

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

**Proposed amendment to investing policy and
proposed investment**

Proposed amendment to investing policy

Pires, an investing company pursuant to the AIM Rules, announces that it is to seek shareholder approval for an amendment to its investing policy. The Company's existing investing policy is principally focused on opportunities in the resources and energy sectors. Building on the Company's successful investments to date in these sectors, the Board believes that it is in the best interests of shareholders to extend the Company's investing policy to include the technology sector, as it believes that this is an attractive sector for future investment. The Directors therefore intend to seek shareholder approval for this amendment at the Company's forthcoming annual general meeting ("AGM").

In addition to the proposed investment outlined below, the Company will also seek to make both early and later stage technology investments in the future should its amended investing policy be approved by shareholders.

Proposed investment

Pursuant to the proposed amendment of its investing policy, the Company has identified an initial investment in the technology sector. It has agreed, in principle, to invest an initial £1.1 million into Sure Valley Ventures ("SVV"), a venture capital fund focused on investing in the software technology sector. SVV currently has a portfolio of ten investee companies at different stages of development with specific focus on augmented and virtual reality ("AR/VR"), artificial intelligence ("AI") and the internet of things ("IoT").

The investment in SVV is conditional on approval of the amendment of the Company's investing policy at the forthcoming AGM which is expected to be held during October 2019.

On the basis that the investment takes place, the Company will invest up to a further £2.1 million into SVV over the life of the fund thereby resulting in an overall investment of up to £3.2 million, subject to, *inter alia*, regulatory conditions. Further details will be included in the notice of AGM to be sent to shareholders in the coming weeks.

The Directors believe that the proposed investment is an attractive and effective way to develop a core holding of investments in the technology sector and allow the Company to access the expertise of the SVV management team to assist with further investments in this sector. In particular:

- the Company will be able to access an established portfolio of investments that have progressed beyond the initial investment stage, some of which have already established a market position and are generating revenue.

- the initial investment to be made by Pires effectively puts the Company in a similar position as if it had invested at the inception of the fund alongside the other investors. Pires will therefore have an interest in 13% of the underlying portfolio at valuations equivalent to that at which the SVV investments were originally made. The NAV of the fund as at 30 June 2019 was €8.3 million
- VR Education Holdings plc (a leading virtual reality education platform) is already listed on AIM with a market valuation of £12.6 million. Admix operates in a similar sector to Bidstack plc, a company already listed on AIM. Furthermore, an approach has been received for one of the other portfolio companies, valuing it at a multiple of the valuation at the time of the initial investment.

SVV Fund

SVV, an Alternative Investment Fund (“AIF”) is a sub-fund of Suir Valley Funds ICAV, an Irish Collective Asset Management Vehicle registered in Ireland. The Alternative Investment Fund Manager (“AIFM”) of SVV is Shard Capital AIFM LLP.

SVV invests in a broad range of software companies but retains a focus on companies in the AR/VR, AI and IoT sectors. The AIFM will seek to identify and progress towards exit opportunities from the time of the SVV's first investment in a portfolio company.

Whilst the fund has a life to March 2027, the proceeds realised by SVV through any realisations of its investments will be distributed to investors at the time of the realisation (as is common with funds of this nature) and therefore the return on this investment is expected to be received throughout the life of SVV.

Currently €23.5 million (excluding the proposed investment by Pires) has been committed to be invested in SVV, with circa €8.4 million invested in the fund to date. Other investors in SVV include a governmental institution, financial institutions and family offices.

SVV Portfolio

The SVV portfolio currently comprises:

Company	Description
	Fully programmatic monetization platform for 3D spatial developers (e.g. console, PC and mobile game developers) https://admix.in/
	AI and IoT platform for real-time environmental monitoring and protection (e.g. Greenhouse Gas) through AI prediction https://ambisense.net/

 ARTOMATIX	<p>AI platform that automates 3D content creation for AR/VR, video games, movies and VFX, cutting the costs of production for key processes by up to 80%. https://artomatix.com/</p>
	<p>Provider of IoT cameramatics for commercial fleets https://www.provisioncameramics.com/</p>
	<p>EU accelerator providing propriety deal flow https://www.ndrc.ie/</p>
	<p>Cyber security assessment and protection platform for IoT medical devices https://www.novaleah.com/</p>
	<p>Software platform for real-time holographic 3D display for AR https://www.vivid-q.com/</p>
	<p>A virtual reality education platform https://immersivevreducation.com/</p>
	<p>IoT developer platform with 55,000+ developers https://www.wia.io/</p>
	<p>AR games studio with multiple hit titles https://www.warducks.com/</p>

More detail on SVV can be found on its website <https://surevalleyventures.com>.

Additional board appointment

On the basis that the proposed investment takes place and, subject to the approval of the Company's Nomad, the Company intends to appoint Cian Hughes to the board. Cian is a venture partner in SVV and has extensive experience in the technology sector. Cian has worked for a number of major technology companies including Lotus Inc (now part of IBM), Intel Corporation and Palm Inc. Cian also has significant experience in the fields of venture capital, accelerators, software solutions and mobile platforms. Going forward, Cian will provide the

relevant expertise to enable the Company to develop its investment portfolio within the technology sector.

Peter Redmond, Chairman said:

"I am very pleased that we are able to potentially access an investment in SVV which we believe has significant potential to create value for shareholders. Building on our recent successful investment performance, this will enable us to diversify our investment risk while taking it into a sector which we believe currently has potential for significant developments and sizeable gains. Going forward, while subject to approval of the amendment to the Company's existing investing policy at the forthcoming AGM, we are excited to be working with the SVV team with their proven record and expertise in cutting edge technologies and to seek further such investments in the future."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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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.