



Final Results

PIRES INVESTMENTS PLC

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

Final Results for the 14 months to 31 December 2020

The Board of Pires Investments plc (AIM: PIRI), the investment company focused on next generation technology, announces its audited results for the 14-month period ended 31 December 2020.

Highlights

- Total investment of c. £1.7 million made in Sure Valley Ventures ("SVV")
- Return of €804,000 achieved from the sale of Artomatix, one of the companies within the SVV portfolio, representing over a 60% return on our initial investment of £1.1 million in SVV.
- New SVV investments made during the period include:
 - Buymie, the artificial intelligence-based same day grocery delivery company
 - Getvisibility, an artificial intelligence data management and security business
 - Volograms, a reality and volumetric video company
- Follow-on investments by SVV in Admix, which has developed a programmatic monetisation platform for gaming and other entertainment developers, and Buymie
- Increase in value of portfolio investments in Buymie and Admix
- Direct investments made:
 - €250,000 in Getvisibility, an artificial intelligence data management and security company
 - £200,010 in Low6, a white labelled mobile sports betting platform for sports teams/franchises
- Initial investment in the digital assets sector leading to a substantial shareholding in Pluto Digital Assets plc
- Placing to raise gross proceeds of £1.06 million from both new and existing investors to support the Company's investments in technology plus the exercise of warrants at 4 pence per share which raised £109,010 during the period
- Cash at period end was in excess of £1 million
 - Increase in share price
 - over the period of almost 140%
 - from start of the period to 26 April 2021 of almost 400%
- The Company's market value on 26 April 2021 was £19.6 million

Review of activities

We are pleased to provide the results for the 14-month period to 31 December 2020. This period has been transformational for the Company.

Sure Valley Ventures

In November 2019, the Company invested £1.1 million to acquire a 13% interest in Sure Valley Ventures ("SVV"), a venture capital fund focused on investing in the software technology sector with a specific focus on Artificial Intelligence ("AI"), Security, the Internet of Things ("IoT") and Immersive Technologies. SVV currently has a portfolio of 13 investee companies at different stages of development spanning these sectors. The details of the portfolio companies are set out below:

Artificial Intelligence	
Buymie	An artificial intelligence-based same day grocery delivery company.
Security	
Getvisibility	An artificial intelligence security company addressing the substantial problem faced by corporations in storing, sorting, accessing and protecting data.
Nova Leah	An artificial intelligence cyber-security assessment and protection platform for connected medical devices.
Precog	A security solution platform company that provides data intelligence to combat crime, terrorism and protect vulnerable people.
Internet of Things	
Wia	Provision of a platform solution for smart buildings, helping people get back to work post COVID-19.
CameraMatics	Platform enabling transport fleet managers to reduce risk, increase driver safety and comply with growing industry governance and compliance.
Ambisense	Provides sensors and an analysis platform to allow real-time gas and environmental monitoring.
Immersive Technologies	
VR Education	A virtual reality company which has transformed how training and education are delivered and consumed globally.
Admix	A platform enabling the monetisation of interactive programmatic brand placements in, for example, video games.
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 technology software company which has developed a framework for real-time 3D holographic displays for use in heads-up displays and AR headsets and glasses.
Volograms	A reality capture and volumetric video company.
Vertex	A platform for the next-generation of live, immersive entertainment within the virtual reality ("VR") gaming and e-sports industries.

This portfolio provides Pires with exposure to key, cutting-edge and rapidly growing technology sectors.

The investment in SVV has already proved to be successful for Pires with a realisation and a cash distribution being achieved soon after the investment, as a result of the sale of one of the portfolio companies, Artomatix. Artomatix was sold at a valuation c. 500% of the price of the original investment in the company. Following the progress made by VR Education Holdings plc, which is listed on AIM, SVV also realised the value of its original investment through the partial disposal of its holding. This is the second cash realisation to be made from the Company's investment in SVV.

During the period, SVV has made new investments in:

- Getvisibility, an artificial intelligence security company addressing the substantial and increasing problem faced by corporations in storing, sorting, accessing and protecting data;
- Buymie, an artificial intelligence-based same day grocery delivery company; and
- Volograms, a company whose technology enables consumers to create their own immersive AR and VR content for use in apps, social media and VR headsets with a particular application in the mobile VR market which is expected to grow significantly.

