



Pires Investments PLC - PIRI Placing, Conditional Placing and Warrants & RPT
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Pires Investments PLC
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Pires Investments plc
("Pires" or the "Company")

Placing and conditional placing to raise £1,060,000

Conditional grant of 53,000,000 Placing Warrants

Related party transaction

Pires announces that it has placed 53,000,000 new ordinary shares to raise gross proceeds of £1,060,000. 22,714,286 new ordinary shares in the Company (the "Placing Shares") have been placed at a price of 2.0 pence per share (the "Placing Price"), representing a 14.9% discount to the closing mid-market price on 23 April 2020, raising gross proceeds of £454,286 (the "Placing").

Furthermore, conditional on shareholder authorities being granted at the shortly to be convened Annual General Meeting, the Company has placed a further 30,285,714 new ordinary shares in the Company (the "Conditional Placing Shares") at the Placing Price, raising additional gross proceeds of £605,714 (the "Conditional Placing").

Placees will also conditionally receive one warrant for each ordinary share subscribed for, exercisable at 4 pence for a period of two years from their date of issue (the "Placing Warrants") and expiring on the two-year anniversary of the date of issue. In aggregate, 53,000,000 Placing Warrants have been conditionally issued. The issue of the Placing Warrants is conditional on shareholder authorities being granted at the shortly to be convened Annual General Meeting.

Funds have been raised from both existing shareholders and new investors. Mr. Chris Akers, a new investor in the Company, has subscribed for 17,500,000 Placing Shares and Conditional Placing Shares, representing 14.7% of the Company's enlarged issued share capital (assuming that all three tranches of the Placing complete in accordance with its terms).

The Placing Shares and the Conditional Placing Shares will be issued in three tranches further details of which are set out in the table below:-

	Number of Shares	Expected date Placing Shares and Conditional Placing Shares will be admitted to trading on AIM
Tranche 1 - Placing	7,571,429	15 May 2020
Tranche 2 - Placing	15,142,857	1 June 2020
Tranche 3 - Conditional Placing	30,285,714	30 June 2020
Total	53,000,000	

The Placing Shares and the Conditional Placing Shares will rank *pari passu* with the existing ordinary shares.

Background to the Placing

In 2019, the Company extended its investing policy to focus on the technology sector and has since invested in Sure Valley Ventures ("SVV"), a venture capital fund focused on investing in the software sector with a specific focus on the augmented/virtual reality, artificial intelligence and IoT sectors. Since making the investment in SVV, the Company has already achieved a return of €803,274, of which €721,274 has already been received in cash by the Company from the sale of one of SVV's portfolio companies, Artomatix. The sale price of Artomatix represents around 500% of the company's valuation at the time SVV made its initial investment. Pires has a 13% interest in SVV.

On 10 March 2020, the Company announced that it had invested €250,000 in Getvisibility, an artificial intelligence security company, addressing problems corporations face in storing, sorting, accessing and protecting data which is today even more important given the recent increase in cybercrime associated with the Covid-19 crisis.

The Company is now seeing an increased volume of new opportunities and therefore the Board believes that it is important to have additional funds available to take advantage of these investment opportunities as they arise.

Related party transactions

RGO has an existing interest over 16,149,993 ordinary shares in the Company, representing 24.3% of the Company's issued share capital and, as such, is a substantial shareholder as defined in the AIM Rules for Companies ("AIM Rules"). Accordingly, the transaction between the Company and RGO is a related party transaction ("Transaction") pursuant to Rule 13 of the AIM Rules. Nicholas Lee, a director of the Company, is also the Investment Director of RGO and, accordingly, has not been involved in the approval of the Placing by the Company's board. RGO has agreed to subscribe for 10,750,000 new ordinary shares in the Placing, bringing its aggregate holding to 26,899,993 or 22.5% of the Company's issued share capital as enlarged by the Placing.

The directors of the Company independent of the Transaction, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP, consider the terms of the Transaction to be fair and reasonable insofar as the Company's shareholders are concerned.

Total voting rights

In conformity with DTR 5.6.1, the Company notifies that as at the date of this announcement, it has a single class of shares in issue being Ordinary Shares and the total number of Ordinary Shares in issue is currently 66,672,465. There are no Ordinary Shares held in treasury. Each Ordinary Share entitles the holder to a single vote at general meetings of the Company. This figure will increase to 119,472,465 Ordinary Shares once the proposed placing is completed. Further announcements will be made in due course as and when the Placing Shares are issued.

Peter Redmond, Chairman of Pires, commented:

"We are pleased that we have been able to raise new funding to implement our strategy and we welcome Chris Akers as a new shareholder with his proven track record of investing in the technology sector. We believe this is a very exciting time for the Company and I look forward to updating the market on subsequent developments."

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

The person who arranged for the release of this information is Nicholas Lee, a director of the Company.

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