

# Pires Investments plc

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the contents of this letter or what action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom. If you are not resident in the United Kingdom you should consult another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your ordinary shares of nominal value 0.25 pence each in the capital of Pires Investments plc ("Ordinary Shares"), please forward this letter as soon as possible to the buyer or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was made for onward delivery to the buyer or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this letter and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

This letter should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of that jurisdiction.

**Strictly Private and Confidential**

1 June 2022

*To: shareholders of Pires Investments plc (the "Company" or "Pires") and holders of warrants over Ordinary Shares*

**Announcement by Tern plc ("Tern") and Pires of a firm intention under Rule 2.7 of the City Code on Takeovers and Mergers (the "Code") to make a recommended all share offer to acquire the entire issued and to be issued ordinary share capital of the Company (the "Acquisition")**

On 1 June 2022, the board of directors of Tern and Pires jointly announced that they had reached agreement on the terms of a recommended offer for Pires pursuant to which Tern would acquire the entire issued and to be issued ordinary share capital of Pires (the "Announcement"). Pursuant to the Acquisition, the shareholders of Pires shall receive 0.51613 new ordinary shares of nominal value 0.02 each in the capital of Tern for each Pires Share held.

It is expected that the Acquisition will be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (as amended).

In accordance with Rule 2.11 of the Code, we enclose a copy of the Announcement. This letter is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full. Capitalised terms used but not defined in this letter have the same meaning given to them in the Announcement.

The formal scheme document providing further information about the Acquisition will be sent to you and made available on the Company's website in due course.

A summary of the disclosure requirements under Rule 8 of the Code for all persons with a direct or indirect interest in 1 per cent. or more of the shares of the Company is set out below.

We will make further announcements when appropriate.

## **Pires Warrants**

The Acquisition also has implications for persons who hold warrants in respect of Ordinary Shares ("Pires Warrants") issued pursuant to a warrant instrument constituted by Pires on 30 June 2020. Holders of Pires Warrants will be contacted separately regarding the effect of the Acquisition on their rights under the Pires Warrants and appropriate proposals regarding the exercise of such Pires Warrants.

Registered in England and Wales No 2929801  
Registered office: 9th floor, 107 Cheapside, London EC2V 6DN

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## **Responsibility**

The directors of the Company ("**Directors**") accept responsibility for the information contained in this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information.

## **Addresses may be provided to Tern**

Please be aware that addresses, electronic addresses and other information provided by you for receipt of communications from the Company (e.g. elections to receive communications in a particular form) may be provided to Tern during the offer period as required under Section 4 of Appendix 4 of the Code.

## **Website and administrative matters**

In accordance with Rule 26.1 of the Code, a copy of this letter and the attached Announcement will be available, subject to certain restrictions relating to persons resident in restricted jurisdictions, at [www.Piresinvestments.com](http://www.Piresinvestments.com) by no later than 12.00 noon (London time) on 6 June 2022. The content of the website referred to in this letter is not incorporated into and does not form part of this letter.

If you wish to contact the Company in light of the announcement, please contact me ([nick.lee@piresinvestmentsplc.com](mailto:nick.lee@piresinvestmentsplc.com)) at +44 (0) 20 3368 8961 during normal business hours.

Please note that this situation does not change the Company's day-to-day activities.

Yours sincerely



Nicholas Lee

Director

Pires Investments plc

## **Dealing Disclosure Requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

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