Additionally, a number of the portfolio companies have increased in value during the period. This revaluation is principally based on subsequent funding rounds which have taken place at higher valuations than at the time of the initial investment. In particular, the valuation of Buymie has increased by c. 200% since the original investment in April 2020, as part of a second round of investment of €5.8 million into this company in June 2020, in which SVV also participated. Admix also raised US\$6.1 million at a valuation representing 450% of the company's valuation at the time of SVV's initial investment.

Direct investments

During the period, Pires also made a direct investment of €250,000 in Getvisibility, an artificial intelligence security company addressing the substantial and increasing problem faced by corporations in storing, sorting, accessing and protecting data. The Company also invested £200,010 in Low6 which provides a white-labelled mobile platform to sports teams/franchises that enable them to offer a pooled sports betting experience to users of their fan-based apps. This company is on track to IPO in 2021.

Digital assets

The Company started to execute its strategy of investing into the digital assets sector, including Web 3.0 and decentralised technology, with a focus on platform services and digital infrastructure opportunities. The Company's investment into DeTech Studio Limited also provided exposure to YOP tokens whilst mitigating cryptocurrency market volatility. Subsequently this investment has been used to subscribe for shares in Pluto Digital Assets plc, a technology services and platform company that invests in, incubates and advises digital asset projects based on decentralised technologies. The Company's strategy will continue to seek exposure to this sector where there is real market application and strong potential for adoption whilst, at the same time, mitigating the volatility of direct cryptocurrency exposure.

Financial

For the 14-month period under review, the Company reported a loss before taxation of £687,000 (for the year ended 31 October 2019: profit before taxation of £866,000). The loss for the Company includes unrealised gains/losses in the portfolio of quoted equity investments which are marked to market, plus any return from and adjustment to the carrying value of the unlisted investments, which now comprise the much greater part of the investment portfolio. During the previous period, the Company recognised a significant unrealised gain on its holding in Eco (Atlantic Oil & Gas Limited ("Eco")). The Company's current residual holding in Eco, which has now been substantially disposed of, reduced in value thereby generating a book loss. However, overall, Eco has been a successful investment for the Company, generating net cash proceeds of £1.57 million and realising a profit of almost £1 million during the period of ownership. Meanwhile, gains during this period were made from the Company's technology investments, principally driven by the sale of Artomatix.

Net assets as at the end of the period amounted to £2,926,000 (31 October 2019: £2,565,000). Whilst the Company's net assets have increased by 14% over the period, we do not believe that absolute net asset value fairly represents the Company's financial potential, given the scope for significant valuation uplift of the companies within the portfolio. This is clearly demonstrated by the gains, both realised and unrealised, that have been achieved to date from the investment portfolio. Furthermore, it is worth reiterating that realisations that are achieved within the SVV portfolio result in cash distributions to the Company and are not retained within the fund. In addition, the net asset value figures do not take into account the significant unrealised gains made on the investment in the digital assets sector, the investment in Sure Ventures plc and the further exercise of warrants all of which took place after the period end.

During the period, the Company undertook a placing to raise gross proceeds of £1.06 million from both existing and new investors. As part of the fund raising warrants over 53,000,000 new ordinary shares were issued at an exercise price of 4 pence, a 100% premium to the placing price of 2 pence. As at the period end, warrants over 2,725,018 ordinary shares had been exercised, raising £109,010 gross proceeds for the Company during the period.

With regards to COVID-19, the Company has been fortunate in its ability to be trading as normal. Furthermore, the Board believes that the investments the Company has made are well positioned against this backdrop.

Post the period end

Since the period end, the Company has been active and has continued to make progress. The Company's investment in the digital assets sector now comprises a holding in Pluto Digital Assets plc ("Pluto"). Pluto is a crypto venture capital and technology company that connects Web 3.0 decentralised technologies to the global economy. Pluto invests in, incubates and advises digital asset projects based on decentralised technologies, decentralised finance and networks, such as Ethereum and Polkadot. Pluto also supports the operation of proof-of-stake networks by staking and operating validator nodes.

The Company's equity holding in Pluto is valued at almost £2 million based on Pluto's most recent fundraising, which represents a significant uplift on the Company's initial investment and which is not reflected in the figures for the period under review. In recent months Pluto has raised a substantial amount of new capital and is also in the process of preparing for a stock market listing.

