change will stand at \$500bn annually by the end of the 21<sup>st</sup> century. To meet the growing demand for cost-effective bespoke applications to mitigate this and other types of environmental risks, Ambisense has developed a toolkit to enable customers to build fully customisable, web-enabled instruments to acquire and analyse the data required quickly and cost effectively. Each element can be tailored to different needs whether a client wants to measure gas, air or water quality or anything in between.

Ambisense began life as an Irish EPA STRIVE funded project developed in the National Centre for Sensor Research (NCSR) in Dublin City University, one of the largest and most successful research institutions of its kind in the world with annual income of €100 million and 250 multi-disciplinary researchers working on novel sensing techniques for a variety of applications.

In April 2020, the company announced its involvement in the preliminary ground surveys in support of Highways England’s planned Lower Thames Crossing. The £5.3-6.8 billion infrastructure project encompasses a new dual-carriageway and tunnel system linking Essex and Kent and is the biggest single road construction project since the M25 was completed over 30 years ago. Ambisense has been contracted to facilitate the management of environmental risk through the combined use of their environmental analytics platform, Ambilytics, and connected hardware devices, specifically the continuous monitoring of groundwater and ground gases.

## PORTFOLIO COMPANY 10: GETVISIBILITY

Legal Name	Visibility Blockchain Limited
Industry Sector	CyberSecurity and Artificial Intelligence (AI)
Website	<a href="https://www.getvisibility.com">https://www.getvisibility.com</a>

Getvisibility has launched a software platform targeting this data security sector. This software delivers visibility over unstructured data, e.g. Word documents, pdfs, emails, excel documents, text documents, intranet sites etc, for enterprises, by automatically, accurately and precisely scanning and classifying the data to a corporate taxonomy using artificial intelligence (AI) at scale (NLP and Neural Networks). The software enables customers to find, protect and remediate issues with sensitive/confidential and regulated data. Getvisibility also integrates into data protection solutions like Azure Information Protection (AIP) from Microsoft to allow customers to apply protection automatically (removing the need for manual intervention by staff). Other supported use cases are identifying of Intellectual Property and other highly confidential data; migrating to Enterprise Content Management Systems; enabling the full potential of Data Loss Prevention (DLP); supporting data migration; running data remediation activities around redundant, obsolete and trivial data (ROT) and also around regulated data. These use cases which solve real world problems are sold either directly to a customer, or via partners and resellers. With the current trends in protecting regulated data due to GDPR, CCPA, HIPPA, CMMA and other regulations, as well as the trend in cloud migration of the data, the Getvisibility solution is extremely well placed to drive solutions across a number of key industries such as defence, finance, insurance and healthcare.

The Co-founder and CEO, Ronan Murphy worked as a C-level executive in the cybersecurity industry since 2005. He is widely regarded as an expert in the field. He has acted as a strategic advisor to many publicly traded organisations on improving their cybersecurity posture and worked with IBM on the first IBM's Watson for Cybersecurity deployment globally.

Since the investment was made, the company has achieved the following.

- There have been major product developments including the launch of the Synergy Product which the company believes will accelerate the adoption of its ML platform by enabling its customers' employees to control the use of the ML platform.
- an Arabic language extension has been added to its product line opening up the Arabic markets in UAE and KSA.
- it has continued to add partners including KPMG Ireland, Switzerland, UAE/KSA. The company recently executed a partnering agreement with IMMEX Inc, a large value-added supplier to the US government.
- The company is currently engaged in an important project with a significant north American defence contractor which is major supplier to the US government.
- It has successfully implemented a webinar series attracting an audience of 600 industry personnel.

In March 2020, Pires Investments PLC co-invested with SVV to directly invest €250,000

PORTFOLIO COMPANY 11: BUYMIE

Legal Name	Buymie Technologies Limited
Industry Sector	Artificial Intelligence (AI)
Website	<a href="https://www.buymie.eu">https://www.buymie.eu</a>

Buymie uses AI to enable same-day grocery delivery to consumers with access to multiple large retailers. The online grocery market has come under significant pressure to increase capacity in recent months given the Covid-19 crisis, and many large grocery retailers have acknowledged that their distribution models do not allow for meaningful scaling to meet consumer demand.

Buymie helps retailers achieve the necessary scale within weeks rather than months, and without requiring vans and warehouses to increase capacity. The company uses its state-of-the-art AI technology platform to connect consumers with a network of hundreds of independent personal shoppers who can pick and deliver items directly from retail stores

Buymie has recently signed a multi-year partnership agreement with German supermarket giant Lidl in Ireland. Lidl customers using the Buymie app can choose from Lidl's range of permanently listed products available in store. The company also allows consumers to order from Tesco Ireland. Having previously operated exclusively in Ireland, Buymie expanded its services across the UK in May 2020 alongside The Co-Op and other UK retailers, starting in Bristol.

