

# TERN PLC

## SOFTWARE AND COMPUTER SERVICES

13 November 2020

### TERN.L

9.0p

Market Cap: £27.1m

#### SHARE PRICE (p)



12m high/low 13.8p/3.8p

Source: LSE Data

#### KEY DATA

Net (Debt)/Cash	£0.8m (at 30/06/20)
Enterprise value	£26.3m
Index/market	AIM
Next news	Finals, May 2021
Shares in Issue (m)	301.0 (pre this raise)
Chairman	Ian Ritchie
Chief Executive	Albert E Sisto
Finance Director	Sarah Payne

#### COMPANY DESCRIPTION

Tern predominantly invests in software companies, with proven technology, based in the UK but with global ambition.

[www.ternplc.com](http://www.ternplc.com)

TERN PLC IS A RESEARCH CLIENT OF PROGRESSIVE

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## Fundraising to provide investment headroom

### £1.7m subscription and £0.5m retail offer completed

Tern has announced a two-part fundraising, with a total of £2.2m raised from institutional and retail investors. Institutions have subscribed for 22.7m new shares at 7.5p per share, a 14.3% discount to the 8.75p prior closing price of 11 November, raising total gross proceeds of £1.7m. In conjunction with this placing, a retail offer was conducted via the PrimaryBid platform. The retail offer was oversubscribed, with subscriptions received for a further 6.7m new shares, also at 7.5p per share, raising an additional £0.5m. The £2.2m funds raised are intended to be used to facilitate new investment to expand Tern's portfolio, and also to enable prospective follow-on investments in existing portfolio companies.

- Focused on growth** – Tern signalled its refocus on the pursuit of growth opportunities in July 2020, reporting a strong new investment pipeline and raising £1.5m. Subsequently, with Tern's interim results in September, CEO Al Sisto reported strong third-party interest in Tern's portfolio companies and indicated that, as well as new investment, he anticipated at least one further syndicated investment event before the end of Q1 2021.
- New investment in Talking Medicines** – Following its £0.86m investment in digital health data company Talking Medicines, announced last week, this fundraising provides Tern with additional firepower for further new investments and also strengthen its negotiating position in respect of any follow-on investment opportunities in its existing portfolio companies.
- Prospect of further investment opportunities** – As outlined in Tern's portfolio update earlier this week, the COVID-19 pandemic has helped produce an opportunity rich environment in the Internet of Things (IoT) segment. Tern's CEO Al Sisto characterises 2020 as a year of significant opportunity for investee companies and future potential investments.

We view this fundraising as a positive development, reflecting the growing investment opportunities that Tern is identifying, both within its existing portfolio and in the wider IoT segment. Consequently, we would expect further news flow on potential new investments and follow-on funding rounds for portfolio companies to follow in due course.

#### INVESTEE COMPANIES



DEVICE  
AUTHORITY

FUNDAMENTALVR



Wyld Networks



Talking Medicines



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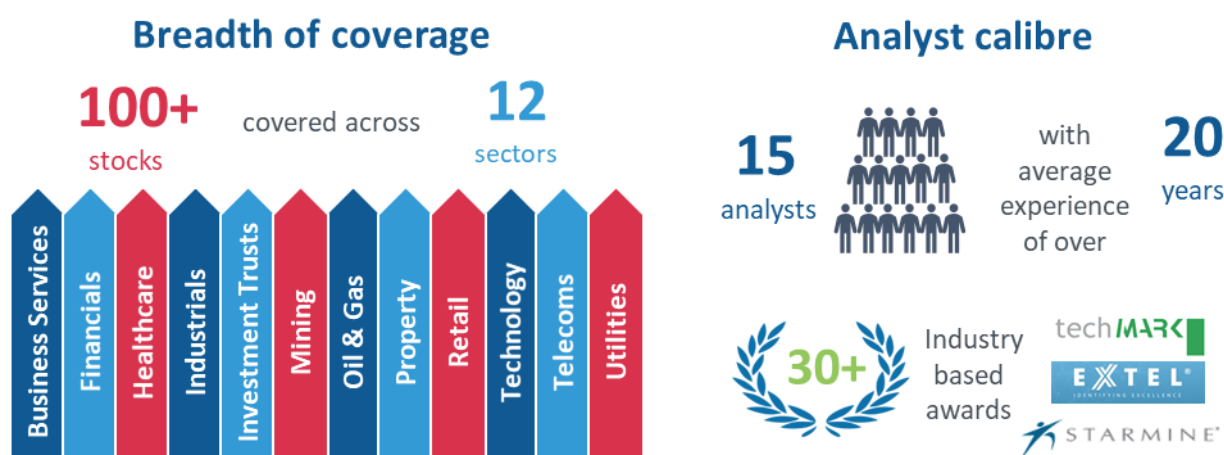
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