The Company has also significantly increased its effective interest in SVV from 13% to c. 20% through the purchase of a 28% shareholding in Sure Ventures plc, the principal asset of which is a 25.9% holding in SVV. This investment amounted to £1.95 million with the consideration comprising the issue of new Pires shares.

The Company has also increased its investment in Low6 and has made a new investment of £250,000 in Polience Limited ("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.

SVV has also made a new investment in Vertex, a company building a platform for the next-generation of live, immersive entertainment within the virtual reality ("VR") gaming and e-sports industries and Precog. Furthermore, CameraMatics has also 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.

Since 1 January 2021, the holders of warrants over 13,003,579 ordinary shares in the Company have exercised their warrants at 4 pence per share with total net proceeds to the Company of £520,143.

There are currently unexercised warrants over 37,271,403 new ordinary shares in the Company.

The total ordinary shares capital of the Company as at the date of this notification is 149,592,206.

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.

Outlook

As stated at the beginning of the statement, this period has been transformational for Pires. Our investment strategy is focused on next generation technology businesses with significant potential for accelerated growth across sectors such as AI, Security, IoT and Immersive Technologies, as well as the digital assets sector. We remain encouraged by the progress made to date by our investments and the outlook for the respective sectors in which they operate.

In summary, we believe that the Company's investments in the technology sector have already proven to have been successful, with a substantial amount of our original investment in SVV already having been returned to the Company. Going forward, the Company is very well positioned to become a leading next generation technology investment company with an exciting portfolio of technology companies that have the potential for significant growth and the ability to deliver real returns for shareholders.

Peter Redmond
Chairman
27 April 2021

STATEMENT OF COMPREHENSIVE INCOME

	14 month period ended 31 December 2020	Year ended 31 October 2019
	£000's	£000's
CONTINUING ACTIVITIES		
Income		
Other Income	1	1
Total Income	1	1
(Loss)/gain on investments held at fair value through profit or loss	(149)	1,152
Operating expenses	(539)	(287)
Operating (loss)/profit from continuing activities	(687)	866
(Loss) / profit before taxation from continuing activities	(687)	866
Tax	-	-
(Loss)/ profit for the year from continuing activities	(687)	866
Other Comprehensive Income	-	-
Total Comprehensive Income attributable to equity holders of the Company	(687)	866

Basic (loss) / profit per share

Equity holders		
Basic and diluted	(0.64p)	1.64p

STATEMENT OF CHANGES IN EQUITY

	Share Capital £000's	Share Premium £000's	Capital Reserve £000's	Retained Earnings £000's	Total £000's
Balance at 1 November 2018	11,915	3,581	165	(14,711)	950
Profit and total comprehensive profit for the year	-	-	-	866	866
Issue of shares (net of costs)	81	668	-	-	749
As at 31 October 2019	11,996	4,249	165	(13,845)	2,565
Loss and total comprehensive loss for the period	-	-	-	(687)	(687)
Issue of shares (net of costs)	139	909	-	-	1,048
As at 31 December 2020	12,135	5,158	165	(14,532)	2,926

STATEMENT OF FINANCIAL POSITION

	31 December 2020	31 October 2019
	£000's	£000's
Current assets		
Investments	2,029	1,165
Trade and other receivables	15	11
Cash and cash equivalents	1,019	1,427
Total current assets	3,063	2,604
Total assets	3,063	2,604
Equity		
Issued share capital	12,135	11,996
Share premium	5,158	4,249
Retained earnings	(14,532)	(13,845)
Capital redemption reserve	165	165
Total equity	2,926	2,926
Liabilities		
Current liabilities		
Trade and other payables	137	39
Total liabilities and current liabilities	137	39
Total equity and liabilities	3,063	2,604

EARNINGS PER SHARE

	2020	2019
	£000's	£000's
Profit attributable to the owners of the Company		
Continuing Operations	(687)	866
Weighted average number of shares for calculating basic profit per share	107,298,817	52,900,940
	2020	2019
	Pence	Pence
Basic and diluted profit per share		
Continuing Operations - basic and diluted	(0.64)	1.64

Copies of the accounts will shortly be posted to shareholders and will be available on the Company's website at www.piresinvestments.com

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.

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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 ("AI"), Internet of Things ("IoT"), 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/>.

Caution regarding forward looking statements

Certain statements in this announcement, could, or should be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "are", "may", "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.