SVV completed its seed round in Buymie in April 2020 and due to the rapid acceleration of its business the company completed its Series A in June 2020 led by Wheatsheaf Group, the tech investment fund of Hugh Grosvenor, the Duke of Westminster.

In August 2020, Buymie publicly announced it has experienced a 325% growth in the first six months of 2020 compared to 2019. The company also expanded into Cork, Ireland and also announced plans to expand further in the UK.

PORTFOLIO COMPANY 12: VOLOGRAMS

Legal Name	Volograms Limited
Industry Sector	Immersive Technology: AR and Artificial Intelligence (AI)
Website	<a href="https://volograms.com/">https://volograms.com/</a>

In July 2020, SVV invested in Volograms Limited which is a reality capture and volumetric video company that is a spin-out from Trinity College, Dublin.

Founded in 2018, Volograms, is already a market leader in volumetric video. The Company has worked on projects for customers including Samsung, The London College of Fashion and The Royal College of Surgeons in Ireland. Other providers of volumetric video capture require a person to travel to a specialist studio (often overseas) which is typically comprised of up to 100 cameras. This approach demands a significant investment of time and money. Alternatively, Volograms' current technology can achieve high-quality AR image and video capture using far fewer cameras and different camera setups thus reducing the cost for the creators.

The company announced that SVV's investment will accelerate Volograms' ambition to bring AR capture closer to everyone by helping it to integrate its technology into personal mobile devices. The mobile AR market is forecast to grow from the one billion compatible devices and over \$8 billion in revenue in 2019 to 2.5 billion compatible devices and \$60 billion in revenue by 2024. The Volograms mobile product will enable mobile phone users to take AR pictures and videos, then view, edit and share them with others. This can be done directly or through social media platforms. We believe that Volograms is opening a new market category for AR photos and video.

The company is targeting OEM manufacturers of handsets such as Apple and Samsung to provide the AR camera technology to the next generation of smartphones. This provides a huge market opportunity for the company and with their ground-breaking technology which is mobile first they are in a strong position to take advantage of this.

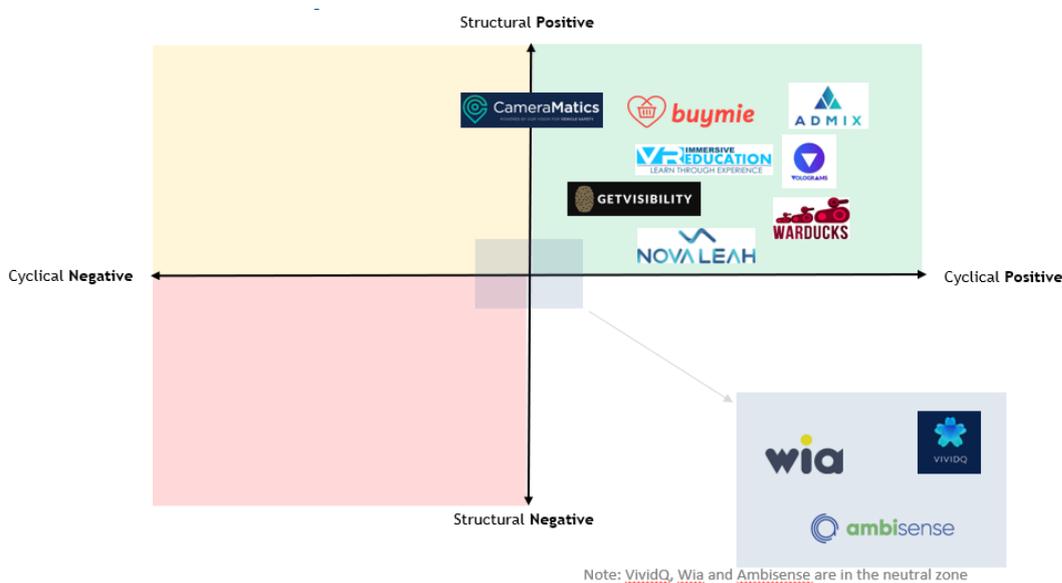
**COVID-19 implications**

In summary, COVID-19 (CV-19) has not had an adverse impact on SVV or its portfolio. In fact, in many cases it has accelerated the development of its companies – Buymie being a good example. SVV report that they are continuing to execute as planned for this year. They are continuing to invest in new businesses and following on into existing businesses at Series A. They are currently on track on their plan for the year and at the moment we do not see CV-19 preventing them from hitting their goals in terms of investments, follow-ons and capital deployment.

Whilst to date, CV-19 has had minimal impacts on SVV’s portfolio companies, they are not taking this for granted and have worked closely with their companies to ensure they are managing their cash effectively and closing deals. SVV has also been analysing their needs for support and that of the portfolio at large. They have been running number of different types of analysis on the portfolio as shown in the Figure below, which is based on a dealroom CV-19 impact framework:

In the Figure below the green sectors are the ones currently expected to perform best in the CV-19 recession. The Yellow zone has some impacts and the Red zone has significant impact. Red zone companies that are experiencing significant impacts include companies in the car sharing or travel sectors of the economy. The Grey zone is the neutral zone. These companies are broadly unaffected by CV-19 and are typically deeptech or cleantech businesses for example.

As can seen from the Figure below, SVV’s companies are broadly in the green zone. There are two major CV-19 drivers of this. Firstly, the increase in usage of Immersive Technologies during CV-19 such as gaming, video streaming and AR/VR. Relevant to this is the Factice Insight Report on Consumer Spending and Transactions (a weekly report on the impact of CV-19 on the consumer economy in the US) published on 25 March 2020. They identified spending on video games (both online and offline), which has seen strong growth for most of 2020 so far, began to surge in the week of 9 March 2020 and year on year is up over 60% in the week of 16 March 2020. This is relevant to Admix in particular as well as Immersive VR Education, War Ducks and Vologams. The second driver is the raise of cybersecurity threats that has accompanied CV-19 and this has supported Nova Leah and Getvisibility with a tailwind during the pandemic.



In addition Buymie, is a company that could be seen as CV-19 hedge and as a result has grown by over 325% in the last year and is increasing its velocity month on month in the CV-19 environment.

Regarding the other portfolio companies Cameramatics has seen some minor impacts as it provides fleet management software and whilst the logistics supply chain has been robust during CV-19 there have been some impacts to, for example, the construction sector. For Cameramatics these impacts have been relatively short lived due to their diverse client base and they are now reporting accelerating revenue once more. Ambisense is

## PIRES INVESTMENTS PLC

in the neutral zone as a cleantech company as is VividQ as a deeptech company. Finally, WIA is currently moving from the neutral zone into the green zone as a smart building IoT company that is delivering CV-19 “get back to work” solutions for enterprises and building managers.

In conclusion, the impact of CV-19 is currently minimal on the portfolio and many of the companies have accelerated their growth as a result of CV-19 such as Buymie, Admix, Getvisibility and Immersive VR Education.

DISCLAIMER

---

RECOMMENDATIONS HISTORY

Date	Share Price (p)	Target Price (p)	Opinion
<b>Pires Investments</b> 9 September 2020	5.85	14.0	BUY

RATINGS, CERTIFICATION AND DISCLOSURE

RATINGS SYSTEM

**BUY:** The stock is expected to generate absolute positive price performance of over 10% during the next 12 months.

**HOLD:** The stock is expected to generate absolute price performance of between negative 10% and positive 10% during the next 12 months.

**SELL:** The stock is expected to generate absolute negative price performance of over 10% during the next 12 months.

**RISK QUALIFIER:** Speculative: The stock bears significantly higher risk that typically cannot be valued by normal fundamental criteria and investment in the stock may result in material loss.

The ratings are applicable to all research produced after 1<sup>st</sup> January 2016

### INVESTMENT ANALYST CERTIFICATION

All research is issued under the regulatory oversight of Mirabaud Securities Limited.

Each Investment Analyst of Mirabaud Securities Limited whose name appears as the Author of this Investment Research hereby certifies that the recommendations and opinions expressed in the Investment Research accurately reflect the Investment Analyst's personal, independent and objective views about any and all of the Designated Investments or Relevant Issuers discussed herein that are within such Investment Analyst's coverage universe.

### INVESTMENT RESEARCH DISCLOSURES

The following disclosures relate to this document: 1, 3, 10, 11, 12

1. This is a commissioned or a non-independent research note/comment.
2. In the past 12 months Mirabaud Securities or its affiliates have had corporate Finance mandates or managed or co-managed a public offering of the relevant Issuer's securities or received compensation for Corporate Finance services from the Relevant Issuer, excluding acting as a corporate broker, on a retained basis, for the Relevant Issuer.
3. Mirabaud Securities expect to receive or intend to seek compensation for Corporate Finance services from this company in the next 6 months, excluding acting as a corporate broker, on a retained basis, for the Relevant Issuer.
4. The Investment Analyst or a member of the Investment Analyst's household has a long position in the shares or derivatives of the Relevant Issuer.
5. The Investment Analyst or a member of the Investment Analyst's household has a short position in the shares or derivatives of the Relevant Issuer.
6. At the date of production Mirabaud Securities or its affiliates have a net long position exceeding 0.5% of the issued share capital of the Relevant Issuer.
7. At the date of production Mirabaud Securities or its affiliates have a net short position exceeding 0.5% of the issued share capital of the Relevant Issuer.
8. As of the month end immediately preceding the date of publication of this report, or the prior month end if publication is within 10 days following a month end, Mirabaud Securities and/or its affiliates beneficially owned 5% or more of any class of common equity securities of the Relevant Issuer.
9. A senior executive or director of Mirabaud Securities, or a member of his / her household, is an officer, director, advisor, or board member of the Relevant Issuer and/or one of its subsidiaries.
10. Mirabaud Securities acts as corporate broker, on a retained basis, for the Relevant Issuer.
11. This research note has been seen by the relevant Issuer to review factual content only prior to publication.
12. Factual changes have been made by the relevant Issuer prior to the distribution of this note/comment.

The Investment Analysts who are responsible for the preparation of this Investment Research are employed by Mirabaud Securities Limited a securities broker-dealer. The Investment Analysts who are responsible for the preparation of this Investment Research have received (or will receive) compensation linked to the general profits of Mirabaud Securities Limited.

Copies of the Mirabaud Securities Policy on the Management of Material Interests and Conflicts of Interest in Investment Research can be obtained from the Mirabaud Securities Compliance Department by emailing [compliance@mirabaud-msl.com](mailto:compliance@mirabaud-msl.com)  
For the valuation methodology and investment risks, please contact the primary analyst directly.

---

**ISSUED BY MIRABAUD SECURITIES LIMITED, A LIMITED COMPANY AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.  
A MEMBER OF THE LONDON STOCK EXCHANGE**

© Mirabaud Securities Limited. All rights reserved. Any unauthorised use or distribution is strictly prohibited. This document has been prepared and issued by Mirabaud Securities Limited or its associated companies and has been approved for publication in the United Kingdom by Mirabaud Securities Limited, a limited company authorised and regulated by the Financial Conduct Authority or via its branch in Spain called Mirabaud Securities Limited Sucursal en España under MiFID passporting arrangements and whose conduct of business activities are regulated by the CNMV. Neither the information nor the opinions expressed in this document constitute or intend to be an offer, or a solicitation

## PIRES INVESTMENTS PLC

of an offer, to buy or sell relevant securities (i.e. securities mentioned herein and options, warrants, or rights to or interests in any such securities). The information and opinions contained in this document have been compiled from and based upon generally available information which Mirabaud Securities Limited believes to be reliable but the accuracy or completeness of which cannot be guaranteed. All comments and estimates given are statements of Mirabaud Securities Limited's or an associated company's opinion only and no express or implied representation or warranty is given or to be implied therefrom. All opinions expressed herein are subject to change without notice. This document does not take into account the specific investment objectives, financial status, attitude to risk or any other specific matters relevant to any person who receives this document and should therefore not be used in substitution for the exercise of judgment by such person. Neither Mirabaud Securities Limited nor any associated company accepts any liability whatsoever for any direct or consequential loss arising from the use of its research publications save where such loss arises as a direct result of Mirabaud Securities Limited's or an associated company's negligence. Research publications are issued by Mirabaud Securities Limited or an associated company for private circulation to eligible counterparties, professional clients and professional advisers, ("its clients"), and specifically not to private or retail clients. They may not be reproduced, distributed or published by you for any purpose except with Mirabaud Securities Limited's express written permission. Mirabaud Securities Limited, an associated company, or their employees and officers may have a holding (long or short) in an investment which it knows will be the subject of a published research recommendation to clients. It may also have a consulting relationship with a company being reported on. Mirabaud Securities Limited or an associated company may also act as agent of its clients and may have or have undertaken transactions in investments covered by this document prior to your receipt of it. Additional information on the contents of this report is available on request. Mirabaud Securities Limited and its affiliates (collectively "Mirabaud Group companies" or "Group") may collect and use personal data that they receive by any means. Mirabaud Group companies will only use such data in accordance with the Group Privacy Policy, a copy of which can be found on the [www.mirabaud.com](http://www.mirabaud.com) website or on request by emailing [br.dataprivacy@mirabaud-msl.com](mailto:br.dataprivacy@mirabaud-msl.com).

### IN THE UNITED STATES

Mirabaud Securities Limited is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to major U.S. institutional investors ONLY in reliance on the exemption from registration provided by Rule 15a-6 of the US Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC").

### MAJOR U.S. INSTITUTIONAL INVESTORS

The Information being furnished is for distribution to "Major U.S. Institutional Investors" within the meaning of Rule 15a-6 of the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934.

---

